Oxford Cambridge and RSA

Tuesday 21 May 2024 – Morning

A Level Business

H431/02 The UK business environment

Time allowed: 2 hours

You must have:
- the Resource Booklet

You can use:
- a calculator

Please write clearly in black ink. **Do not write in the barcodes.**

Centre number | | | | | | Candidate number | | | | |

First name(s) _____

Last name _____

INSTRUCTIONS
- Use black ink.
- Write your answer to each question in the space provided. You can use extra paper if you need to, but you must clearly show your candidate number, the centre number and the question numbers.
- Use the Resource Booklet to answer the questions in **Section B**.
- Answer **all** the questions.

INFORMATION
- The total mark for this paper is **80**.
- The marks for each question are shown in brackets **[ ]**.
- Quality of extended response will be assessed in questions marked with an asterisk (*).
- This document has **16** pages.

ADVICE
- Read each question carefully before you start your answer.

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Section A

1 State **two** external stakeholders of a business.

1 .....

2 .....

[2]

2 Explain **two** monetary methods of motivating employees.

1 .....

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2 .....

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[4]

3 Define the term ‘paternalistic leadership’.

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..... **[2]**

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4 A small town has five restaurants which offer home delivery using a nationally available app. Sales data for the last six months is shown in the table.

Restaurant	**Sales revenue (£)**
Ali's Fish & Chips	850
Balti House Specials	16 800
La Flor y Nata	25 200
Sam's Sushi Bar	10 100
Yumi Pizza	21 050

Calculate the market share of the restaurant with the highest sales revenue. Show your working.

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Answer = ... **[2]**

5 Explain **one** political and **one** technological factor which may affect a business.

Political .....

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Technological .....

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[4]

6 State **two** finance objectives a business may set.

1 .....

2 .....

[2]

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7 Heidi is a self-employed financial adviser. Last month her fixed costs were £4250, and she had 30 clients. Heidi estimates that each client makes a contribution of £250.

Calculate Heidi's margin of safety last month. Show your working.

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Answer = ... **[4]**

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Section B

Use the information provided in the **Resource Booklet** to answer the following questions.

8 Analyse **one** impact on BBL of a change in market forces.

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..... **[4]**

9 Evaluate **two** benefits for BBL's owners of it continuing to operate as a private limited company. **[9]**

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10* In October 2022, BBL's website listed many different job vacancies (lines 47–55).

Evaluate the importance to BBL of using different methods of training for its employees. **[15]**

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11 With reference to **Fig. 2**, analyse **one** way that BBL's Board of Directors may use this SWOT analysis.

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..... **[4]**

12 BBL is due to open a new factory by 2027.

Evaluate **two** factors which may affect the choice of production method used at the new factory. **[9]**

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(a) The latest set of accounts (for the year ending March 2021) for Brompton's Bike Hire scheme show the following data:

- Revenue = £1 129 953
- Cost of sales = £525 505
- Expenses = £672 339
- Inventories = £74 034
- Trade receivables = £162 160

(i) Calculate gross profit for Brompton's Bike Hire scheme. Show your working.

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Answer = ... **[2]**

(ii) Calculate the debtor collection period. Show your working.

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Answer = ... **[2]**

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(b)* Further expansion of Brompton's Bike Hire scheme is being planned (**Extract C**).

Recommend a strategy to expand the scheme across the UK. Justify your recommendation. **[15]**

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END OF QUESTION PAPER

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