ENGLAND GCSE BUSINESS AQA · FINAL EXAM · 50 QUESTIONS

Final Exam — Practice Test

This practice test was made by AI and there may be mistakes. If a question or answer looks wrong, use the Flag a mistake button to let Brett know so he can fix it.

1 **Why do some businesses locate abroad?**

- A To avoid all laws
- B To make products more slowly, in certain situations
- C To be near new customers or cut costs
- D To pay higher wages

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2 **A business office has revenue of £25,000 and total costs of £18,000. Its profit is**

- A £43,000
- B £7,000
- C £70,000
- D £7,500

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3 **A shop has revenue of £21,000 and total costs of £14,000. Its profit is**

- A £70,000
- B £7,500
- C £35,000
- D £7,000

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4 **A bakery borrows £8,000 from a bank at 10% interest a year. The interest paid in one year is**

- A £8,800
- B £800
- C £8,000
- D £850

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5 **What does SMART stand for?**

- A Specific, Measurable, Ambitious, Rich, Timely
- B Strong, Marketable, Achievable, Realistic, Timed
- C Specific, Measurable, Achievable, Realistic, Time-bound
- D Sensible, Manageable, Affordable, Reasonable, Tested over a long period of time

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6 **A delivery van business has revenue of £22,000 and total costs of £16,000. Its profit is**

- A £6,500
- B £38,000
- C £60,000
- D £6,000

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7 **Sales at a bakery rose from 120 to 150 units. The percentage increase is**

- A 50%
- B 250%
- C 25%
- D 30%

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8 **A market stall has revenue of £23,000 and total costs of £16,000. Its profit is**

- A £39,000
- B £7,000
- C £7,500
- D £70,000

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9 **What is a surplus?**

A Money spent on advertising, in certain situations

B Money paid to shareholders

C Money borrowed from a bank

D Money left over after costs are paid

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10 **Why might a business use digital communication with workers?**

A It is fast and cheap

B Managers never need to meet workers

C Workers prefer letters

D It always avoids mistakes

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11 **What is induction training?**

- A Training given when a worker first joins a business
- B Training given before a worker leaves, in certain situations
- C Training given to managers only
- D Training given once a year

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12 **What is market segmentation?**

- A Dividing a market into groups of similar customers
- B Dividing a business into departments, in certain situations
- C Selling to everyone the same way
- D Selling products in different shops

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13 **What is the main purpose of most businesses?**

A To help charities

B To make a profit

C To give away all of its goods and services to customers for free

D To employ people

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14 **What is business risk?**

A A guarantee of profit, which depends on the business and the situation

B A loan from a bank

C A new product launch

D The chance that something goes wrong and harms the business

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15

Why do businesses offer guarantees?

A To raise prices

B To give customers confidence to buy

C To avoid all complaints, in certain situations

D To employ more workers

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16

What is penetration pricing?

A Charging a high price at launch, in certain situations

B Charging what rivals charge

C Adding a mark-up to costs

D Charging a low price to enter a market

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17 **Which objective would help a business survive a recession?**

- A Build up cash reserves
- B Open many new shops at once
- C Spend all cash on advertising
- D Borrow as much as possible

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18 **What is an import?**

- A A service provided locally
- B A good or service bought from another country
- C A good sold to another country, in certain situations
- D A product made at home

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19 **What is span of control?**

A The number of levels in a structure

B The number of managers in a business

C The number of workers a manager is responsible for

D The number of products a business sells, in certain situations

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20 **What is buying behaviour?**

A How businesses set prices, in certain situations

B How products are made

C How and why customers choose products

D How workers are paid

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21 **What is innovation?**

A Copying a rival's product

B Selling the same product as before, which a business might do

C Coming up with a new idea or a better way of doing something

D Buying a business from its owner

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22 **Why might a business change its prices when costs rise?**

A To protect its profit margin

B To cut its profit

C To pay workers less, in certain situations

D To lose customers

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23 **What is a cost of training?**

- **A** Workers always leave afterwards, in certain situations
- **B** Training never improves skills
- **C** Time and money spent while workers are not producing
- **D** Managers lose their jobs

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24 **A business has revenue of £40,000 and total costs of £8,000. Its profit is**

- **A** £32,500
- **B** £320,000
- **C** £32,000
- **D** £48,000

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25

What is a marketing economy of scale?

A Spreading advertising costs over more products sold

B Paying more for each advert

C Hiring more sales staff

D Advertising only in one town, which a business might do

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26

Why does the law affect businesses?

A To make products more expensive

B To protect workers, consumers and the environment

C To help businesses make more profit, in certain situations

D To stop all competition

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27 **What happens if customer service is poor?**

A The business saves money, in certain situations

B Customers always return

C Customers may leave and tell others not to buy

D Sales always rise

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28 **What is a sales promotion?**

A A short-term offer such as buy one get one free

B A newspaper article, which happens in some businesses

C A sponsorship deal

D A television advert

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29

Why do banks ask to see a business plan?

A To decide what products to sell

B To choose where the business should be located

C To set the price of the products

D To judge whether the business can repay a loan

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30

What is m-commerce?

A Buying and selling using a mobile phone

B Advertising on the radio

C Selling goods in a market

D Paying by cheque in a shop, in certain situations

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31 **A shop has revenue of £11,000 and total costs of £7,000. Its profit is**

A £40,000

B £4,500

C £4,000

D £18,000

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32 **A smartphone shop has revenue of £27,000 and total costs of £20,000. Its profit is**

A £7,500

B £47,000

C £7,000

D £70,000

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33 **Total costs are £30,000 for 500 units. Average unit cost is**

A £600

B £60

C £30,000

D £500

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34 **Why might a business keep cash reserves?**

A To lend to rivals

B To cope with unexpected costs

C To avoid paying tax

D To pay higher dividends, in certain situations

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35 **What is a non-financial method of motivation?**

A Higher pay

B A bonus

C Profit sharing, in certain situations

D Job enrichment or praise

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36 **Net profit is £2,000 and revenue is £20,000. Net profit margin is**

A 90%

B 15%

C 20%

D 10%

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37 **Why might a business aim to increase market share?**

- **A** To pay less tax
- **B** To become stronger against rivals
- **C** To reduce its sales
- **D** To employ fewer workers, in certain situations

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38 **What is a competitive advantage?**

- **A** A law that bans rivals
- **B** A product nobody wants
- **C** Something that makes customers choose one business over rivals
- **D** A shop with no customers, which depends on the business and the situation

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39 **A shop has £500 in coins in the till and £1,500 in the bank. Its total cash is**

- A £500
- B £2,000
- C £20,000
- D £1,500

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40 **A bakery borrows £20,000 from a bank at 10% interest a year. The interest paid in one year is**

- A £2,050
- B £22,000
- C £20,000
- D £2,000

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41 **What is average unit cost?**

A Fixed costs divided by variable costs, in certain situations

B Total costs divided by the number of units made

C Profit divided by units sold

D Total revenue divided by units sold

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42 **What happens to spending in a recession?**

A Consumers spend less

B Consumers spend more

C Businesses always grow

D Unemployment falls to zero

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43 **Why might a worker like flexible working?**

- A It fits around family or study
- B It always pays more
- C It removes all supervision, in certain situations
- D It means fewer hours

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44 **Net profit is £5,000 and revenue is £20,000. Net profit margin is**

- A 50%
- B 75%
- C 30%
- D 25%

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45 **What is a takeover?**

A A business selling its products abroad

B One business buying another business

C Two businesses joining equally

D A business closing a branch

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46 **What is uncertainty?**

A A business making a profit

B Knowing exactly what will happen, in certain situations

C A rival closing down

D Not knowing what will happen in the future

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47 **What is just-in-time (JIT)?**

A Products are made only when sold

B Materials are stored in large amounts

C Workers arrive just before they are needed

D Materials arrive only when they are needed

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48 **Which is a segment by lifestyle?**

A Health-conscious buyers

B Buyers in the north

C Buyers aged 18 to 25

D Buyers with high incomes

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49

Who owns a cooperative?

A Its shareholders

B The government

C A single owner

D Its members

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50

How has technology changed production?

A Machines and automation can make goods faster

B All workers have lost their jobs, in certain situations

C Factories have all closed down

D Products are now made by hand

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ANSWER KEY

1. C
2. B
3. D
4. B
5. C
6. D
7. C
8. B
9. D
10. A
11. A
12. A
13. B
14. D
15. B
16. D
17. A
18. B
19. C
20. C
21. C
22. A
23. C
24. C
25. A
26. B
27. C
28. A
29. D
30. A
31. C
32. C
33. B
34. B
35. D
36. D
37. B
38. C
39. B
40. D
41. B
42. A
43. A
44. D
45. B
46. D
47. D
48. A
49. D
50. A

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