GAC Business   Name: ________________   Score: ______

1. A sole trader's business fails owing money. What can creditors reach?
   - ☐ Only the business assets
   - ☐ Personal assets too, because liability is unlimited
   - ☐ Nothing
   - ☐ Only the initial investment
2. A bakery buys a delivery bicycle instead of a second oven. What is the opportunity cost?
   - ☐ The price of the bicycle
   - ☐ The second oven it gave up
   - ☐ All business costs
   - ☐ The bakery building
3. Which is an internal change?
   - ☐ A new competitor opens
   - ☐ The government changes a law
   - ☐ An experienced manager resigns
   - ☐ Interest rates rise
4. Which is a measurable objective?
   - ☐ Become better
   - ☐ Make customers happy
   - ☐ Cut average waiting time to six minutes by June
5. What must a manager still hold after delegating a task?
   - ☐ No responsibility at all
   - ☐ Accountability for the final result
   - ☐ Every small decision
6. Demand means that consumers are both willing and able to buy at a stated price.

   ☐ True   ☐ False
7. Any new idea is automatically useful innovation.

   ☐ True   ☐ False

8. A profitable sale always means the firm has cash today.

☐ True ☐ False

9. Which details make an instruction usable? Choose all that apply.

☐ The desired outcome

☐ A deadline

☐ Resources available

☐ A vague promise to do well

Tick every correct option.

10. A trade union's role is to represent workers' interests.

☐ True ☐ False

GAC Business

1. **Personal assets too, because liability is unlimited**

   This is the most consequential difference between business forms, and why limited companies exist.

2. **The second oven it gave up**

   Opportunity cost is the next best alternative, not every cost or the money paid.

3. **An experienced manager resigns**

   The manager belongs to the business; the other events begin outside it.

4. **Cut average waiting time to six minutes by June**

   It has a measure and a deadline, so the firm can review it.

5. **Accountability for the final result**

   Authority can be shared, but accountability stays with the manager.

6. **True**

   Wanting an item without being able to pay for it is not demand in this model.

7. **False**

   Innovation must solve a real problem for the firm or its customers.

8. **False**

   Payment can arrive later, so profit and cash are not the same.

9. **The desired outcome; A deadline; Resources available**

   A vague promise gives the worker no practical way to act.

10. **True**

    Representation can involve negotiation or cooperation as well as disagreement.