



General Certificate of Education

Business Studies 2130

**BUSS1 Planning and Financing a
Business**

Report on the Examination

2010 examination - June series

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General Comments

The vast majority of students demonstrated a clear understanding of the case study, resulting in some excellent application. Analytical skills were less impressive and many students would have benefited from using evidence from the case study to support the development of their arguments, rather than assuming that their ideas were self-explanatory. As expected, the definition questions proved to be more challenging than in previous papers. However, the calculation/break-even questions were answered well, on the whole. The paper proved to be accessible to the vast majority of students and there were no apparent problems with time constraints. There was a distinct improvement in the quality of evaluation in the longer questions.

Question One

- (a) There was a wide spread of answers, ranging from excellent definitions to answers that were clearly guesses. A significant minority of students believed infrastructure to be exclusively transport-related.
- (b) This question was generally well-answered. Surprisingly, students found the 'quota' element of the definition easier to describe than the 'sampling' aspect.
- (c) Students showed a good understanding of the personal characteristics of the entrepreneur, but the development of many answers did not relate to the case study, limiting the application marks that could be awarded.
- (d) There were many excellent answers to this question but, as with 1(c), there were a number of generic answers that did not draw on the case study in order to explain the benefits to Anya.
- (e) This question was answered well, with many students earning full marks for the calculation of profit. Excellent examination technique was displayed as virtually all students showed comprehensive working out. As a result, relatively few students scored zero marks on this question.
- (f) Students demonstrated good ability in manipulating break-even charts in 1(f)(i). Unsurprisingly, part 1(f)(ii) proved to be a greater challenge. Nevertheless, it was disappointing to see the level of difficulty experienced.

Question Two

As in recent papers, most students benefited from providing definitions of the key terms at the outset of their answers. The tendency for application skills to surpass analytical skills remained. However, it was noticeable that evaluations were much more likely to be based on well-considered evidence.

- (a) There were some very good answers to this question, with students utilising the information in the case study very effectively. These better answers tended to take a feature from the case and use it as the foundation for some very good analysis. Weaker responses tended to identify relevant information from the case but did not explain how this feature benefited Anya. The question required two benefits and it was pleasing to observe that, in comparison to previous papers, few students felt the need to then introduce irrelevant counter arguments.

- (b) In this question there was a very good understanding of the differences between bank loans and financing from venture capitalists. A few students produced 'textbook' answers that showed excellent analysis but little or no application; in some cases, this led to inaccurate statements such as bank loans carrying a higher rate of interest. The very best answers tended to be those that used the context of the case effectively in responding to the question, combining numerate and literate arguments in order to support their judgements. In the two most recent papers there has been clear evidence to suggest that students using numerical evidence (where applicable) can often produce higher quality judgements in their evaluations.
- (c) This question proved to be more demanding than 2(a) and 2(b). The majority of students' responses fell into three categories:
- a clear exposition of the impact of business planning on Anya's business and its overall impact
 - analysis of the key factors influencing success but with only implicit commentary on the significance of business planning
 - a largely theoretical analysis of the pros and cons of business planning, with little or no reference to Anya's business.

Many of the answers adopting the first approach showed evaluative skills throughout the response and scored well.

Summary

Overall, this paper proved to be more challenging than earlier papers. The major strengths were the excellent understanding of the case study shown by most students and the consequent high quality of application. This comprehension also aided the quality of evaluation.

As in previous papers, students' analysis tended to lack the depth required for the higher levels of the mark scheme.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the [Results statistics](#) page of the AQA Website.