

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.