

General Certificate of Secondary Education 2013

Business Studies

Unit 2

Business Development



[GBS21]

GBS21

FRIDAY 24 MAY, MORNING

TIME

1 hour 40 minutes.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper.

Complete in blue or black ink only. Do not write in pencil or with a gel pen.

There should be enough space for your answers. If you do require more space, you may complete your answers on the extra lined pages at the back of this book. Answer **all three** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 90.

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

Quality of written communication will be assessed in questions 1(e), 2(e) and 3(g).

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		Answer all questions		Examine Marks	r Only Remark
1		Poorly Pets is a veterinary practice in Ballycastle. It employs three vets, one senior nurse, four junior nurses, and one manager.			
	(a)	The senior nurse in Poorly Pets is leaving and the manager wishes to use external recruitment methods to replace her. Explain one advantage and one disadvantage of external recruitment for Poorly Pets.			
		Advantage	-		
			-		
		[:	2]		
		Disadvantage	-		
			-		
		[:	2]		
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(b)	The candidates for the position of senior nurse are asked to send a Curriculum Vitae (CV) to Poorly Pets. Explain what a Curriculum Vit (CV) is, and why employers might use one as a method of selection		Examiner Marks R
		_	
		_	
		[4]	
(c)	Outline one legal control regarding disability and one legal control regarding gender which govern recruitment. Disability		
	Condor	[2]	
	Gender		
		[2]	
			[Turn

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	(d)	The three vets are going to England on a training course. Identify and evaluate this type of training. You are asked to advise Poorly Pets whether or not they should use this method.	Exami Marks	ner Only Remark
		[6]	
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(e)	The main method of appraisal for all employees in Poorly Pets is observation. Describe this method of appraisal and explain two of its advantages.	Examine Marks	er Only Remark
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	(f)	All employees in Poorly Pets receive a bonus at the end of the year. They are also involved in team working. Identify and describe these two types of motivation.		Examin Marks	er Only Remark
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2	a r	vironmental Plastic plc is a medium-size company which manufactures ange of plastic containers and bags. The company is based in wnpatrick.	Examin Marks	er Only Remark
	(a)	The directors of Environmental Plastic plc believe that the company could achieve greater economies of scale if it became larger. Explain the term "economies of scale" and explain one way in which Environmental Plastic plc might achieve economies of scale.		
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(b)	Apart from economies of scale, analyse two other benefits of grow for Environmental Plastic plc.	wth	Examine Marks	er Only Remark
	1			
	2			
		[4]		
(c)	Analyse two negatives of growth for Environmental Plastic plc. 1			
	2			
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(d)	Environmental Plastic plc does not trade abroad but believes that its products would sell successfully on the international market. Give details of two benefits and two drawbacks of international trade for Environmental Plastic plc.	Examine Marks	r Only Remark
	Benefits	-	
		-	
		-	
		-	
		-	
	Drawbacks	-	
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(f)	There are social and moral implications associated with the growth of firms such as Environmental Plastic plc. Analyse one positive and one negative social and moral implication of the growth of Environmental Plastic plc.		Examir Marks	er Only Remark
	Positive	_		
		_		
	Negative	_		
		_		
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			Total O	uestion 2
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	e shop is owned by Lisa Williams and is managed by Jake.	
(a)	Jake is anxious to improve the shop's level of profit. Explain the meaning of "profit".	
	[2]	
(b)	At the beginning of the year, Jake prepared a Cash Flow Forecast for Easy Connections. Explain three reasons why a business should prepare a Cash Flow Forecast.	
	1	
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(c)	Analyse three consequences for Easy Connections if the Cash Flow Forecast is prepared incorrectly.		Examiner Only Marks Remark
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	2		
	3		
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Reading I



(u)	The following items appear on the Balance Sheet (Statement of Financial Position) of Easy Connections as at 31 December 2012. Explain the meaning of each item.	Examin Marks	Rer
	Debtors (Trade Receivables)		
	Bank Overdraft		

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Lisa's Capital Employed in Easy Connections is £200,000, and she received a total Net Profit of £15,000 for the year ending 31 Decembe 2012.	·r	Examir Marks	ner Only Remark
(e) Complete the spaces in the following formula to calculate Lisa's Return on Capital Employed, showing your calculations in the box provided:			
Return on Capital Employed = $\frac{\text{Net Profit}}{\text{Capital Employed}} \times 100$			
Return on Capital Employed = × 100			
Return on Capital Employed = %	[2]		
Show your calculations in this box:			
(f) Explain the meaning of "Return on Capital Employed".			
	_ [2]		

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(g)	The Return on Capital Employed in Easy Connections for the previous year (ended 31 December 2011) was 8.2%.	Examiner Only Marks Remark
	Analyse the business performance of Easy Connections in 2012, and advise Lisa and Jake on what action they should take.	
	[8]	
		Total Question 3
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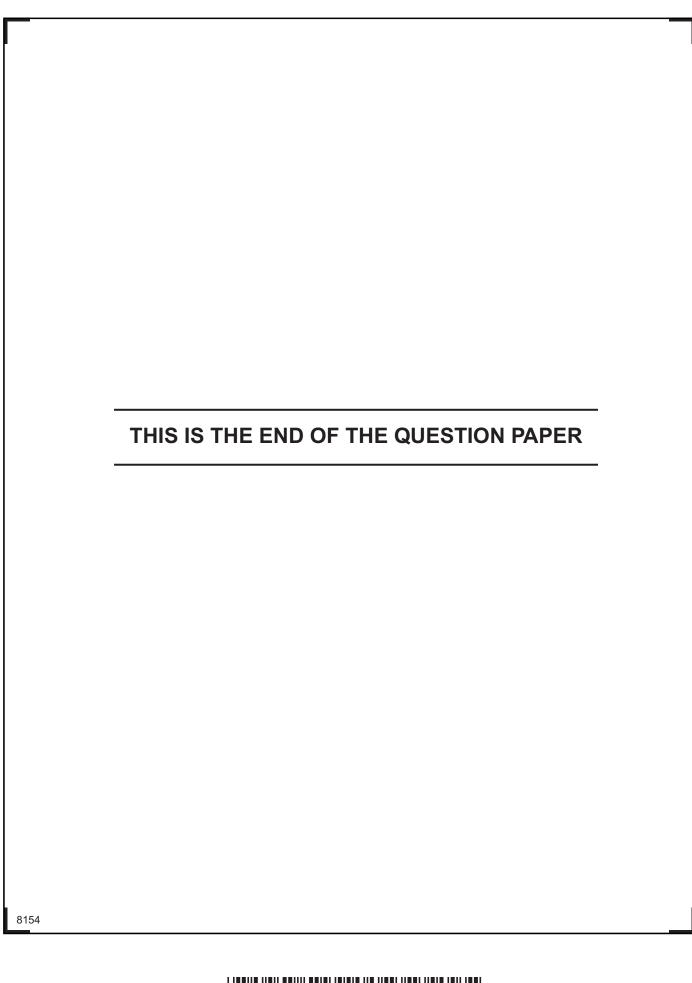
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