

OXFORD CAMBRIDGE AND RSA EXAMINATIONS

Wednesday 7 June 2023 – Morning

A Level Business

H431/02 The UK business environment

**Time allowed: 2 hours
plus your additional time allowance**

**YOU MUST HAVE:
the Resource Booklet**

**YOU CAN USE:
a calculator**

Please write clearly in black ink.

Centre number

Candidate number

First name(s) _____

Last name _____

READ INSTRUCTIONS OVERLEAF



INSTRUCTIONS

Use black ink.

Write your answer to each question in the space provided. You can use extra paper if you need to, but you must clearly show your candidate number, the centre number and the question numbers.

Use the Resource Booklet to answer the questions in SECTION B.

Answer ALL the questions.

INFORMATION

The total mark for this paper is 80.

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

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

ADVICE

Read each question carefully before you start your answer.

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SECTION A

1 Define the term 'primary sector'.

[2]

2 State the difference between a consumer and a customer.

[2]

- 3 A business paid a consultant £10 000 to advise on ways to reduce waste. In 2022 its output was £150 000 and the value of its waste was reduced to £12 000.**

**Calculate the wastage rate for the business in 2022.
Show your working.**

Answer = _____ [2]

- 4 Define the term 'strategic alliance'.**

5 Explain ONE advantage and ONE disadvantage for the managers of a business of a wide span of control.

Advantage _____

Disadvantage _____

[4]

6 Explain TWO limitations for a business of using a decision tree.

1 _____

2 _____

[4]

7 A public limited company has published the following information for the benefit of shareholders:

**dividend per share = 3 pence
earnings per share = 8 pence
net profit = £1.3m**

Following the publication of this information, the company's shares are trading on the stock market at a price of £1.20 per share.

Calculate:

(a) the dividend yield. Show your working.

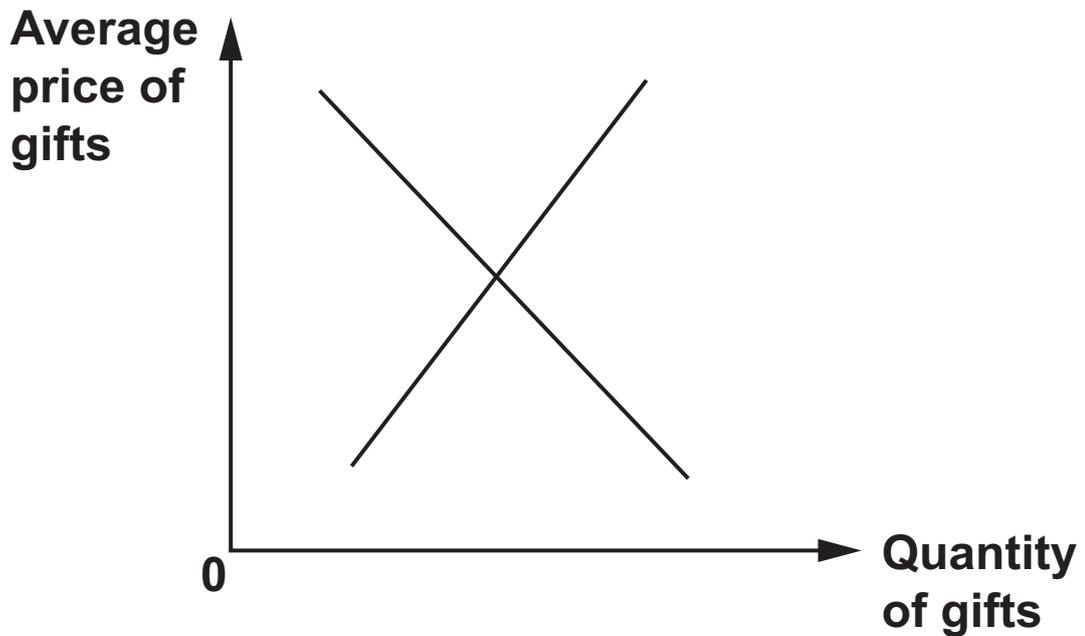
Answer = _____ [2]

(b) the price/earnings ratio. Show your working.

Answer = _____ [2]

- (b) As a result of extra advertising, NT has seen an increase in demand from customers in the gift shops at its properties.

Complete the supply and demand diagram to show how equilibrium price and quantity of gifts would be affected. [4]



END OF QUESTION PAPER

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