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Centre number						Candidate number				
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**OXFORD CAMBRIDGE AND RSA EXAMINATIONS
GENERAL CERTIFICATE OF SECONDARY EDUCATION**

A241

APPLIED BUSINESS

Business in Action

MONDAY 6 JUNE 2011: Morning

DURATION: 1 hour 30 minutes

SUITABLE FOR VISUALLY IMPAIRED CANDIDATES

Candidates answer on the question paper.

OCR SUPPLIED MATERIALS:

None

OTHER MATERIALS REQUIRED:

A calculator may be used

**A calculator may
be used for this
paper**

READ INSTRUCTIONS OVERLEAF

INSTRUCTIONS TO CANDIDATES

- **Write your name, centre number and candidate number in the boxes on the first page. Please write clearly and in capital letters.**
- **Use black ink. Pencil may be used for graphs and diagrams only.**
- **Read each question carefully. Make sure you know what you have to do before starting your answer.**
- **Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).**
- **Answer ALL the questions.**

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 80.**
- **Your quality of written communication is assessed in questions marked with an asterisk (*).**

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TEXT 1

Gorse Hill Farm has been owned by the Price family for many years. It is currently run by brothers Derek and John. They operate the business as a partnership. Both brothers live with their families in their own houses on the farm.

1 REFER TO TEXT 1.

- (a) Identify the type of business activity in which Gorse Hill Farm is most likely to operate.

_____ [1]

- (b) Complete the following sentences by choosing the correct word from the list below. [4]

twenty

forty

legal

limited

unlimited

business

deed

agreement

A partnership consists of between two and

_____ partners. Partnerships have

_____ liability. When setting up a

partnership, the partners are advised to draw

up a _____ document known as a

_____ of partnership.

TEXT 2

Derek and John have different aims for Gorse Hill Farm. Derek aims to expand the business and intends to open a farm shop.

2 REFER TO TEXT 2.

(a) State and explain TWO reasons why it is important for the partners of Gorse Hill Farm to set aims for the business.

1: _____

2: _____

_____ [4]

(b) Derek intends to open a farm shop. The following stakeholders will have an interest in the farm shop:

- **local community;**
- **bank manager;**
- **employees.**

For each stakeholder, explain ONE DIFFERENT interest they would have in the farm shop.

- **Local community:** _____

- **Bank manager:** _____

- **Employees:** _____

_____ [6]

(c) Describe ONE conflict which has occurred between the interests of TWO DIFFERENT stakeholder groups in a business you have studied.

Name of business: _____

Name of stakeholder group 1: _____

Name of stakeholder group 2: _____

Conflict: _____

[3]

[Total: 13]

TEXT 3

Derek and John employ ten workers all year round on the farm. Between them the two partners, their wives and the ten workers ensure that the activities within each of the functional areas of the business are completed. Derek and John also employ seasonal workers as and when required. In addition, Freya, John's wife, looks after the accounts. The farm shop has now been opened and is run by Natasha, Derek's wife.

3 REFER TO TEXT 3.

(a) For EACH of the functional areas listed below, describe ONE key operational task for a business such as Gorse Hill Farm.

- Finance: _____

- **Human resources:** _____

- **Administration:** _____

[6]

(c) All businesses must operate within the law.

State TWO laws which businesses must operate within when EMPLOYING STAFF.

1: _____

2: _____ **[2]**

(d) Derek and John are keen to develop a good working relationship with all employees. Other than by operating within the law, explain TWO ways in which Derek and John could develop a good working relationship with their employees.

1: _____

2: _____

_____ **[4]**

- (e) ICT is currently not used at Gorse Hill Farm and the farm shop. Freya would like to use spreadsheets when doing the accounts.**

Other than spreadsheets, state TWO DIFFERENT types of ICT which might be used in a business such as Gorse Hill Farm.

1: _____

2: _____ **[2]**

- (f) (i) State and explain ONE benefit to Gorse Hill Farm of introducing ICT.**

_____ **[2]**

(ii) State and explain ONE drawback to Gorse Hill Farm of introducing ICT.

[2]

[Total: 28]

TEXT 4

Derek believes that the farm shop will be very successful. Many customers of the Farm want to know where their food has come from and whether it has been produced in an ethical manner.

4 REFER TO TEXT 4.

(a) State and explain TWO ways in which Gorse Hill Farm and the farm shop could be seen to be operating in an ethical manner.

1: _____

2: _____

[4]

TEXT 5

Once the farm shop is established and operating successfully, Derek would like to be more enterprising by expanding the farm shop business further. He is considering taking the risk of offering franchises of the farm shop.

5 REFER TO TEXT 5.

- (a) (i) State and explain ONE advantage of franchising to the FRANCHISOR.

[2]

(ii) State and explain ONE advantage of franchising to the FRANCHISEE.

[2]

(b) Other than offering franchises, explain TWO ways in which a business you have studied could be enterprising by taking a risk.

Name of business: _____

1: _____

2: _____

_____ [4]

(c) State TWO ways in which the employees could assist Gorse Hill Farm and the farm shop in operating in an enterprising way.

1: _____

2: _____

_____ [2]

[Total: 10]

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