



Oxford Cambridge and RSA

Friday 19 May 2023 – Morning

AS Level Business

H031/01 The local business environment

Resource Booklet

Time allowed: 1 hour 30 minutes



INSTRUCTIONS

- Use this Resource Booklet to answer the questions in **Section B**.
- Do **not** send this Resource Booklet for marking. Keep it in the centre or recycle it.

INFORMATION

- The business described in this Resource Booklet is a **real** business.
- This document has **4** pages.

ADVICE

- Read this Resource Booklet carefully **before** you start your answers.

Cottingham Parks

Extract A – Cottingham Parks golf and leisure club

Cottingham Parks is a family-owned and run golf and leisure club. It was opened in August 1994.

Starting with just a shipping container which was used as the clubhouse and shop, Cottingham Parks now has all the facilities you would expect at similar clubs, plus so much more. In addition to the two 18-hole golf courses, there is a health club with gym, swimming pool, jacuzzi and sauna room, plus a restaurant and bar.

In recent years, Cottingham Parks' market share has increased.

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Source: Adapted from www.cottinghamparks.co.uk/news-and-events/blog. (Accessed 22/08/20)

Extract B – Cottingham Parks' membership prices

Golf membership at Cottingham Parks starts at £66.50 per month which allows members to play both golf courses as many times as they want, with no additional charge. For an extra £25 per month, health club membership can be added.

For people who want membership of the health club only, prices start from £37 per month. Health club members have the price of their membership fixed when they join; this means that as long as they remain members their membership price will never be increased.

The health club is open from 6.30 a.m. to 9.30 p.m. Monday to Friday, and from 7.30 a.m. to 7.30 p.m. on Bank Holidays and weekends.

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Source: Adapted from <https://www.cottinghamparks.co.uk/cottingham-parks/golf/membership/> and <https://www.cottinghamparks.co.uk/health-club/health-club-membership/>. (Accessed 05/09/20)

Extract C – Future plans

John Wiles, the owner of Cottingham Parks, says "In the early days our success was very much built on hard work and team spirit with everyone doing whatever was necessary to make it work, including designing and building the golf course ourselves".

The directors of Cottingham Parks are now looking to the next stage of its development. John says "Outline plans have been drawn up to build a 70-bedroom hotel. All we need now is the go ahead from the local planning office".

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Source: Adapted from www.cottinghamparks.co.uk/news-and-events/blog. (Accessed 22/08/20)

Extract D – The UK gym industry

In the UK, one in every seven people is a member of a gym. For the year ending March 2019, the UK gym industry has seen an increase of 2.9% in the number of fitness facilities, 4.7% in the number of members and 4.2% in market value.

Source: Adapted from www.sportsthinktank.com. (Accessed 22/08/20)

Extract E – PureGym

PureGym is one of Cottingham Parks' competitors. PureGym is the UK's largest private gym operator. At the end of 2019 it had 263 gyms and over 1.1 million members. Membership of PureGym starts at £17.99 per month.

Most PureGyms are open 24 hours a day. Members can use the gym equipment and take part in exercise classes. However, there are no swimming pools, sauna rooms or other facilities, such as a golf course.

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Source: Adapted from <https://corporate.puregym.com/sites/default/files/2020-04/PureGym%20Annual%20Report%202019%20Final.pdf> and <https://www.puregym.com> (Accessed 02/09/20)

Extract from PureGym's 2019 annual report (for the year ended 31 December)

	2019	2018
Revenue (£m)	254.9	228.4
Operating profit (£m)	59.9	28.0
Profit after tax (£m)	(26.9)	(28.5)
Total number of PureGyms	263	222
Total number of members ('000)	1 135	1 012
Average revenue per member per month (£)	18.90	18.45

Source: Adapted from <https://corporate.puregym.com/sites/default/files/2020-04/PureGym%20Annual%20Report%202019%20Final.pdf> (Accessed 02/09/20)

NB: All data was correct at the time of writing

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