

**OXFORD CAMBRIDGE AND RSA EXAMINATIONS**  
**AS Level**  
**H031/02**  
**BUSINESS**

**The wider business environment**  
**TUESDAY 24 MAY 2016: Afternoon**  
**DURATION: 1 hour 30 minutes**  
**plus your additional time allowance**  
**MODIFIED ENLARGED 24pt**

First name						Last name					
Centre number						Candidate number					

**You must have:**  
**the Resource Booklet**

**You may use:**  
**a calculator**

**READ INSTRUCTIONS OVERLEAF**



## **INSTRUCTIONS**

**Use black ink.**

**Complete the boxes on the first page 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.**

**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 (\*).**



**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’.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**[2]**

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		2 000	Favourable
Labour costs		12 500	4 500	Adverse
Other costs	6 000	5 500	500	
Profit	9 000	7 000	2 000	

**5 An employee may claim ‘unfair dismissal’ if dismissed for being a member of a trade union.**

**State TWO OTHER reasons why an employee may successfully claim unfair dismissal.**

1 

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2 

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[2]

**6 State ONE advantage and ONE disadvantage to a business of being a public limited company.**

Advantage 

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Disadvantage 

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[2]

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

Year	Average number of employees	Number of employees leaving
2015	3 560	178
2014	2 625	84
2013	2 540	122

**Calculate the rate of labour turnover for 2014.**

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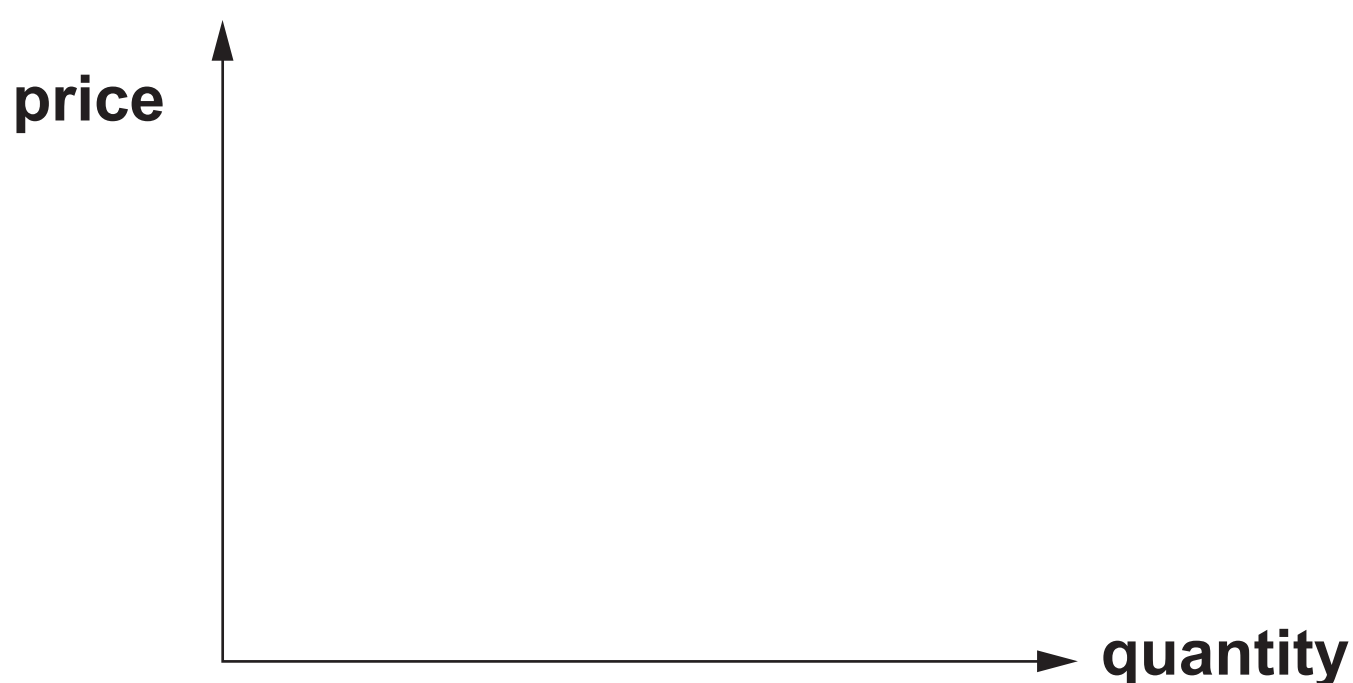
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**[2]**

**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 Outline TWO ways A.G. Barr may segment its market.**

1

2

**[4]**



**10 Refer to EXTRACT C.**

**(a) Explain ONE reason why a business may include 'goodwill' in its Statement of Financial Position.**

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**[2]**

**(b) Calculate A.G. Barr's acid test ratio for 2015.**

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**[2]**

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

[illegible]

[illegible]

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**[20]**

[illegible]

[illegible]



[illegible]

**END OF QUESTION PAPER**



### 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.**

[illegible]






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