

ADVANCED SUBSIDIARY GCE

APPLIED BUSINESS

Unit 3: Understanding the Business Environment

F242

Candidates answer on the question paper

OCR Supplied Materials:

- Clean copy Case Study

Other Materials Required:

- Calculator

Thursday 8 January 2009
Morning

Duration: 1 hour 30 minutes



Candidate Forename		Candidate Surname	
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Centre Number						Candidate Number				
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INSTRUCTIONS TO CANDIDATES

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the boxes above.
- Use black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer **all** the questions.
- Do **not** write in the bar codes.
- Write your answer to each question in the space provided.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- The total number of marks for this paper is **100**.
- The quality of written communication will be taken into account in marking your answer to the question marked with an asterisk (*).
- This document consists of **16** pages. Any blank pages are indicated.

Examiner's Use Only:			
1			
2			
3			
4			
5			
Total			

- 1 (a) *Anita's Tiny Tots* is a sole trader business owned and managed by Anita Patel. State **three** ways in which a sole trader business differs from a limited company.

Way 1:

.....

Way 2:

.....

Way 3:

..... [3]

- (b) If Anita and Sandra form a partnership, identify and explain **two** reasons why it is advisable for them to draw up a formal partnership agreement.

Reason 1:

.....

Explanation:

.....

Reason 2:

.....

Explanation:

..... [4]

2 (a) Explain how the interests of Anita Patel conflict with those of:

- her employee, Sandra Bates;

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- her bank;

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- her suppliers.

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..... [9]

- 3 Michael O'Connell, Anita's bank manager, had reservations about the informal way in which she has been running her business and her financial record keeping.

Identify and explain **three** reasons why Anita should formalise the financial aspects of her business.

Reason 1:

Explanation:

Reason 2:

Explanation:

Reason 3:

Explanation:

[9]

- 5 (a) Complete a SWOT analysis for Anita's **existing** business as a stall holder in Norford market.

[8]

	SWOT
Strength 1	
Strength 2	
Weakness 1	
Weakness 2	
Opportunity 1	
Opportunity 2	
Threat 1	
Threat 2	

(b) Identify and explain **two** reasons why a SWOT analysis is essential for a small business such as *Anita's Tiny Tots*.

Reason 1:

.....

Explanation:

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Reason 2:

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Explanation:

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..... [6]

PLEASE DO NOT WRITE ON THIS PAGE