

AS Level in Business

H031/02 The wider business environment

Tuesday 24 May 2016 – Afternoon

Time allowed: 1 hour 30 minutes



You must have: • the Resource Booklet	
You may use: • a calculator	



First name	
Last name	
Centre number	Candidate number

INSTRUCTIONS

- Use black ink.
- Complete the boxes above with your name, centre number and candidate number.
- Answer all the questions.
- · Write your answer to each question in the space provided. If additional space is required, use the lined page(s) at the end of this booklet. The question number(s) must be clearly shown.
- Do not write in the barcodes.
- The Resource Booklet is required for **Section B** only.

INFORMATION

The total mark for this paper is **60**.

The marks for each question are shown in brackets [].

Quality of extended responses will be assessed in questions marked with an asterisk (*).

This document consists of 12 pages.

SECTION A

Answer all the questions.

1	State two reasons why a business may produce a business plan.						
	1						
	2						
		[2]					
2	State two advantages to a business of using flow production.						
	1						
	2						
		[2]					
3	State what is meant by a 'person specification'.						
		[3 [.]					

4 The table below shows incomplete budgeting data for a small business.

Complete the missing data in the four unshaded boxes.

	Forecast (£)	Actual (£)	Variance (£)	Favourable/Adverse
Sales revenue	23 000		2000	Favourable
Labour costs		12500	4500	Adverse
Other costs	6000	5 500	500	
Profit	9000	7000	2000	

[4]

[2]

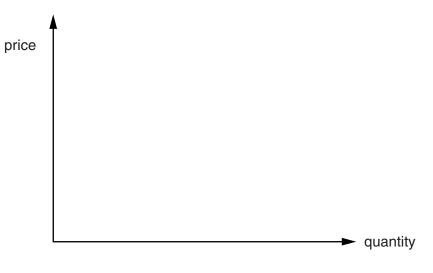
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7 The following table shows some employment data for a business.

Year	Average number of employees	Number of employees leaving
2015	3560	178
2014	2625	84
2013	2540	122

Calculate the rate of labour turnover for 2014.	
	[2]

8 Construct a demand and supply diagram to show the effect on equilibrium of an increase in consumer income.



[4]

SECTION B

Answer **all** the questions.

Use the information provided in the **Resource Booklet** to answer the following questions.

9	Out	line two ways A.G. Barr may segment its market.
	1	
	2	
		[4]
		L**.
10	Ref	er to Extract C.
	(a)	Explain one reason why a business may include 'goodwill' in its Statement of Financia Position.
		[2]
	(b)	Calculate A.G. Barr's acid test ratio for 2015.
		[2]

Evaluate how regulation of the market may affect A.G. Barr's operations.	[12

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ADDITIONAL ANSWER SPACE

If additional space is required, you should use the following lined page(s). The question number(s must be clearly shown in the margins.		
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