

# Free Verbal Test 2

## Solutions Booklet

### 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. The test will begin on the next page.

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

True - Since more thorough can be considered equivalent to giving more care, this is stated as true in the following excerpt "a more thorough estimation of the unknown difficulties and timescales would...increase its chance of success".

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

True

False

Cannot say

Cannot say - We are told XSoft requested more time, and the passage implies the Department did not know how long it would take at the beginning, but the passage does not tell us if XSoft did or did not withhold time information.

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

True

False

Cannot say

True – This is made quite clear in the last sentence by the 'accountants have reported that the delay has already had negative effects on the P&L sheets for both parties.'

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

Cannot say - The passage does not say how or why the gun was invented. It does say that some changes to the gun's design have been because humans want to protect themselves, but the passage does not say how or why the gun was first invented.

**Q5.** Guns are the reason our society is the way it is today.

True

False

Cannot say

False - The gun "has also helped in the development of society as we know it". The word help implies it is not the only contributor and is therefore not the reason our society is the way it is today.

**Q6.** Financial incentives had no part to play in the development of the gun.

True

False

Cannot say

Cannot say - The passage does not mention financial incentives or economic gain, so we cannot tell from information in the passage alone.

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.

**Q7.** The ethical actions of corporations have changed over the last ten years.

True

False

Cannot say

True - The passage says that the public have caused corporations to alter their ethical actions: "over the last ten years, the level of voluntary corporate social responsibility initiatives that dictate the actions of corporations has increased."

**Q8.** Corporations can influence the public's quality of life.

True

False

Cannot say

True - This one is slightly less obvious. We are first told that being socially responsible directly affects our quality of life. Then we are told that corporate social responsibility dictates the actions of corporations. So following that logic, corporations must be able to affect our quality of life.

**Q9.** Traditionally, the government have relied upon only the large corporations to help drive corporate social responsibility, whilst they concentrated on the smaller corporations.

True

False

Cannot say

False - We are told that "traditionally it has been the sole responsibility of the government to police unethical behaviour", meaning traditionally no corporation played a part; not even large corporations.

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.

True

False

Cannot say

Cannot say- The passage says “a well-nourished child can be more likely to be a studious one”, which means they are more likely to study. Whilst the passage suggests eating healthily can help, it does not say definitively if the child will or will not perform better in exams.

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

True

False

Cannot say

True - The passage says, in reference to obesity, “is fast rising among children” meaning in the past it was less than it is now.

**Q12.** The government is apathetic about obesity.

True

False

Cannot say

False - The passage says “...as government worries about obesity...”. Worrying about something is the opposite of being apathetic about something.

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 aboard 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

False - The opposite is true since the passage says "the costs of [UK] roaming...are much higher than those in France, Germany"

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

True

False

Cannot say

Cannot say - The passage does not tell us anything about the price of roaming for contract phone customers, so we cannot compare these prices to pre-pay or pay as you go roaming charges. Without further information we cannot say for sure.

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

True

False

Cannot say

True - The passage states that customers "get charged for simply receiving calls while abroad".

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

True - The first sentence says that large companies dictate the prices for mid-sized firms.

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

True

False

Cannot say

Cannot say - With the pressure of time, it might be tempting to answer True here. On careful reading of the passage, it describes how mid sized firms are too large to qualify for grants, but it does not say explicitly how the size of a grant might be related to the size of company. The question is stating quite a specific relationship, whereas all we are told is that small companies get grants and mid-sized firms do not. For example we are told nothing about the size of a grant a large company might get.

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

True

False

Cannot say

True - The last sentence describes one of the traditional strengths of a mid-size firm as “being more nimble” which we can interpret to mean faster at adapting to change.

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

True - The sentence that proves this is "parents and children can be found listening to exactly the same music, playing the same videogames...and wearing the same brands of clothes and shoes [as the young]".

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

True

False

Cannot say

False - The passage says that when "when that clientele [the young] tired of them the companies felt the loss deeply". Meaning that Timberland's profits are in fact closely affected by the purchasing habits of the young.

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

True

False

Cannot say

Cannot say - The passage does not say why adults and children sometimes end up with the same styles. The passage implies that by listening to the same music and wearing the same clothes as young people, adults are not considered grown-up. But the passage does not say why some adults adopt this style (for example it could be price, comfort, or any number of reasons other than wanting to look younger, but we are not told.)

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

True - This is stated in the passage where it says "Rupert Murdoch's News Corporation... BSkyB", meaning he is therefore associated.

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

True

False

Cannot say

False - The passage says of switching from analogue to digital: "The result will be better quality pictures and sound but also personal TV, with viewers able to tailor the programmes they watch...".

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

True

False

Cannot say.

Cannot say - This is quite obvious since the passage explicitly says in the last sentence of the first paragraph that it is not clear how much money broadcasters will make from upgrading.

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

Cannot Say - The passage says "Brand equity has become a key asset in..." implying it has not always been. However "important" is distinct from key, and the passage does not discuss if brand equity was considered important before being considered key.

**Q26.** Many people distrust large corporations.

True

False

Cannot say

True - The passage says "Large corporations themselves are widely distrusted". Widely implies an opinion held by many people, and the opinion held would be one of distrust.

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

True

False

Cannot say

Cannot say - Whilst the passage does say that the dove gives an impression of "white, cleanliness and peace", and therefore is a successful brand, the passage does not say how or why the company chose the brand in the first place.

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

False - The passage says that financial statements have "a lack of detail in financial statements, giving little use in the running of a business", which is supported by other critical statements such as "the first problem with financial statements is that they are in the past" means they cannot be considered useful for businesses to understand their financial activities.

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

True

False

Cannot say

True - This is stated here: "Financial statements are provided for legal reasons to meet with accounting regulations".

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

True

False

Cannot say

Cannot Say - The last sentence in the passage says, "it is difficult to compare different companies' accounts, despite there being standards, as there is much leeway in the standards". Though this implies that if there were less leeway in the standards, it would be easier to compare different companies' accounts, this is only an inference. Thus, it can only be asserted as a probability rather than a certainty. Since the passage does not expressly say, we require more information. Therefore, it is cannot say.

**-- End of Test --**