



# YOUNG ENTREPRENEUR FOUNDATION

## Quiz Key

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**1. ENTREPRENEURS WHO FINISH A BUSINESS PLAN ARE TWICE AS LIKELY TO:**

- A. Grow their business
- B. Obtain an investment or a loan
- C. Go out of business
- D. A & B

**ANSWER: \_\_\_\_\_ D \_\_\_\_\_**

**2. WHAT IS NOT A PRIMARY PURPOSE OF A BUSINESS PLAN:**

- A. Charts course for business owner
- B. Gets out there and sells for the business owner
- C. Provides introduction document for fundraising
- D. Drives action

**ANSWER: \_\_\_\_\_ B \_\_\_\_\_**

**3. WITHIN THE BUSINESS PLAN, WHAT IS AN EXECUTIVE SUMMARY?**

- A. A summary of resumes of executives advising the business.
- B. A plan for how executives will be compensated.
- C. One-two pages highlighting each section of the plan.
- D. None of the above.

**ANSWER: \_\_\_\_\_ C \_\_\_\_\_**

**4. WHAT IS NOT A TERM ASSOCIATED WITH MARKETING OR PROMOTION:**

- A. The 4 Ps
- B. Advertising
- C. Personal selling
- D. Publicity
- E. Sidewalk creeping

**ANSWER: \_\_\_\_\_ E \_\_\_\_\_**

**5. WHAT ARE COMMON TYPES OF EXPENSES IN A BUSINESS?**

- A. Salaries
- B. Rent
- C. Utilities
- D. Telephone
- E. Equipment
- F. Sports tickets
- G. All of the above
- H. A, B, C, D, & E only.

**ANSWER: \_\_\_\_\_ H \_\_\_\_\_**

**6. WHAT IS NET INCOME?**

- A. Revenues - Expenses
- B. Revenues + Sales - Expenses
- C. Expenses + Profit
- D. None of the above

**ANSWER: \_\_\_\_\_ A \_\_\_\_\_**

**7. WHAT IS A MAJOR DIFFERENCE BETWEEN DEBT AND EQUITY FINANCING?**

- A. Debt is from a bank and equity investors are never from a bank.
- B. Debt must be paid back with interest and equity is when someone takes an ownership stake in your company.
- C. Debt is bad and equity is good.
- D. None of the above.

**ANSWER: \_\_\_\_\_ B \_\_\_\_\_**

**8. WHAT IS NOT ONE OF THE FOUR PRIMARY SOURCES OF FUNDING?**

- A. Financial institutions
- B. Founder, friends and family
- C. Credit cards
- D. Angel investors
- E. Private Equity/Venture Capital Funds

**ANSWER: \_\_\_\_\_ C \_\_\_\_\_**

**9. DIFFERENT LAWS APPLY TO DIFFERENT BUSINESS SIZES. TRUE OR FALSE?**

- A. True
- B. False

**ANSWER: \_\_\_\_\_ A \_\_\_\_\_**

**10. WHICH OF THE FOLLOWING AGENCIES MIGHT A BUSINESS OWNER INTERACT?**

- A. A local zoning office
- B. The Internal Revenue Service
- C. A State Corporation Commission
- D. All of the above.
- E. B and C only

**ANSWER: \_\_\_\_\_ D \_\_\_\_\_**

**EXTRA CREDIT:**

**NAME AN ORGANIZATION IN WHICH FUTURE ENTREPRENEUR STUDENTS CAN BECOME INVOLVED TO LEARN MORE ABOUT BUSINESS.**