

1. Business and its environment

Starter Quiz · 课前小测

A-Level Business

Name: _____ Score: _____

1. Enterprise is best described as:

- ☐ the willingness to take risks and combine resources to produce
- ☐ the money invested in a business
- ☐ the machinery a firm owns
- ☐ the number of employees

2. A key purpose of a business plan is to:

- ☐ help raise finance from banks or investors
- ☐ guarantee the business will succeed
- ☐ avoid paying any tax
- ☐ remove all risk

3. Limited liability means shareholders:

- ☐ can lose only the amount they invested
- ☐ are liable for all the company's debts
- ☐ cannot make a profit
- ☐ own no shares

4. Which are ways to measure the size of a business? (Select all that apply.)

- ☐ number of employees
- ☐ revenue (turnover)
- ☐ capital employed
- ☐ the founder's age

Tick every correct option.

5. Economies of scale occur when, as output rises:

- ☐ average cost per unit falls
- ☐ total cost falls
- ☐ revenue falls
- ☐ average cost rises

6. The most likely main objective of a brand-new business is:

- ☐ survival

- ☐ profit maximisation
- ☐ global dominance
- ☐ paying dividends

7. A firm buys materials for 25 and sells the finished good for 70. What is the value added?

8. Which are sources of economies of scale? (Select all that apply.)

- ☐ bulk-buying discounts (purchasing)
- ☐ cheaper borrowing (financial)
- ☐ specialist managers (managerial)
- ☐ poor communication

Tick every correct option.

9. Which words does SMART stand for? (Select all that apply.)

- ☐ Specific
- ☐ Measurable
- ☐ Time-bound
- ☐ Secret

Tick every correct option.

10. Which can increase value added? (Select all that apply.)

- ☐ strong branding
- ☐ better design and quality
- ☐ lower input costs
- ☐ paying more for materials

Tick every correct option.

A-Level Business**1. the willingness to take risks and combine resources to produce**

Enterprise is the risk-taking, organising factor — the entrepreneur.

2. help raise finance from banks or investors

Lenders and investors expect a plan; it also clarifies the idea.

3. can lose only the amount they invested

Their loss is capped at their investment.

4. number of employees; revenue (turnover); capital employed

Employees, revenue and capital employed are standard size measures.

5. average cost per unit falls

Average (per-unit) cost falls with greater scale.

6. survival

New firms prioritise survival before profit or growth.

7. 45

Value added = $70 - 25 = 45$.

8. bulk-buying discounts (purchasing); cheaper borrowing (financial); specialist managers (managerial)

Poor communication is a diseconomy, not an economy.

9. Specific; Measurable; Time-bound

SMART = Specific, Measurable, Achievable, Realistic, Time-bound.

10. strong branding; better design and quality; lower input costs

Branding, quality and lower input costs all widen value added.