

FOR OFFICIAL USE

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**F**

KU      DM

Total

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**4200/27/01**

NATIONAL THURSDAY, 23 MAY  
 QUALIFICATIONS 9.00 AM – 10.00 AM  
 2013

**BUSINESS  
 MANAGEMENT  
 STANDARD GRADE**  
 Foundation Level

**Fill in these boxes and read what is printed below.**

Full name of centre

Town

Forename(s)

Surname

Date of birth

Day    Month    Year

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Scottish candidate number

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Number of seat

1. Read each question carefully.
2. Attempt **all** the questions.
3. All answers are to be written in this answer book.
4. Do **not** write in the margins.
5. Before leaving the examination room you must give this book to the Invigilator. If you do not, you may lose all the marks for this paper.



Marks 

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1.

**Hunter Boot Ltd is a very successful Scottish company making Wellington boots.**



The company has launched a website and recently moved production to China.

(a) Hunter Boot Ltd is a:

	Tick (✓) the correct answer
Private limited company	
Public limited company	

1

(b) Hunter Boot Ltd is a large business.  
Identify **2** features of a large business.

	Tick (✓) the 2 correct answers
Employs large numbers of staff	
Sales are very low	
Owned by one person	
Operates in more than one country	

2

(c) Suggest **one** reason why Hunter Boot Ltd created a website.

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1

Marks

KU	DM

**1. (continued)**

(d) Hunter Boot Ltd now manufactures its boots in China.

Identify **2** possible reasons for choosing a business location.

	<b>Tick (✓) the 2 correct answers</b>
Language barriers	
Low cost of raw materials	
Skilled workers	
High cost of premises	

2

[Turn over

Marks

2.



**Schuh is a Scottish based retail company who have been selling shoes for over 30 years. They now have over 70 shops.**

KU	DM

(a) Identify **2** ways in which Schuh could grow in size.

	Tick (✓) the 2 correct answers
Close down shops	
Merge with another shoe shop	
Employ less staff	
Introduce new products	

2

(b) Suggest **one** benefit of growth for Schuh.

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1

(c) Identify **2** ways of carrying out market research.

1 \_\_\_\_\_

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2 \_\_\_\_\_

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2

Marks

KU	DM
2	

2. (continued)

(d) Schuh uses their website to inform customers of new products.  
Suggest **2** other methods it could use to communicate with its customers.

1 \_\_\_\_\_  
\_\_\_\_\_  
2 \_\_\_\_\_  
\_\_\_\_\_

2

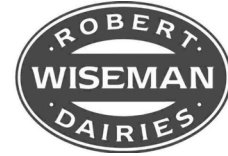
[Turn over

Marks	KU	DM
2		
1		
1		

3.

Rises in the price of fuel have increased costs for Wiseman Dairies.

Wiseman Dairies have now had to increase their selling price to cover these costs.



(a) Other than fuel, suggest **2** possible costs for Wiseman Dairies.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

(b) Give **one** reason why Wiseman Dairies needs to cover its costs.

\_\_\_\_\_

\_\_\_\_\_

(c) Wiseman Dairies produces milk. This is an example of:

	Tick (✓) the correct answer
a good	
a service	



Marks

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3. (continued)

(d) Using the word bank below, label the stages of production for a carton of milk.

<b>Input</b>	<b>Process</b>	<b>Output</b>
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Stages of Production	
 <p>Milk is delivered to shops</p>	
 <p>Milk is turned into skimmed, semi-skimmed and full fat milk</p>	
 <p>Milk from cows is received in the dairy</p>	

3

[Turn over

Marks

KU	DM
----	----

4.



Miss COCO is owned by Sarah Finlay. The business produces handmade chocolates.

(a) Give 2 advantages of being a sole trader.

1 \_\_\_\_\_  
 \_\_\_\_\_

2 \_\_\_\_\_  
 \_\_\_\_\_

2

(b) When Sarah started Miss COCO she would have completed a Business Plan.

Place the following information under the correct headings from the Business Plan.

<b>Number of Employees</b>	<b>Results from Market Research</b>	<b>Cash Budget</b>
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Business Plan Headings	Information
Human Resources	
Finance	
Marketing	

3




Marks

KU	DM
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4. (continued)

(c) Identify Miss COCO's Factors of Production from the pictures below.  
Use the following word bank.

<b>Land</b>	<b>Labour</b>	<b>Capital</b>	<b>Enterprise</b>
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Miss COCO	Factor of Production
 Sarah Finlay	
 Factory Workers	
 Chocolate making Equipment	
 Cocoa Beans	

4

Marks

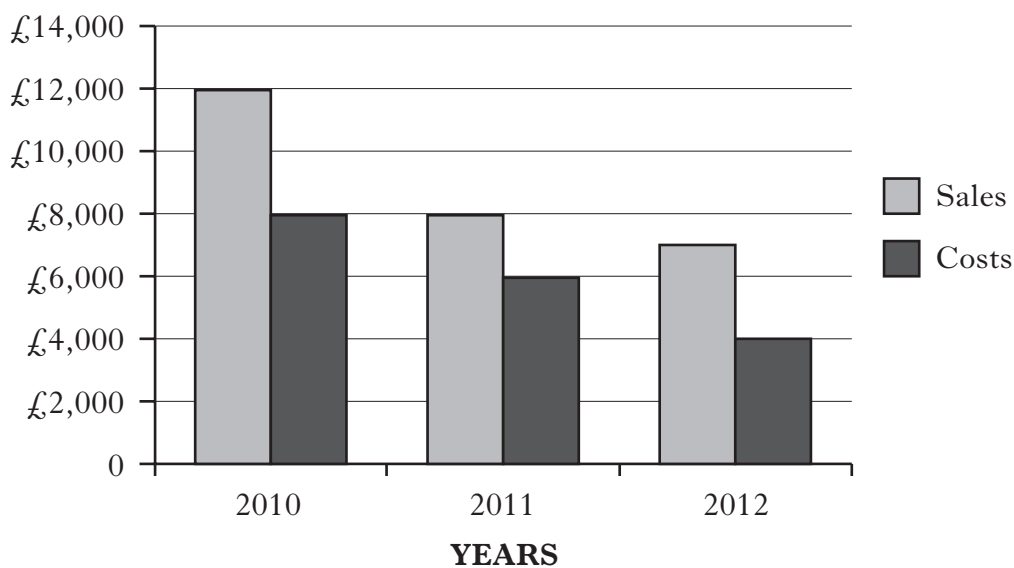
KU	DM

5.



Ambrose Entertainments offer a variety of services including discos, bouncy castle parties, clowns and comedians.

**SALES AND COSTS FOR AMBROSE ENTERTAINMENTS**



(a) Identify the year with the lowest costs.

\_\_\_\_\_

**1**

(b) Identify the year with the highest sales.

\_\_\_\_\_

**1**

(c) Suggest **2** reasons why sales may have fallen.

Reason 1 \_\_\_\_\_

\_\_\_\_\_

Reason 2 \_\_\_\_\_

\_\_\_\_\_

**2**

5. (continued)

(d) Ambrose Entertainments offer many different services.

Suggest **one** reason why Ambrose Entertainments offers more than one type of service.

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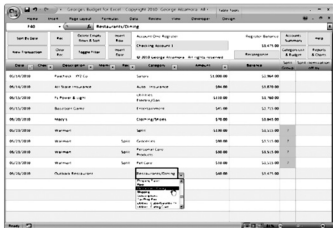


1

(e) Ambrose Entertainments used a spreadsheet to produce a graph.

Match the tasks given below with the most suitable software application.

**Each software application can only be used once.**

<b>Presentation software</b>	<b>Word processing software</b>	<b>Database software</b>
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Task	Software Application
 <p>Store and sort customer names and addresses</p>	
 <p>Prepare a business letter</p>	
 <p>Prepare slides to show at a meeting</p>	

3

Marks

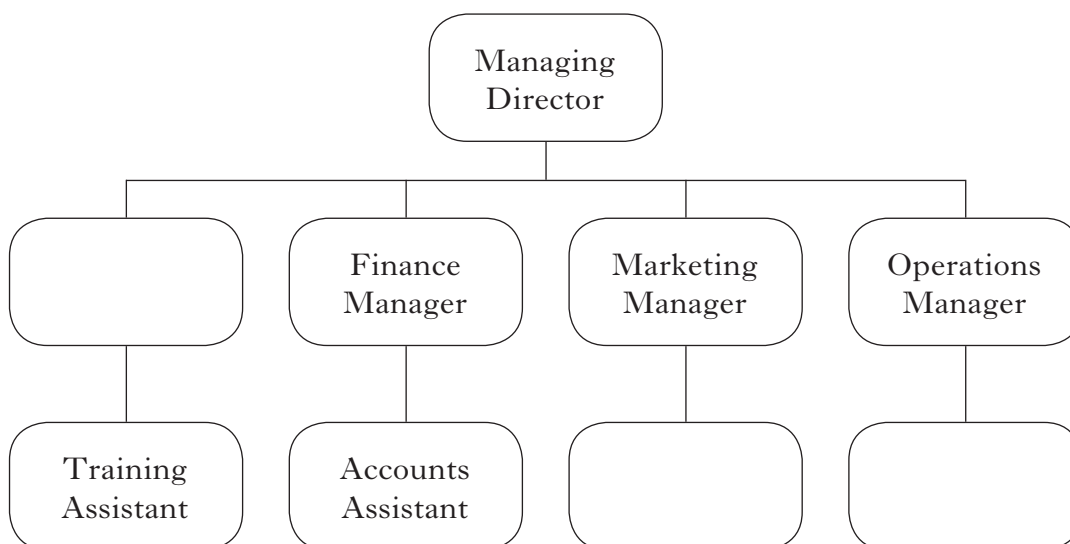
KU	DM

6.



Asif Ali is the Managing Director of Palladium Executive Hire which offers luxury car hire in cars such as Rolls Royce Phantom, Bentley Flying Spur and Mercedes S Class.

The chart below shows the organisation structure of Palladium Executive Hire.



(a) Place each of the following job titles in the appropriate box in the organisation chart above.

Advertising Assistant

Human Resources Manager

Production Assistant

3

(b) From the chart above identify the person the Accounts Assistant would report to if the Finance Manager was absent.

\_\_\_\_\_

1

**6. (continued)**

(c) Palladium Executive Hire are committed to supporting staff through different working patterns.

Match the following terms with the definitions given below.

**Use each term only once.**

The first one has been done for you.

<b>Permanent</b>	<b>Full-time</b>	<b>Job Share</b>
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<b>Temporary</b>	<b>Part-time</b>	<b>Flexi-time</b>
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Definition	Term
Employee has job for as long as they want it.	Permanent
Working “nine-to-five” 5 days a week.	
Two employees sharing one job.	
Working only 2 days a week.	
Employees choose the hours they work.	
Employment is for a short period.	

5

(d) Suggest **2** ways Palladium Executive Hire could reward its staff.

1 \_\_\_\_\_  
\_\_\_\_\_

2 \_\_\_\_\_  
\_\_\_\_\_

2

**[Turn over**

Marks	KU	DM
1		
2		
1		

7.





Purdie's Ltd make and sell a range of natural organic products including soaps, body creams and shampoos.

(a) Purdie's Ltd operates in the following sector:

	Tick (✓) the correct answer
Private Sector	<input type="checkbox"/>
Public Sector	<input type="checkbox"/>
Voluntary Sector	<input type="checkbox"/>

1

(b) (i) Suggest **2** ways Purdie's Ltd could improve its products.

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2

(ii) Suggest **one** source of finance Purdie's Ltd could use to make these improvements.

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1

<i>Marks</i>	KU	DM
<b>2</b>		
<b>1</b>		

**7. (continued)**

(c) Suggest **2** ways in which Purdie's Ltd could advertise its products.

1 \_\_\_\_\_  
 \_\_\_\_\_  
 2 \_\_\_\_\_  
 \_\_\_\_\_

(d) Identify which of the following Purdie's Ltd would look for when choosing a supplier.

	<b>Tick (✓) the correct answer</b>
High prices	
High quality	
No discount	

**[Turn over for Question 8 on Page sixteen**

Marks

KU	DM

8.



# SCOTTISH SPCA

Scotland's Animal Welfare Charity



Scottish SPCA is Scotland's animal welfare charity. One of its main aims is to prevent cruelty to animals.

(a) Other than preventing cruelty to animals, suggest **2** aims that this charity may have.

1 \_\_\_\_\_  
 \_\_\_\_\_

2 \_\_\_\_\_  
 \_\_\_\_\_

2

(b) Suggest **2** ways in which the Scottish SPCA could raise money.

1 \_\_\_\_\_  
 \_\_\_\_\_

2 \_\_\_\_\_  
 \_\_\_\_\_

2

(c) Identify **one** stakeholder in a charity.

\_\_\_\_\_

1

[END OF QUESTION PAPER]



## ACKNOWLEDGEMENTS

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