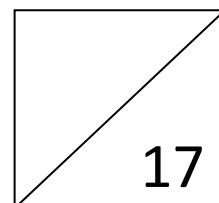


South Tuen Mun Government Secondary School
Business, Accounting and Financial Studies
Paper 1 Revision- Business Environment and Introduction to Management Ch.2
DSE Past Paper 2012-2019



Name: _____ Class: _____ () Date: _____

Ch 2

17-11	<p>Compared to a sole proprietorship, which of the following is/are the advantage(s) of a limited company?</p> <p>(1) the business will not be closed upon withdrawal or death of the owner(s) (2) the setup cost is lower (3) the profits tax rate is lower</p> <p>A. (1) only B. (1) and (2) only C. (1) and (3) only D. (2) and (3) only</p>
16-28	<p>A _____ is easier to set up and enjoys a relatively low tax rate in Hong Kong. All owners are liable for the business decisions of one another in this entity.</p> <p>A. partnership B. sole proprietorship C. private limited company D. public limited company</p>
12-12	<p>Which of the following statements is correct?</p> <p>A. All partners in a limited partnership enjoy limited liability. B. All shareholders of a limited company have voting rights in the board of directors' meeting. C. A limited company needs to disclose its financial statements to the public. D. A public corporation is owned by the government.</p>
17-30	<p>Which of the following statements about a nominal partner is/are correct?</p> <p>(1) He is liable for the debts of the partnership. (2) He takes part in the operation of the partnership. (3) His reputation helps promote the partnership's businesses.</p> <p>A. (1) only B. (2) only C. (3) only D. (2) and (3) only</p>
15-1	<p>A limited partner _____.</p> <p>A. is a nominal partner B. is not liable for the debts of a partnership C. does not need to invest money into a partnership D. does not take part in the management of a partnership</p>

18-24	<p>Which of the following statements about a partnership is/are correct?</p> <p>(1) There is no limited partner in a general partnership. (2) Limited partnership is a legal entity separate from its owners. (3) All partners in a limited partnership only have limited liability.</p> <p>A. (1) only B. (1) and (2) only C. (2) and (3) only D. (1), (2) and (3)</p>
14-1	<p>Which of the following statements about limited companies in Hong Kong is/are correct?</p> <p>(1) A limited company is a separate legal entity. (2) Limited companies enjoy a lower profits tax rate than sole proprietorships. (3) Limited companies are required to publish their financial statements in a newspaper.</p> <p>A. (1) only B. (2) only C. (1) and (3) only D. (1), (2) and (3)</p>
13-5	<p>All the owners of a business enjoy limited liability. Although the business has no regulatory obligation to disclose its financial reports, it still publishes these reports via the internet each year. The business is a</p> <p>A. limited partnership. B. private limited company. C. company listed on the Main Board. D. company listed on the Growth Enterprise Market Board.</p>
18-28	<p>Compared to a public limited company, which of the following is/are the advantage(s) of a private limited company?</p> <p>(1) is subject to less government supervision (2) does not need to distribute dividends to shareholders (3) obtains financing more easily</p> <p>A. (1) only B. (2) only C. (3) only D. (1) and (2) only</p>
16-16	<p>Which of the following statements about business ownership are correct?</p> <p>(1) Public corporations are wholly owned by the Government. (2) The minimum number of shareholders of a limited company is 2. (3) A nominal partner is not the owner of the partnership.</p> <p>A. (1) and (2) only B. (1) and (3) only C. (2) and (3) only D. (1), (2) and (3)</p>

17-18	<p>From the point of view of a franchisor, which of the following is/are the shortcoming(s) of running a business in the form of franchising?</p> <p>(1) Franchisee may set up his own business to become a competitor. (2) It is difficult to wholly control the operation style of franchisee(s). (3) If a franchisee manages his business poorly, the reputation of the whole franchise business will be affected.</p> <p>A. (1) only B. (1) and (2) only C. (2) and (3) only D. (1), (2) and (3)</p>
13-1	<p>Which of the following descriptions about a franchised shop is correct?</p> <p>A. operates under the authorisation of franchisor B. has full control over its promotion strategies C. must be registered as a limited company D. only applicable to retail and catering businesses</p>
16-6	<p>Which of the following descriptions of joint ventures in Hong Kong is correct?</p> <p>A. Partners of a joint venture usually share the profits of the joint venture equally. B. A joint venture must be formed by one local company and one foreign company. C. A joint venture is an entity independent from all its partners. D. A joint venture enjoys a lower profits tax rate than a general partnership.</p>
19-11	<p>Which of the following statements about joint ventures is/are correct?</p> <p>(1) The business risk is shared by the joint venture partners. (2) The joint venture will normally be dissolved when the joint project is completed. (3) A joint venture is a new business entity formed by at least two businesses.</p> <p>A. (1) only B. (1) and (2) only C. (2) and (3) only D. (1), (2) and (3)</p>
15-27	<p>Which of the following is/are the characteristic(s) of a public corporation?</p> <p>(1) Its losses are borne by taxpayers. (2) It is operated on a commercial basis. (3) The government is involved in its daily operations.</p> <p>A. (1) only B. (2) only C. (1) and (3) only D. (2) and (3) only</p>

16-1	<p>Which of the following is/are the characteristic(s) of multinational corporations located in Hong Kong?</p> <ul style="list-style-type: none">(1) Their operations also take place outside Hong Kong.(2) They are listed on the stock exchange of Hong Kong.(3) They have more than 100 employees. <ul style="list-style-type: none">A. (1) onlyB. (1) and (2) onlyC. (2) and (3) onlyD. (1), (2) and (3)
18-18	<p>Which of the following statements about the Ocean Park Corporation, a public corporation in Hong Kong, are correct?</p> <ul style="list-style-type: none">(1) It is listed on the Hong Kong Stock Exchange.(2) Its board of directors is appointed by the government.(3) It is self-sufficient financially. <ul style="list-style-type: none">A. (1) and (2) onlyB. (1) and (3) onlyC. (2) and (3) onlyD. (1), (2) and (3)