

Study Guide

Class: Trembley -
Entrepreneurship and
Small Business



Course: Entrepreneurship and Small Business V.2 (ESB2)
Test: Entrepreneurship and Small Business Concepts 2 Domain 4 Post-Assessment
Completed Date: 09/21/2022

This Adaptive Study Guide represents all questions that were answered incorrectly. The test question title, steps (if applicable) and references have been included to assist you in your study.

1 Understanding Net and Gross Income

Ben owns a print shop. Last quarter's income was \$8,000, his cost of goods was \$650, and his total expenses were \$4,300. What are Ben's net income and gross income for the last quarter?

Choices:

Net income = \$7,350 and Gross
income = \$3,050

Net income = \$3,500 and Gross
income = \$7,350

Net income = \$3,050 and Gross
income = \$7,350

Net income = \$3,050 and Gross
income = \$7,530

References

Business Financials

Basic Financial Statements

2 Determining Net and Gross Income

Deidre owns a pet store. Last month, her income was \$5,500, her cost of goods was \$800, and her total expenses were \$2,600. What are Deidre's net income and gross income for last month?

Choices:

Net income = \$2,100 and Gross
income = \$4,200

Net income = \$4,700 and Gross
income = \$2,100

Net income = \$2,100 and Gross
income = \$4,700

Net income = \$3,100 and Gross
income = \$4,700

References

Business Financials

Basic Financial Statements

3 Variable Cost

Variable costs _____ depending on production.

Choices:

decrease

increase

fluctuate

stay the same

References

Business Financials

Fixed and Variable Costs

4 Further Understanding Burn Rate

Larry owns a shoe store. His starting balance last month was \$17,300. His ending balance was \$14,700. What is Larry's burn rate?

Choices:

\$4,300

-\$4,300

-\$2,600

\$2,600

References

Business Financials

Analyze a Company's Cash Flow

5 Further Understanding ROI

Danny sells skateboards. One skateboard sells for \$55, and the cost to produce a skateboard is \$35. What is Danny's return on investment (ROI)?

Choices:

58%

56%

57%

55%

References

Business Financials

ROI

6 Funding Options

Match the funding option to its description.

Choices:

Sharing a startup business on an online platform where one can pre-sell products. The money from the pre-sale orders can be used as capital to build the products

Small Business Administration (SBA) loans

Helps fund a business or a specific project, usually for some kind of stake in the company

Small Business Administration (SBA) grants

Loans must be paid back with interest. The maturity terms differ depending on the type of loan

Bootstrapping

An owner uses their own savings to fund the business

Investor

Free money given to small business owners to help with the launching and development of their business. They do not have to be paid back

Crowdfunding

References

Funding Options

Funding Options and Requirements

7 Equipment and Inventory Loans

When must equipment and inventory loans through the Small Business Administration (SBA) be paid back?

Choices:

15 years

25 years

20 years

10 years

References

Funding Options

Funding Options and Requirements