

Revision

INSTRUCTIONS: INSERT CORRECT ANSWER ON THE LINE PROVIDED

1. The study of business basic equip students to become all of the following EXCEPT.

 - a. entrepreneurs
 - b. managers
 - c. employers
 - d. employees
2. In a partnership, the business agreement between partners is called a partnership

 - a. deed
 - b. deal
 - c. document
 - d. draw
3. A sole trader knows when he admits another partner he will have to:

 - a. share profits
 - b. share employees
 - c. share customers
 - d. share suppliers
4. A business that is owned by a maximum of twenty persons is known as a

 - a. small business
 - b. partnership
 - c. company
 - d. sole trader
5. Which of the following is a disadvantage of a sole proprietorship?

 - a. Owner bears all risk
 - b. Decisions are made quickly
 - c. Close relationship with customers
 - d. Few legal requirements.
6. A sole trader differs from a partnership due to the number of

 - a. owners
 - b. suppliers
 - c. employees
 - d. customers
7. A partnership is a business that is operated by a minimum of

 - a. one person
 - b. two persons
 - c. twenty persons
 - d. three persons
8. Capital refers to the money contributed to the business by the

 - a. customers
 - b. government
 - c. owners
 - d. suppliers

9. Due to a business failure the owner is forced to repay money from his personal belongings, this risk is called

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- a. unlimited liability
 - b. unlimited access
 - c. limited liability
 - d. liability

10. The role of the dormant partner is to

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- a. meet with clients
 - b. make managerial decisions
 - c. hand over the deed to shareholders
 - d. finance the business