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

   ____

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

10. The role of the dormant partner is to

    ____

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