Unit 1 Companies Review Questions from the Intermediate Coursebook

1) Which of the following describes when two companies join together?
   a) acquisition
   b) takeover
   c) merger

2) Which of the following describes a supplier?
   a) a company that distributes finished products to end-users
   b) a company that sells materials or services to other companies
   c) a company that buys finished goods and sells them on

3) Whose interests do trade unions represent?
   a) shareholders
   b) workers
   c) senior managers

4) What is a public limited company?
   a) a company whose shares can be bought and sold
   b) a company owned by the government
   c) a company with very few shareholders

5) What is a holding company?
   a) a company owned by another company
   b) a company whose shares are traded on the stock exchange
   c) a company that owns one or more other companies

6) What is a subsidiary?
   a) a company owned by another company
   b) a group of many different companies
   c) a merger of two different companies

7) Which of the following departments is responsible for patents?
   a) Human Resources
   b) Finance
   c) Legal Affairs

8) What is a lease?
   a) rent on a building on a temporary basis
   b) a contract to buy a building for business purposes
   c) permanent ownership of a building

9) What type of structure does a hierarchical organisation have?
   a) many managers with decision-making at the top
   b) few managers with decision-making at the top
   c) many managers with decision-making shared

10) What are tangible assets?
    a) all the raw materials and stock a company owns
    b) everything belonging to a company that can be sold
    c) all the finished goods a company hasn’t sold yet