



## General Certificate of Secondary Education

# Business Studies 3133

## *Specification B*

*3133/9/1F*

# Mark Scheme

*2006 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 decision.

**1****Total marks for this question: 6 marks**Describe **three** possible reasons why Rhiann decided to open her own cheese shop.*(6 marks)*

Possible points include:

- knowledge of the dairy products industry;
- management experience;
- little competition;
- personal savings to invest;
- own boss – enjoyment of working for herself;
- earn a living;
- personal connections with the cheese trade;
- confident that the bank would lend her the money;
- possible potential partner with capital.

**Level 2            Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made describing the possible reasons for someone like Rhiann starting her business. The points may be either suggested by the data or from the candidates ideas.            (6-4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding to give a description of **three** items.            (6 marks)

Some use and application of relevant business knowledge and understanding to simply describe **one** of the possible contents.            (4 marks)

**Level 1            Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed reasons are given, either as suggested by the data or from the candidates ideas, but with no additional description or explanation.            (3-1 marks)**

Three separate undeveloped possible reasons are stated = (3 marks)

***NB    Possible reasons not included in the data may be rewarded. Award at level 2 if the reasons are described. Otherwise reward at level 1.***

2

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

Rhiann needed to complete a business plan for the bank. She started with her personal details like her name and address. Describe **three** other main items that Rhiann should include in her business plan. *(6 marks)*

Possible items may be *broad* or *narrow* and specific but may include the following broad items:

- product details;
- market research;
- marketing plans;
- objectives;
- financial details;
- premises details;
- staffing details;
- type of business organisation.

**Level 2            Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant items are described which would be included in a business plan.** **(6-4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding to give a description of three items. **Three** items stated and simply described. (6 marks)

Some use and application of relevant business knowledge and understanding to simply describe one of the possible contents. **One** item stated and simply described. (4 marks)

**Level 1            Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed items simply stated with no additional description.** **(3-1 marks)**

Three separate undeveloped possible contents are stated – (3 marks)

**NB      *Be careful not to reward personal details.***

**NB      *Any listing is just level 1, so do not award (6 marks) for six separate points.***

**3**

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

Explain why the bank wanted Rhiann’s business plan before deciding whether to give her a loan. (6 marks)

Possible points include:

- to make sure that Rhiann has thought about everything;
- to make sure she has planned everything;
- to make sure that her targets are realistic;
- to try to make sure the bank will have the loan repaid with interest.

**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 links the importance of someone like Rhiann, completing a plan to the bank’s requirement to lend money safely and/or profitably.** (6-5 marks)

Clear analysis linking the uses of a plan for someone like Rhiann to the bank’s basic requirement with some development such as decisions by the bank about the length of any loan. (6 marks)

Some analysis linking the uses of a plan for someone like Rhiann to the Bank’s basic requirement to make sure a bank loan is repaid safely and/or profitably. (5 marks)

**Level 2                      Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made explaining the possible reasons why someone like Rhiann needs to complete a business plan.** (4-3 marks)

Effective and accurate application of sound relevant business knowledge and understanding to give an explanation of at least **two** reasons. (4 marks)

Some use and application of relevant business knowledge and understanding to give a simple explanation of **one** reason. (3 marks)

**Level 1                      Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed reasons for Rhiann preparing a plan are given, either as suggested by the data or from the candidates’ ideas, but with no additional description or explanation.** (2-1 marks)

Two separate possible reasons for preparing a business plan are stated but without further description. (2 marks)

One separate possible reason for preparing a business plan is stated but without further description. (1 mark)

Level 1 example: “Rhiann’s plan will show her if she has thought about everything”. (1 mark)

**NB                      *The context in this question is the bank and its requirement for a plan.***

4

**Total marks for this question: 12 marks**

Rhiann decided to set up as a sole trader but she could have set up in partnership with Angus. Compare the **advantages** and **disadvantages** of each form of business and explain whether you think Rhiann made the right decision. *(12 marks)*

Possible risks of being a Sole Trader include:	Possible advantages of being a Sole Trader include:
<ul style="list-style-type: none"> <li>• Unlimited liability</li> <li>• Lack of capital</li> <li>• Limited market</li> <li>• Too much pressure doing all the jobs</li> <li>• Too much workload</li> <li>• Difficulty to take time off</li> </ul>	<ul style="list-style-type: none"> <li>• Quick decision making</li> <li>• All the profits go to Rhiann</li> <li>• Small market will suit a small business</li> <li>• Low overheads at least to start with</li> <li>• Easy to set up</li> <li>• No one to fall out with</li> <li>• Job satisfaction/motivation</li> </ul>
Possible problems of forming a partnership:	Possible advantages of forming a partnership:
<ul style="list-style-type: none"> <li>• Disagreements with partner</li> <li>• Unlimited liability</li> <li>• Responsible for each other's actions</li> </ul>	<ul style="list-style-type: none"> <li>• Additional finance</li> <li>• Sharing workload</li> <li>• New ideas</li> </ul>

**NB** *Any conclusions do not have to be at the end of the candidate's answer. Be prepared to reward reasoned judgements made within the body of the response.*

**NB** *The context for this question is whether someone like Rhiann should have set up as a Sole Trader or in a partnership.*

**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. Judgements about the decision made must be based on and justified by a thorough comparison and weighing up of the risks and advantages to someone like Rhiann from operating as a sole proprietor with those of forming a partnership. (12-9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the advantages and disadvantages of the two business forms for someone like Rhiann.

At least one advantage and one disadvantage of both business forms plus one additional advantage and one additional disadvantage of either business form for someone like Rhiann are used. (12 marks)

Simple reasoned judgement is made based on some consideration and evaluation of the advantages and disadvantages of the two business forms for someone like Rhiann.

At least one advantage and one disadvantage of both business forms for someone in Rhiann's situation are used. (9 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 address the situation of someone like Rhiann. Candidates are comparing the advantages and/or disadvantages of both business forms but either no justified judgement is made on Rhiann’s decision or the judgement is based on insufficient discussion and evaluation.**

**(8-7 marks)**

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to the situation faced by someone like Rhiann – that compares the advantages and/or disadvantages of the two business forms. No judgement made.

At least one advantage and one disadvantage of each business form plus one additional advantage and one additional disadvantage of either business form are required. (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 the situation facing someone like Rhiann’s – that compares the advantages and/or disadvantages of the two business forms. No judgement made. At least one advantage and one disadvantage of each form of business are required. (7 marks)

**Level 2                      Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made describing the possible reasons for someone like Rhiann either being a sole trader or forming a partnership. No comparison is made at this level.**

**(6-4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of someone like Rhiann. Describing at least one advantage and one disadvantage of both business forms. But no comparison. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of someone like Rhiann, to describe one advantage and one disadvantage of one of the forms of business. But no comparison. (4 marks)

**Level 1                      Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed reasons are given, either as suggested by the data or from the candidates’ ideas, but with no additional description or explanation.**

**(3-1 marks)**

Three separate undeveloped points are given with no links to someone like Rhiann. (3 marks)

One point given with no link to someone like Rhiann. (1 mark)

5

**Total marks for this question: 9 marks**

Explain how secondary data will help Rhiann in setting up her business.	(9 marks)
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Possible points include:

- she will need general market data;
- she will need socio-economic data on the local area;
- data is likely to be reliable;
- primary data will only give her part of the picture;
- having secondary data may save her time.

**NB Can explore secondary data in general or as a specific data item.**

**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 address the situation of someone like Rhiann. Candidates explain the usefulness of secondary data for someone in Rhiann’s situation.** (9-7 marks)

Clear, good analysis based on the selection of appropriate information from the case study and effective application of business concepts to someone in Rhiann’s business situation. The response clearly identifies and describes how secondary data will help someone like Rhiann. (9 marks)

Some analysis based on the selection of some appropriate information from the case study and including reasonably effective application of business concepts to someone in Rhiann’s business situation. The response simply shows how secondary data will help this type of business. (7 marks)

**Level 2                      Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made describing the possible types of secondary data for someone like Rhiann in setting up her business but the response does not explore the usefulness of secondary data in terms of its impact on the business.** (6-4 marks)

Effective and accurate application of sound relevant business knowledge and understanding within the context of someone in Rhiann’s situation. At least two types of secondary data are described for this type of business. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of Rhiann’s situation. At least one type of secondary data is described for this type of business. (4 marks)





6

**Total marks for this question: 12 marks**

Rhiann considered using two methods of field research to collect primary data:

- A telephone survey
- Group cheese tasting sessions

Compare the **advantages** and **disadvantages** of each method and advise Rhiann on which method would be most suitable for her business. (12 marks)

Possible advantages/disadvantages include:

	<b>Advantages</b>	<b>Disadvantages</b>
Telephone Survey	<ul style="list-style-type: none"> <li>• Can access wide variety of people</li> <li>• Can do it at convenient times</li> </ul>	<ul style="list-style-type: none"> <li>• People may not tell the truth</li> <li>• People may think it is marketing not research</li> <li>• No clear link to cheese</li> </ul>
Group cheese tasting sessions	<ul style="list-style-type: none"> <li>• Product specific</li> <li>• Data will come from potential customers</li> <li>• Will also help to advertise her shop</li> </ul>	<ul style="list-style-type: none"> <li>• May be quite costly in terms of cheese and time</li> <li>• Data may not be typical for other customers</li> </ul>

**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. Judgements about the choice of method must be based on and justified by a thorough comparison and weighing up of the advantages and disadvantages of each method as they apply to someone in Rhiann’s situation.** (12-9 marks)

Logical judgements are made and justified based on clear evidence of weighing up the advantages and disadvantages of the two methods for someone in Rhiann’s situation.

At least one advantage and one disadvantage of both methods plus one additional advantage and one additional disadvantage of either method are required. (12 marks)

Simple reasoned judgement is made based on some consideration and evaluation of the advantages and disadvantages of the two methods or someone in Rhiann’s situation.

At least one advantage and one disadvantage of both methods are required. (9 marks)

**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 someone like Rhiann. Data is correctly interpreted and analysed. Candidates are comparing the advantages and disadvantages of both methods but either no justified judgement is made on the best method of market research for someone in Rhiann’s situation or the judgement is based on insufficient discussion and evaluation. (8-7 marks)**

Clear, good analysis - based on the selection of appropriate information from the case study and effective application of business concepts to the situation faced by someone like Rhiann – that compares the advantages and/or disadvantages of the two methods. No judgement made.

At least one advantage and one disadvantage of each method plus one additional advantage and one additional disadvantage of either method are required. (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 the situation facing someone like Rhiann’s – that compares the advantages and/or disadvantages of the two methods. No judgement made.

At least one advantage and one disadvantage of each method are required. (7 marks)

**Level 2                      Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study. Relevant points are made describing the possible advantages and disadvantages of the two methods to someone in Rhiann’s situation but there is no evidence of a comparison. (6-4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of someone in Rhiann’s situation to describe at least one advantage and one disadvantage of both methods of research, but with no sense of comparison. (6 marks)

Some use and application of relevant business knowledge and understanding within the context of someone in Rhiann’s situation to describe at least one advantage and one disadvantage of one of the research methods but with no comparison. (4 marks)

**Level 1                      Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed points are given, either as suggested by the data or from the candidates’ ideas, but with no link to someone in Rhiann’s business situation. (3-1 marks)**

Three separate undeveloped points are given with no links to someone in Rhiann’s situation. (3 marks)

One undeveloped point given with no link to someone in Rhiann’s situation. (1 mark)

7

**Total marks for this question: 5 marks**

Using Rhiann’s cheese shop business as an example, explain the term ‘channels of distribution’.

*(5 marks)*

Possible points include:

- the route the good takes from manufacturer to customer;
- typically from manufacturer to wholesaler to retailer to customer;
- agents may be involved;
- combination of routes may be used;
- eg cheese producer to wholesaler to retailer to customer;
- eg direct from cheese farm to retailer to customer.

**Level 1/2 combined**

**Application of Knowledge and Understanding/Statement of Knowledge**  
**(5-1 marks)**

Mark at (1) per point and/or development to a max of (5).

***NB Max of (2 marks) for use of examples at (1) per example.***

**8**

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

Explain why it is important for Rhiann to control her stocks of cheese.

*(6 marks)*

Possible points include:

- keep down costs;
- help with liquidity;
- perishability of cheese;
- small storage area;
- satisfy customer needs.

**Level 3/4 combined**

**Analysis and Evaluation**

**Information is selected and data is correctly interpreted and analysed to allow candidates to logically evaluate the importance of stock control to costs, liquidity and customer demand for a business like Rhiann’s.** **(6-3 marks)**

Candidates make at least two points that are well explained concluding how stock control affects costs and/or liquidity and/or customer demand in a business like Rhiann’s. (6 marks)

One point well explained and one simply explained. (5 marks)

Either one point well explained or two points simply explained. (4 marks)

Candidates make one point simply explaining how stock control affects costs or liquidity or customer demand in a business like Rhiann’s. (3 marks)

**Level 1/2 combined**

**Statement of Knowledge/Application**

**Limited understanding and application of knowledge.** **(2-1 marks)**

Candidates make simple undeveloped points at (1) each to a maximum of (2).

*eg “stock control is necessary to make sure she has enough cheese” (1).*

9

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

Explain why it is important for Rhiann to control her cash flow. (6 marks)
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Possible points include:

- new businesses often have a lack of cash;
- she will need cash to pay bills;
- without enough cash she may not be able to buy new stock;
- cash shortages may push her into bankruptcy.

**Level 3/4 combined**

**Analysis and Evaluation**

**Information is selected and data is correctly interpreted and analysed to allow candidates to logically evaluate the importance of controlling cash flow for someone like Rhiann.**

**(6-3 marks)**

Candidates make at least two points that are well explained in terms of the implications and the importance of controlling cash flow for someone like Rhiann. (6 marks)

One point well explained and one simply explained. (5 marks)

Either one point well explained or two points simply explained. (4 marks)

Candidates make one point simply explaining the implication or importance of controlling cash flow for someone like Rhiann. (3 marks)

**Level 1/2 combined**

**Statement of Knowledge/Application**

**Limited understanding and application of knowledge.**

**(2-1 marks)**

Candidates make simple undeveloped points about cash flow at (1) per point to a maximum of (2).

*eg “cash flow is the flow of cash into the business” (1).*

***NB Do not reward responses that refer to profits rather than cash flow.***

10

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

(a) What is meant by the break-even point? (2 marks)

For sense of:

“Level of sales (1) at which revenue equals costs (1)”.

**eg “above this point the business will make a profit” = (1 mark)**

(b) Showing your working, calculate the break-even point for Rhiann’s business in 2005. (6 marks)

For correct answer of 9 000 kg of cheese award (6) marks.

Otherwise build up as follows:

$$\begin{matrix} (1) & (1) & (1) \\ \pounds 8.50 & - & \pounds 2.50 = \pounds 6 \end{matrix} \quad \text{therefore} \quad \frac{\begin{matrix} (1) \pounds 54\,000 \\ (1) \pounds 6 \end{matrix}}{\begin{matrix} (1) \pounds 6 \end{matrix}} = 9\,000\text{kg}(1)$$

*eg:*

$$\begin{matrix} (1) & (1) & (1) \\ \pounds 8.50 & - & \pounds 2.50 = \pounds 6 \end{matrix}$$

$$\frac{\begin{matrix} (0) \pounds 6 \\ (1) \pounds 54\,000 \end{matrix}}{\begin{matrix} (1) \pounds 54\,000 \end{matrix}} = 0.1 (0)$$

*In this case the fourth mark is awarded for selecting the fixed costs figure but no further marks can be awarded since the contribution is used the wrong way.*

*If candidates shorten the calculation, award as follows:*

$$\begin{matrix} (1) \pounds 54\,000 \\ (1) \frac{\pounds 54\,000}{(3) \pounds 6} = \pounds 4\,000\text{kg} (0) \end{matrix} \quad \begin{matrix} (1) \pounds 54\,000 \\ (1) \frac{\pounds 54\,000}{(0) \pounds 2.50} = 21\,600\text{kg} (0) \end{matrix} \quad \begin{matrix} (3) \pounds 6 \\ (1) \frac{\pounds 6}{\pounds 54\,000} = 0.1 (0) \end{matrix}$$

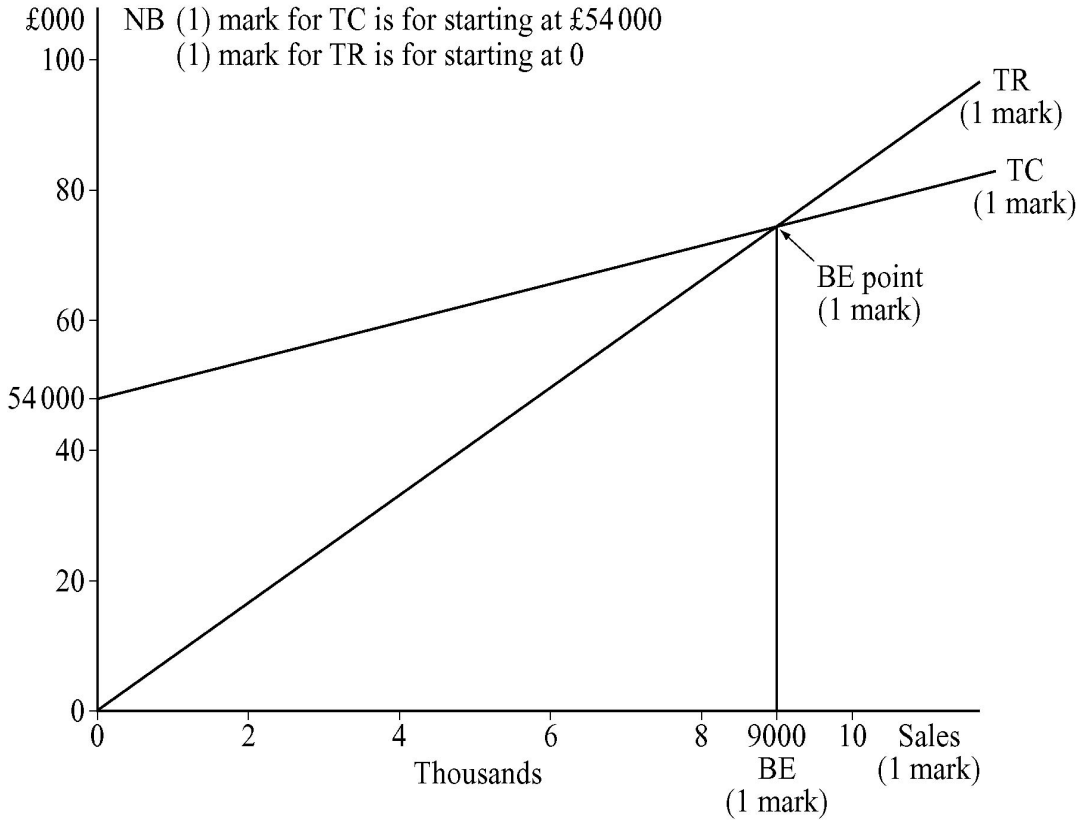
**NB** *If candidates write the formula correctly (full or shortened forms) award (1 mark) if no further marks may be awarded for correct application of the figures.*

**NB** *Do not penalise candidates if they put the £ sign in front of the breakeven point figure of 9000.*

**NB** *Only reward marks for £8.50 and £2.50 if candidates use them together in calculation.*

**Marks if candidates use a break even graph**

Costs/revenue  
(1 mark)



**NB Remember, if you see 9 000 shown as the answer, award (6 marks). Otherwise, build up as indicated on the graph.**



**11****Total marks for this question: 12 marks**

Using the data and appropriate calculations, explain whether Rhiann's business has improved between 2004 and 2005. *(12 marks)*

Key calculations and ratios not shown in data include:

Between 2004 and 2005

Sales Revenue has increased by **£10,000 or 7.1%**

Gross profit has increased by **£800 or 1.1%**

Net profit has increased by **£4,200 or 25%**

Gross profit to sales ratio has fallen from **53% to 50%**

Net profit to sales ratio has risen from **12% to 14%**

**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.** **(12-9 marks)**

Logical judgements are made and justified based on clear evidence of a comparison of at least two pairs of figures from each year. (12 marks)

Simple reasoned judgement is made based on a comparison of at least one pair of figures from each year. (9 marks)

**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 Rhiann. Data is correctly interpreted and analysed.** **(8-7 marks)**

At least two pairs of figures are compared from each year but without any conclusions being drawn. (8 marks)

A comparison of at least one pair of figures from each year is made without any conclusions being drawn. (7 marks)



12

**Total marks for this question: 12 marks**

Rhiann was considering two alternative options for expansion.

- To open another cheese shop, in Berwick, 40 miles away, at an approximate cost of £80 000
- To extend the existing shop in Dunbar, adding the sale of biscuits, bread, and wine alongside the cheeses, at an approximate cost of £45 000

Compare the possible **advantages** and **disadvantages** of each option and advise Rhiann on which you think would be best. (12 marks)

Possible advantages/disadvantages include:

	Advantages	Disadvantages
Open another cheese shop	<ul style="list-style-type: none"> <li>• New set of customers</li> <li>• More revenue</li> <li>• May have more scope than existing shop</li> <li>• Rhiann has experience in this product and has already opened similar business</li> </ul>	<ul style="list-style-type: none"> <li>• No guarantee of attracting custom</li> <li>• Major amount of capital needed and at risk</li> <li>• Workload problems</li> </ul>
Extend existing shop	<ul style="list-style-type: none"> <li>• Less expensive and less risky</li> <li>• New Products may be bought together</li> <li>• Business is already well known</li> </ul>	<ul style="list-style-type: none"> <li>• Customers may prefer a specialist shop</li> <li>• Rhiann does not have experience in bread and alcohol</li> <li>• May not attract enough extra revenue to pay for the cost of expansion</li> </ul>

#### **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 which option is likely to be best for a business like Rhiann's. The decision needs to be justified by a discussion that weighs up the advantages and disadvantages of both options given in the question. (12-9 marks)**

Logical judgements are made and justified based on clear evidence of weighing up the advantages and disadvantages of the two options for someone like Rhiann.

At least one advantage and one disadvantage of both options plus one additional advantage and one additional disadvantage of either option are required. (12 marks)

Simple reasoned judgement is made based on some consideration and evaluation of the advantages and disadvantages of the two options of someone like Rhiann.

At least one advantage and one disadvantage of both options are required. (9 marks)

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

**Information has been selected from the case study. Data is correctly interpreted and analysed. The candidate effectively applies business terms/concepts to address the situation of someone in Rhiann’s situation. A comparison of the advantages and disadvantages of both options is made but no conclusion is made.                    (8-7 marks)**

Clear, good analysis - based on the selection of appropriate information from the case study and effective application of business concepts to the situation faced by someone like Rhiann – that compares the advantages and/or disadvantages of the two options. No judgement made.

At least one advantage and one disadvantage of each option plus one additional advantage and one additional disadvantage of either option are required.                    (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 the situation facing someone like Rhiann – that compares the advantages and/or disadvantages of the two options. No judgement made.

At least one advantage and one disadvantage of each option are required.                    (7 marks)

**Level 2                    Application of Knowledge and Understanding**

**Business studies knowledge is used and applied to the case study.                    (6-4 marks)**

Effective and accurate application of sound relevant business knowledge and understanding within the context of someone in Rhiann’s situation. The candidate describes at least one advantage and one disadvantage of each option but no comparison is made.                    (6 marks)

Some use and application of relevant business knowledge and understanding within the context of someone in Rhiann’s situation. The candidate describes at least one advantage and disadvantage of one option but no comparison is made.                    (4 marks)

**Level 1                    Statement of Knowledge**

**Straight copying of case study material and limited understanding shown. Listed points are made about the options but with no additional description or explanation.                    (3-1 marks)**

Three separate undeveloped points are made about each option.                    (3 marks)

One undeveloped point is made about an option.                    (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>