Instructions

This verbal reasoning test comprises 30 questions, and you will have 20 minutes in which to correctly answer as many as you can.

You will be presented with a passage to read, and a statement about that passage. You must select one of the following answers:

True: The statement follows logically from the information contained in the passage.

False: The statement is logically false from the information contained in the passage.

Cannot Say: It is not possible to determine whether the statement is true or false without further information.

You will have to work quickly and accurately to perform well in this test. If you don’t know the answer to a question, leave it and come back to it if you have time.

Try to find a time and place where you will not be interrupted during the test. When you are ready, begin the test.
The project was ambitious in its size, complexity, triparty nature, and in its pioneering of the Private Finance Initiative. This difficulty was unavoidable and contributed to the project’s failure. However, a more thorough estimate of the unknown difficulties and timescales would have enabled the Department of Infrastructure to better prepare for the project and increase its chances of success.

In December 1997, XSoft, the company tasked with completing the project on behalf of the Department of Infrastructure, had asked for an extension of the deadline because they could already see that the project would not meet the promised January 1998 deadline and would not be completed until June 1999, at the earliest. If the Department had known from the start the true scale of the project, it is likely they would have chosen another smaller project. Accountants have reported that the delay has already had negative effects on the Profit & Loss sheets for both parties.

Q1. If more care had been put into estimating the difficulties, it is less likely the project would have failed.

True  False  Cannot say

Q2. XSoft witheld information from the Department regarding how long the project would take.

True  False  Cannot say

Q3. The Department of Infrastructure's profits were affected by the project's delay.

True  False  Cannot say
Ever since the gun’s invention it has been changing the world in many different ways. Many of the developments in gun design have been brought about by man’s desire to protect himself, and the challenge of inventing bigger and more accurate weapons.

Each time there has been a major innovation in the development of the gun, there has been a profound effect on the world. The gun helped in the exploration of the world, it has also helped in the development of society as we know it.

Q4. The gun was invented because the human race needs to protect themselves.
   True    False    Cannot say

Q5. Guns are the reason our society is the way it is today.
   True    False    Cannot say

Q6. Financial incentives had no part to play in the development of the gun.
   True    False    Cannot say
Being socially responsible is acting ethically and showing integrity. It directly affects our quality of life through such issues as human rights, working conditions, the environment, and corruption. It has traditionally been the sole responsibility of governments to police unethical behaviour. However, the public have realised the influence of corporations and, over the last ten years, the level of voluntary corporate social responsibility initiatives that dictate the actions of corporations has increased.

<table>
<thead>
<tr>
<th>Q7. The ethical actions of corporations has changed over the last ten years.</th>
<th>True</th>
<th>False</th>
<th>Cannot say</th>
</tr>
</thead>
</table>

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<tr>
<th>Q8. Corporations can influence the public’s quality of life.</th>
<th>True</th>
<th>False</th>
<th>Cannot say</th>
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<tr>
<th>Q9. Traditionally the government have relied upon only the large corporations to help drive corporate social responsibility, whilst they concentrated on the smaller corporations.</th>
<th>True</th>
<th>False</th>
<th>Cannot say</th>
</tr>
</thead>
</table>
A well-nourished child can be more likely to be a studious one. But food has been seen as a cost to be cut in times of austerity, rather than an ingredient of good schooling. That may now be changing: as the government worries about obesity – which is fast rising among children- and urges everyone to eat less salt, fat and sugar, and more fruit and vegetables, the deficiency and unhealthiness of most school meals is striking. But cash constraints make change difficult.

Q10. Children who eat healthily will perform better in exams.

<table>
<thead>
<tr>
<th>True</th>
<th>False</th>
<th>Cannot say</th>
</tr>
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</table>

Q11. The number of obese children used to be less than it is now.

<table>
<thead>
<tr>
<th>True</th>
<th>False</th>
<th>Cannot say</th>
</tr>
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</table>

Q12. The government is apathetic about obesity.

<table>
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<tr>
<th>True</th>
<th>False</th>
<th>Cannot say</th>
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</table>
The costs of roaming – the service which allows UK customers to use their mobile phone abroad – are much higher than those in France, Germany, Sweden and Italy. Many people get caught out because they are unaware of the high prices, and that they get charged for simply receiving calls whilst abroad. Less than a quarter of consumers had any knowledge of the price of using a mobile phone abroad when they bought their phone. Better consumer information is vital if prices for pre-pay international roaming in the UK are to come down.

**Q13.** It is more expensive for German customers to use a roaming service than it is for UK customers.

- True
- False
- Cannot say

**Q14.** Pay-as-you-go roaming rates are lower than they are for contract customers.

- True
- False
- Cannot say

**Q15.** Customers can be charged for calls which they do not make themselves.

- True
- False
- Cannot say
Globalisation is putting fresh pressure on mid-sized firms, with large companies moving into their markets and dictating prices. This kind of company feels the pressure on all sides. They are too large to qualify for the grants and assistance that small enterprises can count on, but are too small to wield the kind of influence their larger competitors can bring to bear. But despite the squeeze, most mid-sized firms still believe that they can deliver steady growth, by playing to their traditional strength: being more nimble and more customer-focused than their larger rivals.

**Q16.** Large companies have a greater effect on prices than mid-sized companies.

- True
- False
- Cannot say

**Q17.** The size of grant awarded to a company is indirectly proportional to the size of the company.

- True
- False
- Cannot say

**Q18.** Traditionally mid-sized firms are faster than large companies at adapting to market changes.

- True
- False
- Cannot say
If society seems obsessed with youth, it is at least partly because companies are. Like it or not, the young increasingly pick the styles and brands that trickle up to the rest of the population. Nike, Abercrombie & Fitch and Timberland first found success with the young, and when that clientele tired of them the companies felt the loss deeply. Now that adults are no longer necessarily expected to act and look grown-up, parents and children can be found listening to exactly the same music, playing the same computer games, watching the same TV programmes, and wearing the same brands of clothes and shoes.

**Q19.** An adult’s style can sometimes be similar to that of a child’s.

- True
- False
- Cannot say

**Q20.** The profits of Timberland are not affected by young customers.

- True
- False
- Cannot say

**Q21.** Adults wear the same shoes as children because they want to look younger.

- True
- False
- Cannot say
Television is changing as it goes digital. The result will not only be better-quality pictures and sound but also personal TV, with viewers able to tailor the programmes they watch and even interact with them. How much money this will make for programme producers or broadcasters, whoever they may be, is not so clear.

Cable, satellite and terrestrial television broadcasters are upgrading their equipment to provide higher quality digital services. Rupert Murdoch’s News Corporation will become the first company in the world to migrate an entire national TV system over to digital when it turns off its old analogue version of its British satellite service, BSkyB.

**Q22. Rupert Murdoch is associated with BSkyB.**

- True
- False
- Cannot say

**Q23. The only change from traditional analogue services to digital services will be the picture quality.**

- True
- False
- Cannot say

**Q24. Television broadcasters are upgrading their equipment because they will make more money from digital TV.**

- True
- False
- Cannot say
Brand equity has become a key asset in the world of competitive business. Indeed, some brands are now worth more than companies. Large corporations themselves are widely distrusted, whereas strangely, brands have the opposite effect on people. Brands are used to humanise corporations by appropriating characteristics such as courage, honesty, friendliness and fun. An example is Dove soap, where a dove represents white, cleanliness and peace. Volkswagen like to give the impression through their advertising that they are a reliable, clever, technical product. In a sense, rather than the product itself, the image and the idea are the selling point.

Q25. Brands have always been an important asset to a company.

   True    False    Cannot say

Q26. Many people distrust large corporations.

   True    False    Cannot say

Q27. Dove soap chose a dove for their brand to give a sense of cleanliness and peace.

   True    False    Cannot say
The first problem with financial statements is that they are in the past; however detailed, they provide just a snap-shot of the business at one moment in time. There is also a lack of detail in financial statements, giving little use in the running of a business. Financial statements are provided for legal reasons to meet with accounting regulations and are used mainly by City analysts who compute share prices and give guidance to shareholders. Accounts often have hidden information and may also be inconsistent; it is difficult to compare different companies’ accounts, despite there being standards, as there is much leeway in the standards.

Q28. Financial statements are useful for businesses to understand their financial activities.

True   False   Cannot say

Q29. Companies create financial statements in order to comply with their legal obligations.

True   False   Cannot say

Q30. If account reporting standards were tightened, it would be easier to compare the performance of different companies.

True   False   Cannot say

-- End of Test --