

Friday 24 May 2013 – Morning

GCSE APPLIED BUSINESS

A241/01 Business in Action



Candidates answer on the Question Paper.

OCR supplied materials:

None

Other materials required:

- A calculator may be used

Duration: 1 hour 30 minutes



Candidate forename					Candidate surname				
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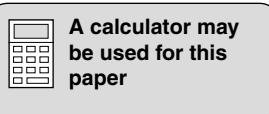
Centre number						Candidate number			
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INSTRUCTIONS TO CANDIDATES

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer **all** the questions.
- 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).
- Do **not** write in the bar codes.

INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [] at the end of each question or part question.
- Your Quality of Written Communication will be assessed in questions marked with an asterisk (*).
- The total number of marks for this paper is **80**.
- This document consists of **16** pages. Any blank pages are indicated.



Text 1

Nantwold Hall is a hotel and it is run as a private limited company. It operates under the name Nantwold Hall Ltd. It was bought by the current shareholders a year ago. At that time it had a bad reputation and few guests staying. It needed a large amount of money to be spent on updating. The hotel was closed for six months while this work was taking place. The shareholders also spent money promoting the re-opening of the hotel and it has now seen increased business. Nantwold Hall offers dinner, bed and breakfast to its guests and is also open to the public for lunch and dinner.

1 Refer to **Text 1**.

(a) Identify the type of business activity in which Nantwold Hall is most likely to operate.

..... [1]

(b) Complete the following sentences by choosing the correct words from the list below.

Bank of England legal liability

partners shareholders Stock Exchange

A private limited company is owned by its who have limited

..... Shares cannot be sold on the [3]

(c) The shareholders of Nantwold Hall are aware that the business environment is uncertain.

State and explain **two** reasons why the business environment is often uncertain.

1

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2

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[4]

- (d) Grant Knight, the General Manager of Nantwold Hall, is keen to ensure that the updated hotel can be seen to be operating in an ethical manner.

State and explain **two** ways in which a business such as Nantwold Hall could be seen to be operating in an ethical manner.

1

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[4]

- (e)* The shareholders of Nantwold Hall Ltd took risks in:

- spending a large amount of money updating the hotel
- temporarily closing the hotel while the work was being done
- spending money promoting the re-opening of the hotel

What would have been the likely consequences to the shareholders of Nantwold Hall Ltd of **not** taking these risks?

Which consequence would have had the greatest impact? [10]

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Text 2

Lucy Morris is currently working at Nantwold Hall at the same time as completing a business studies course at college. She thinks the experience of working in the hotel, as well as completing a business course, will be invaluable to her later in her career.

Grant, the General Manager, thinks that it is vital to the success of the hotel that there should be a good working relationship between the employees and the employer.

Lucy has been learning a lot about running Nantwold Hall from Grant. He told Lucy it is important that all businesses have clear objectives.

2 Refer to **Text 2**.

- (a) (i) Identify **two** possible objectives for a business which you have studied.

Name of business:

Activity of business:

Objective 1

.....

Objective 2

[2]

- (ii) Explain **two** reasons why it is important for any business to have clear objectives.

1

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[4]

- (b) Nantwold Hall must operate within a legal framework. Which **three** of the following statements are requirements of the Equality Act?

Place a tick (✓) against the **three** requirements.

Statement	Requirement of the Equality Act Tick (✓)
Employees are entitled to holiday pay.	
Employees cannot be sexually discriminated against in employment.	
It is illegal to discriminate against someone on the basis of their ethnic background.	
Disabled people have rights in employment.	
Employees must receive a contract of employment.	

[3]

- (c)* In what different ways has a good working relationship been developed between the employee and the employer in a business which you have studied. Which way has been the most successful? Give reasons for your answer. [10]

Name of business:

Activity of business:

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Text 3

Ever since Lucy went on holiday to Italy she has wanted to open an ice cream parlour. She saw a lot of cafes in Italy which just sold ice cream and this gave her the idea.

Lucy has been researching how to set up an ice cream parlour. She has found a very successful business which sells franchises of its ice cream parlour.

- ### **3 Refer to Text 3.**

- (a) Identify **two** possible reasons why Lucy wants to start her own business.

1

2 [2]

- (b)*** Evaluate the advantages and disadvantages to Lucy of setting up her ice cream parlour with a franchisor or on her own. Which would you recommend she should do? Give reasons for your answer. [10]

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- (c) Many different stakeholder groups will have an interest in Lucy's ice cream parlour.

For each of the following stakeholder groups, explain **one different** interest they might have in Lucy's ice cream parlour.

Local community:

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Suppliers:

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Competitors:

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10

- (d) Explain why a conflict might occur between Lucy and her customers.

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[2]

Text 4

Lucy has now set up her ice cream parlour. To develop her ice cream parlour, she had to arrange a loan from the bank to pay the start-up costs. These costs included buying brand new ICT equipment.

4 Refer to **Text 4**.

- (a) (i) Describe how a business which you have studied has **changed** its use of ICT.

Name of business:

Activity of business:

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[3]

- (ii) State and explain **two benefits** to the business of the change(s) described in part 4(a)(i).

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[4]

- (iii) State and explain **two drawbacks** to the business of the change(s) described in part 4(a)(i).

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[4]

- (b) State and explain **one** possible impact on Lucy's ice cream parlour if there is an **increase** in interest rates.

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- (c) State and explain **one** possible impact on Lucy's ice cream parlour if there is a **rise** in the rate of inflation.

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[2]

- (d) Grant Knight is keen to keep working with Lucy and he has suggested that she should expand her business by supplying Nantwold Hall with her ice cream. This would mean that both businesses would be operating in an enterprising way.

- (i) State and explain **one** benefit to **Lucy** of supplying Nantwold Hall with her ice cream.

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[2]

- (ii) State and explain **one** benefit to Nantwold Hall of selling Lucy's ice cream.

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[2]

END OF QUESTION PAPER

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