Unit 3 - Outcome 1

Business Foundations

**CHAPTER 1**

**EXAM QUESTIONS**

**Key knowledge**

* types of businesses including
  1. - sole traders, - partnerships, - private limited companies,
  2. - public listed companies, - social enterprises and
  3. - government business enterprises

**2017 Exam – Question 1 a (1mark)**

Define the term “Sole Trader”.

**2017 Exam – Question 1 b (2mark)**

Outline on reason why a business may choose to operate as a Partnership rather than as a Sole Trader

**Compac - Question 1 (2 marks)**

Outline one advantage of a business operating as a private limited company and one advantage of a business operating as a partnership.

**VCAA - Question 1 (2 marks)**Define the term ‘social enterprise’ and give one example of a distinguishing feature of a social enterprise.

**Insight - Question 1**

Glen Hardy and Aimee Callinan are in talks to establish a restaurant business in a local shopping centre complex. They are currently discussing the type of business ownership structure they will adopt.

**Insight - Question 1 a**. (**4 marks)** Describe two features of a partnership as a form of business ownership.

**Insight - Question 1 b**. (**4 marks)** Compare two aspects of Glen and Aimee operating as a private limited company rather than a partnership.