



## General Certificate of Secondary Education

# Business Studies 3133/9/1F

## *Specification B*

### *(Full and Short Course)*

# Mark Scheme

## *2005 examination – June series*

Mark schemes are prepared by the Principal Examiner and considered, together with the relevant questions, by a panel of subject teachers. This mark scheme includes any amendments made at the standardisation meeting attended by all examiners and is the scheme which was used by them in this examination. The standardisation meeting ensures that the mark scheme covers the candidates' responses to questions and that every examiner understands and applies it in the same correct way. As preparation for the standardisation meeting each examiner analyses a number of candidates' scripts: alternative answers not already covered by the mark scheme are discussed at the meeting and legislated for. If, after this meeting, examiners encounter unusual answers which have not been discussed at the meeting they are required to refer these to the Principal Examiner.

It must be stressed that a mark scheme is a working document, in many cases further developed and expanded on the basis of candidates' reactions to a particular paper. Assumptions about future mark schemes on the basis of one year's document should be avoided; whilst the guiding principles of assessment remain constant, details will change, depending on the content of a particular examination paper.

## Foundation Tier

### Broad Principles

- Most questions have a levels mark scheme, some have up to four levels, some up to three and some up to two.
- In all levels mark schemes, examiners must start at the top level and use the level descriptor to see if the candidate response matches that descriptor. If the response does not match the descriptor, examiners should move down to the next level until the appropriate descriptor is matched by the candidate response.
- Once the correct level has been identified, examiners will also have to decide which mark to award within that level. This will be done by using the level descriptor, any further guidance and where applicable the exemplar responses. At its simplest, this will require the examiner to decide if the candidate is operating at the top, middle or bottom of a level that has three marks available to be awarded.
- Examiners should take great care, when using the range of marks for each level, to award the right number of marks for each response.
- For most questions a list of possible points is included in the mark scheme. This is not intended to be a comprehensive list. Nor is the wording deemed to be the only acceptable form for which marks may be awarded. Examiners will need to use their judgment as to whether a point made by the candidate is relevant to the question. Team leaders may be used for advice where examiners are unable to make such a decision.

**1****Total for this question: 6 marks**

Explain what is meant by a ‘business objective’. Use possible examples from **Data A** to illustrate your answer. *(6 marks)*

Possible points explaining business objective include:

- A target to be achieved
- Might be a more general aim
- Something to be measured
- Some not easy to measure
- Time limited
- Other objectives not in data are used to explain the term

Examples of objectives included in data:

- Use their skills
- Steady income
- Doing something they are interested in
- Expanding the business
- Making profits
- Increasing market share

### **Level 2          Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made explaining the term and using examples from Brighter Gardens plc to enhance and illustrate the explanation** **(6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding to give a thorough and illustrated explanation of the term business objective. May use 3 simple examples or fully use 1 developed example *(6 marks)*

Some use and application of relevant business knowledge and understanding to give a simple but illustrated explanation of the term business objective. Use 1 simple example. *(4 marks)*

### **Level 1          Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. An explanation of the term is given but without the application of objectives from the case study to illustrate the explanation.** **(3 - 1 marks)**

Three separate undeveloped points are given with no application of objectives from the data. *(3 marks)*

One undeveloped point is given with no application of objectives from the data *(1 mark)*

**NB Do not have to make 3 points at level 1 before they access level 2.**

2

**Total for this question: 4 marks**

What is meant by a ‘private limited company’?
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*(4 marks)*

**Level 1            Statement of knowledge**

**Award (1) mark each to max of (4) for points such as:**

- Shareholders/owners have limited liability
- Company has separate legal identity
- Capital is divided into shareholders
- Is owned by share
- Shares may not be sold openly to public
- Agreement has to be reached on the sale of shares
- Often a small and/or family business

**NB A point may also be developed and gain extra marks**

*Example: ‘The shareholders have limited liability (1) meaning that the most they will lose if the company goes bust is their investment (+1)’*

3

**Total for this question: 6 marks**

Explain why the owners of *Brighter Gardens Ltd* might have decided to change their business from a private limited company into a public limited company. (6 marks)

Possible reasons for changing to a plc might include the advantages of a plc:

- Major source of funding possible through going public by increasing number of shareholders
- Being public opens up additional sources of finance
- Easier for shareholders to transfer shares
- Likely to be able to attract greater management expertise to handle continued expansion
- Even greater economies of scale likely to be gained
- Possible benefits from exposure of name e.g. reputation
- The business has lots of potential to grow
- It might help to reduce risk
- It will increase share value

Possible disadvantages of operating as a private company:

- Limited finance to make the major further expansion possible
- Difficult to bring in much greater expertise if expansion to continue
- At risk of being taken over if stayed as private
- Operating as a private company restricted chances to become household name

***NB*** *While it might be expected that candidates will use the advantages of plc if the disadvantages of private limited are used they are equally acceptable.*

## **Level 2          Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made about the limitations to Brighter Gardens of operating as a private company and/or the advantages of operating as a public company.** **(6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding to give a thorough explanation of why the change was considered. At least 2 reasons well explained (6 marks)

1 reason well explained or 2 reasons simply explained (5 marks)

Some use and application of relevant business knowledge and understanding to give a simple explanation for the change. 1 reason explained (4 marks)

**Level 1          Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Advantages of a plc and/or disadvantages of a private limited company are given but without application to Brighter Gardens. (3 - 1 marks)**

Three separate undeveloped points are given with no application of to Brighter Gardens. (3 marks)

One undeveloped point is given with no application to Brighter Gardens (1 mark)

*NB Points at this level may be either unexplained advantages or disadvantages or 'lifts' from the data e.g. 'in order to expand the business', 'to make more profit', 'to increase market share'.*

*NB Do not reward disadvantages of a plc*

*NB The context in this question is the change from Ltd to plc and candidates are likely to be lead into being in context by the wording of the question*

4

**Total for this question: 6 marks**

Explain what is meant by ‘economies of scale’. Use the situation of *Brighter Gardens* to illustrate your answer. (6 marks)

Possible points include:

- The advantages of large scale production
- Larger output/sales reduces costs
- Usually measured by lower unit costs for larger firms

Examples linked to data and relevant to Brighter Gardens:

- Financial economies resulting from more sources of finance (1) able to borrow larger sums (1) able to negotiate lower rates of interest (1)
- Purchasing economies resulting from being able to buy in bulk (1) able to employ specialist buyers (1)
- Marketing economies resulting from being able to use specialist marketing people or organisations (1)  
able to spread the cost of advertising across larger sales (1)

**NB** *Other examples given but not taken from the data, e.g. risk bearing economies, may be rewarded. Remember it is the explanation of the economy of scale that accesses level 2. Also remember to reward the sense of the economy when the ‘formal’ name is not given. A re-write of the data is (1) mark.*

## **Level 2          Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made explaining the term and using examples from Brighter Gardens plc to enhance and illustrate the explanation.** (6 - 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding to give a thorough and illustrated explanation of the term economies of scale. (6 marks)

Some use and application of relevant business knowledge and understanding to give a simple but illustrated explanation of the term economies of scale. (4 marks)

## **Level 1          Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. An explanation of the term is given but without the application of economies relevant to Brighter Gardens to illustrate the explanation.** (3 - 1 marks)

Three separate undeveloped points are given with no application of examples from the data. (3 marks)

One undeveloped point is given with no application of examples from the data (1 mark)

5

**Total for this question: 3 marks**

Give **three** examples of fixed assets that *Brighter Gardens plc* is likely to own.

*(3 marks)*

**Mark at (1) per feasible example to a max of (3). Possible examples include:**

- Buildings
- Land
- Machinery
- Vehicles
- Shop fittings
- Business name
- Gardening equipment (**for use by BG**)
- Shares in *another* business

*NB Award up to 3 different forms of buildings at (1) each to max of (3) e.g. café (1), play area (1) shop (1)*

*NB Examples of equipment or furniture for the use of BG max of (1 mark)*

*NB When candidates give examples such as tools, spades, fencing without making it clear they are for the use of BG then award (0 marks) i.e. it is not clear whether they believe them to be fixed or current assets*

*Example: 'buildings e.g. café (1) greenhouses (1)'*

*Example: 'office furniture e.g. desks, chairs, filing cabinets (1)*

*Example: 'gardening equipment used by BG e.g. spades, forks (1)*



**6**

**Total for this question: 2 marks**

What are 'debtors'?
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*(2 marks)*

Use the following as a guide choosing any **two**:

- for a sense of:

People or organisations have not yet paid the firm (1)

for goods or services they have obtained (1)

Type of current asset (1)

An example (1)

*Example:*

*'People who owe the company money' (1 mark)*

**NB**

***Do not reward the sense of 'debt collectors' and be very careful that the candidate is not describing creditors to a business.***

7

**Total for this question: 5 marks**

Calculate *Brighter Gardens plc's* current ratio (sometimes working capital ratio) for 2003. Show your working. (5 marks)

For the correct answer expressed either as 1.2 : 1 or 1.2 award (5 marks)

Otherwise build up as follows:

Either	Or
42 (1)	(1) (1) (1)
---- (1)	42 : 35
35 (1)	

For some reduction e.g.

Either	Or
6	6 : 5 (1)
---- (1)	
5	

Final reduction to 1.2 : 1 or left as 1.2 (1)

***NB*** *If they select the correct figures to start with award 1 or 2 marks. If they start with the wrong figures but correct figures then appear at random award (0) marks*

***NB*** *No marks for stating the formula*

*Example: 35 : 42 = (2 marks max for selecting the right figures but using them incorrectly. There are no further marks if they reduce it to 5 : 6)*

**8****Total for this question: 14 marks**

(a) Calculate the following ratios for Brighter Gardens plc. Show your working:

(i) Gross profit to sales revenue ratio for 2003. (5 marks)

For the correct answer expressed either as 40% or 2 : 5 award (5 marks)

Otherwise build up as follows:

Either:

(1) 110 x 100(1) with (1) mark for correct value of 40%  
 (1) ----  
 (1) 275

Or:

(1) (1) (1) with some reduction e.g. 22 : 55 (1) and a final reduction to 2 : 5 (1)  
 110 : 275

**NB** If they select the correct figures to start with award 1 or 2 marks. If they start with the wrong figures but correct figures then appear at random award (0) marks

**NB** No marks for stating the formula

(ii) Net profit to sales revenue ratio for 2003. (5 marks)

For the correct answer expressed either as 9.1% or 9% or 1 : 11 award (5 marks)

Otherwise build up as follows:

Either:

(1) 25 x 100 (1) with (1) mark for correct value of 9.1%  
 (1) ----  
 (1) 275

Or:

(1) (1) (1)  
 25 : 275 with some reduction e.g. 5 : 55 (1) and a final reduction to 1 : 11 (1)

**NB** If they select the correct figures to start with award 1 or 2 marks. If they start with the wrong figures but correct figures then appear at random award (0) marks

**NB** No marks for stating the formula

Example: '55 : 5' if no working is shown = (0 marks)

(b) The gross profit ratio for *Brighter Gardens plc* in 2002 was 35.8%.

Its net profit ratio in 2002 was 9.2%

Explain whether *Brighter Gardens plc*'s profitability has improved greatly since 2002.

(4 marks)

Additional calculations and ratios include:

- Between 2002 and 2003 sales revenue increased by £35m or by 14.6%
- Between 2002 and 2003 gross profit increased by £24m or by 27.9%
- Between 2002 and 2003 net profit increased by £3m or by 13.6%
- GP ratio has increased from 35.8% to 40 %
- NP ratio has fallen from 9.2% to 9.1%

**NB** *In this question no marks are being awarded for knowing part of the calculation process.*

**NB** *The OFR must apply from question 8(a) when using ratios. A candidate using incorrect calculations from 8 (a) to make judgements in this part of the question may be rewarded.*

#### Level 4 Evaluation

**The candidate makes conclusions or reasoned judgements from logical evaluation of the evidence in the case study and using business knowledge and terminology correctly. Judgements are justified by the correct use of figures, calculations and ratios.**

Judgements are made about whether the company has improved profitability justified through the use and analysis of two pairs of profit ratios. Other calculations might also have been used to support the judgements. (4 marks)

Judgement is made about the financial position . (1 mark)

Use the following as a guide:

- Judgements based on 2 pairs of ratios = (4 marks)
- Judgement based on one pair of ratios = (3 marks) *E.g. 'Profitability has gone up because the gross profit ratio has gone up by 4.2%' (3 marks)*
- Judgement based on changes in SR or GP or NP = (2 marks) *E.g. Net profit has gone up to £25m (2 marks)*
- Some general judgement that profitability has improved or deteriorated = (1 mark)
- A general statement that profit has gone up (1 mark)
- A general statement that profit has gone down (0 marks)
- 'Yes' or 'No' = (0 marks)

9

**Total for this question: 16 marks**

(a) What is meant by a ‘SWOT analysis’? Use **Data C** to illustrate your answer. (8 marks)

Key points explaining what a SWOT analysis means include:

- used by a business to see where it stands in the market
- internal factors are looked at through Strengths (S) and Weaknesses (W)
- external factors are looked at through Opportunities (O) and Threats (T)

Aspects of the case study data relevant to a SWOT analysis by the company include:

- Popularity of gardening as a household activity (O)
- ‘Free’ publicity for gardening through TV programme (O)
- 5% growth in industry sales each year over last 3 years (O)
- expansions by other garden centres (T) and DIY chains (T)
- 2 DIY chains plan to introduce gardening sections to larger stores (T)
- financial success of Brighter Gardens to date (S)
- steady expansion by Brighter Gardens – already has 22 garden centres (S)
- Brighter Gardens not a national chain – northern based (W)
- Brighter Gardens will need a lot of land for expansion (W)

## **Level 2          Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant descriptions of a SWOT analysis are described in the context of Brighter Gardens plc. (8 - 5 marks)**

Effective and accurate application of sound relevant business knowledge and understanding to give a thorough and illustrated explanation of the term SWOT analysis. (8 marks)

Some use and application of relevant business knowledge and understanding to give a simple but illustrated explanation of the term SWOT analysis. (5 marks)

***NB There are two ways to access level 2:***

- *Either by explaining how a SWOT analysis can allow Brighter Gardens to analyse and plan = up to (6 marks) with (2 marks) then available to reward the use of examples of the specific elements*
- *Or by identifying an element of SWOT and using an example from the data to illustrate it. One illustrated element = (5 marks), two elements = (6 marks), three elements = (7 marks), four elements = (8 marks)*

***NB A bullet point list using illustrations from the data to describe the SWOT elements will operate at level 2***

***NB Candidates may refer to information in the case study such as the financial data***

**Level 1                      Statement of Knowledge**

**Straight copying of the case study material with limited understanding shown. Simple descriptions of a SWOT analysis without application to the situation of Brighter Gardens plc                      (4 - 1 marks)**

Four separate undeveloped points are given with no application of examples from the data.                      (4 marks)

One undeveloped point is given with no application of examples from the data                      (1 mark)

***NB At this level, for simply stating that S = Strengths, W = Weaknesses, O = Opportunities, T = Threats award at (1) each to max of (4 marks)***

***Up to (2 marks) are available at this level to reward an explanation that SWOT allows analysis and planning for any business but it is not linked to Brighter Gardens.***

- (b) Explain what conclusions *Brighter Gardens plc* might have drawn from its SWOT analysis. (8 marks)

**Level 4 Evaluation**

**The candidate makes conclusions or reasoned judgements from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Candidates should be making judgements as to what the SWOT analysis shows Brighter Gardens plc about its possible future developments. Judgements should be justified. (8 - 5 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the SWOT analysis (8 marks)

Simple reasoned judgement/decision is made based on some consideration of/conclusions from the SWOT analysis. (5 marks)

**Level 3 Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. Data is correctly interpreted and analysed so that the candidate effectively applies business terms/concepts to show how preparing a SWOT analysis will help plan the future developments for Brighter Gardens plc. The answer is clearly in the context of the case study but candidates are not making judgements about the future facing Brighter Gardens. (4 - 1 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Brighter Gardens situation. (4 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Brighter Gardens situation. (1 mark)

***NB Using the OFR rule from question 9 (a), drawing conclusions based on incorrect application of BG's SWOT analysis - e.g. identifying a strength as a weakness –must be rewarded in this question.***

***NB The context for Level 3 is more open here with BG as a retailer. Candidates are likely to imply they are in context since they have already answered part (a).***

10

Total for this question: 14 marks

- (a) Describe **two** possible external benefits and **two** external costs that the *Brighter Gardens plc*'s investment programme will create. (8 marks)

External benefits either directly mentioned in the data or implied include:

- Better facilities for the public at the garden centre
- Wider choice of products likely
- More attractive place to visit
- Jobs are being created, therefore helping incomes
- More money in the local area

External costs either directly mentioned in the data or implied include:

- Possible loss of local farm land
- Spoilt landscape as a result of expansions particularly with greenhouses and warehousing
- Possible traffic problems including more pollution, congestion and danger
- Negative effect on other garden centres/shops selling similar supplies

**NB** *Be careful not to reward when the candidate is clearly mistaking private with external costs and/or benefits*

### Level 3 Selection/Organisation/Analysis/Interpretation

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to address the situation of the company. Data is correctly interpreted and the response analyses the effects of the possible external costs and benefits to the local community from the expansion plans of Brighter Gardens plc. No judgment is made as to whether the candidate thinks the chairman is right. Two costs and two benefits must be included to access this level.**

**(8 - 7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to Brighter Gardens situation. (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to Brighter Gardens situation. (7 marks)

### Level 2 Application of Knowledge and Understanding

**Business studies knowledge is used and applied to the case study. Relevant external costs and benefits arising from the plans of Brighter Gardens plc are suggested and described but they are not clearly analysed.** (6 - 4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of Brighter Gardens situation. Must refer to at least 1 benefit and 1 cost. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of Brighter Gardens situation. (4 marks)



**Level 1            Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Undeveloped external costs and/ or benefits are given with no link to the plans of Brighter Gardens plc.            (3 - 1 marks)**

Three separate undeveloped costs/benefits are given without any link to Brighter Gardens situation  
*(3 marks)*

One cost/benefit given with no link to Brighter Gardens situation,            *(1 mark)*

- (b) Explain whether you think the Chairman of *Brighter Gardens plc* is correct when he states that the external benefits will outweigh the possible external costs. (6 marks)

***NB It is quite acceptable for candidates to suggest that the chairman is not right. We are looking to reward the weight of considered, logical argument!***

**Level 4 Evaluation**

**The candidate makes conclusions or reasoned judgments from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Candidates should be making justified judgments as to whether they think the chairman of Brighter Gardens plc is right. (6 - 1 marks)**

Logical judgements are made and justified based on clear evidence of weighing up at least 2 costs and 2 benefits (6 marks)

Judgements are made and justified based on the consideration of 2 bs & 2cs (5 marks)

Judgements are made and justified based on the consideration of either 2b & 1c or 1 b & 2c (4 marks)

Judgements are made on the consideration of 1 c and 1 b (3 marks)

Judgements are made on the consideration of either 1 c or 1b (2 marks)

A simple judgement is made. (1 mark)

11

**Total for this question: 12 marks**

Describe **two** appropriate ways for *Brighter Gardens plc* to carry out market research when planning the promotional launch of one of its redeveloped garden centres. State which you think will be the most effective, giving detailed reasons to justify your choice. *(12 marks)*

**NB** *Methods may be broad – field or desk – or quite narrow and specific – e.g. observation, home survey, telephone survey. There is no ‘correct’ answer implied as to the most appropriate; rather we are looking to reward candidates for showing how their chosen method might be relevant and appropriate to the needs of Brighter Gardens plc. Illustrations of the data to be collected should be linked to the need to gather data in order to plan promotional strategies. Reasons in support of the chosen method should be accurate and logical.*

#### **Level 4            Evaluation**

**The candidate makes conclusions or reasoned judgements from logical evaluation of the evidence in the case study and using business studies knowledge and terminology correctly. Candidates should be making judgements as to the most appropriate market research methods for Brighter Gardens to use. The choice of methods should be justified.** **(12 - 9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the pros and cons of two appropriate methods *(12 marks)*

Simple reasoned judgements are made based on some consideration of the pros and cons of two appropriate methods *(9 marks)*

#### **Level 3            Selection/Organisation/Analysis/Interpretation**

**Information has been selected from the case study. The candidate effectively applies business terms/concepts to analyse and compare the usefulness of 2 methods appropriate to Brighter Gardens plc but either no justified judgement is made as to why the methods are most appropriate or the judgement is based on insufficient discussion or incorrect interpretation. The comparison can be between the advantages and disadvantages of one of the methods or between the two chosen methods or between the chosen methods and alternative methods of MR.** **(8 - 7 marks)**

Clear, good analysis based on a comparison of the 2 methods selected using appropriate information from the case study and effective application of business concepts to Brighter Gardens situation *(8 marks)*

Some analysis based on a comparison of the 2 methods selecting some appropriate information from the case study and including reasonably effective application of business concepts to Brighter Gardens situation *(7 marks)*

**Level 2            Application of knowledge and understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made about the possible usefulness to Brighter Gardens plc of the candidate’s suggested methods. Points may include the sort of data that can be collected. (6-4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of Brighter Gardens situation *(6 marks)*

Some use and application of relevant business knowledge and understanding within the context of Brighter gardens situation. *(4 marks)*

*Use the following guideline at this level:  
Two in context with good description = (6 marks)  
One in context with good description = (5 marks)  
One in context = (4 marks)*

**Level 1            Statement of knowledge**

**Straight copying of case study material and limited understanding shown. Unexplained methods are suggested or, where there is a description, it is not relevant to Brighter Gardens plc needs. (3 - 1 marks)**

Use the following guidelines:  
Two separate undeveloped points are given without any link to Brighter Gardens situation *(3 marks)*  
One point developed but no link to BG *(2 marks)*  
One point undeveloped with no link to Brighter Gardens situation *(1 mark)*

**NB Do not reward the pros and cons of the promotional methods.**

12

**Total for this question: 12 marks**

*Brighter Gardens plc* has used the following promotion methods:

- special offers;
- local newspaper advertising.

Explain why each of these might have worked well in promoting its garden centres. (12 marks)

**Level 4 Evaluation**

**The candidate makes conclusions or reasoned judgements from logical evaluation of the two methods using business studies knowledge and terminology correctly. Candidates should be making justified judgements as to why the methods are likely to have worked well in promoting its garden centres. Both methods need to be considered. (12 - 9 marks)**

Logical judgements are made and justified based on clear evaluation of the effectiveness of the two methods (12 marks)

Simple reasoned judgements are made based on some evaluation of the effectiveness of the two methods. (9 marks)

**Level 3 Selection/Organisation/Analysis/Interpretation**

**The candidate effectively analyses the effects of both methods. No judgement has been made on why they will have worked well in promoting its garden centres although some comparison might be made between the two alternative methods. (8-7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to *Brighter Gardens* situation. (8 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to *Brighter Gardens* situation. (7 marks)

**Level 2            Application of Knowledge and Understanding**

**Business studies knowledge is used and applied. The basic advantages of the methods given in the question are simply described in the context of its garden centre. No comparison is made at this level and there is no clear sense as to why they might have worked well.            (6 - 4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of Brighter Gardens situation            *(6 marks)*

Some use and application of relevant business knowledge and understanding within the context of Brighter Gardens situation            *(4 marks)*

*Use the following guideline at this level:*

*One advantage of each method well described in context = (6 marks)*

*One advantage of one method well described in context = (5 marks)*

*One advantage of a method simply described in context = (4 marks)*

**Level 1            Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Simple advantages of at least one of the methods is given but is not set in the context of the garden centre.            (3 - 1 marks)**

Use the following guidelines:

Two separate undeveloped points are given without any link to Brighter Gardens situation            *(3 marks)*

One point developed but no link to BG            *(2 marks)*

One point undeveloped with no link to Brighter Gardens situation            *(1 mark)*

**Marking Criteria for Quality of Written Communication**

<b>High performance</b>	Candidates spell, punctuate and use the rules of grammar with almost faultless accuracy, deploying a range of grammatical constructions. They use a wide range of specialist terms adeptly and with precision.	<b>5 - 4 marks</b>
<b>Intermediate performance</b>	Candidates spell, punctuate and use the rules of grammar with considerable accuracy. They use a good range of specialist terms with facility.	<b>3 - 2 marks</b>
<b>Threshold performance</b>	Candidates spell, punctuate and use the rules of grammar with reasonable accuracy. They use a limited range of specialist terms appropriately.	<b>1 mark</b>
<b>Below threshold performance</b>	Candidates do not meet the threshold performance criteria	<b>0 marks</b>