



GCSE MARKING SCHEME

SUMMER 2025

**GCSE
BUSINESS - UNIT 1
3510U10-1**

About this marking scheme

The purpose of this marking scheme is to provide teachers, learners, and other interested parties, with an understanding of the assessment criteria used to assess this specific assessment.

This marking scheme reflects the criteria by which this assessment was marked in a live series and was finalised following detailed discussion at an examiners' conference. A team of qualified examiners were trained specifically in the application of this marking scheme. The aim of the conference was to ensure that the marking scheme was interpreted and applied in the same way by all examiners. It may not be possible, or appropriate, to capture every variation that a candidate may present in their responses within this marking scheme. However, during the training conference, examiners were guided in using their professional judgement to credit alternative valid responses as instructed by the document, and through reviewing exemplar responses.

Without the benefit of participation in the examiners' conference, teachers, learners and other users, may have different views on certain matters of detail or interpretation. Therefore, it is strongly recommended that this marking scheme is used alongside other guidance, such as published exemplar materials or Guidance for Teaching. This marking scheme is final and will not be changed, unless in the event that a clear error is identified, as it reflects the criteria used to assess candidate responses during the live series.

WJEC GCSE BUSINESS – UNIT 1

SUMMER 2025 MARK SCHEME

Question		Marks
1.	Identify which two are benefits to a business of operating within the European Union (E.U.). AO1: 2 marks Award 1 mark for each correct answer Free trade with countries in the E.U. Access to E.U. grants	2
2.	Identify which two of the following are examples of pricing strategies. AO1: 2 marks Award 1 mark for each correct answer Skimming Loss Leader	2
3.	Identify which of the terms above, best describes each of the following: AO1: 4 marks Award 1 mark for each correct answer a) Protects customers when buying products and makes sure they are fit for purpose Consumer law b) A feature of good customer service. Responding to feedback c) Businesses acting in a responsible manner to reduce their impact on the environment. Sustainability d) A business ownership model with unlimited liability. Partnership	4

Question		Marks
4. (a)	Outline the role of an entrepreneur when starting a business. AO1: 2 marks Award 1 mark for each valid suggestion Indicative content: Run / manage the business Identify opportunities / spot a gap in the market Organise resources Show initiative / innovative / having an idea Takes risks / financial risk / invests Credit any other valid suggestion.	2
(b)	Suggest two sections of information that an entrepreneur should include in a business plan. AO1: 2 marks Award 1 mark for each valid suggestion Indicative content: Legal details – name and address of business/owners. Type of ownership. Objectives / aims (not goals) Type of product / service / business idea Finance / current and projected financial information e.g. cash flow forecast / profit and loss account / balance sheet / break-even / sources of finance Details of market research. Purpose of the loan Human resources Marketing Business operations Location of the business Operations	2

Question		Marks
5. (a)	Calculate the selling price of a product if HHF buys it for £20. AO2: 2 marks Award 1 mark for calculating 65% of £20. $£20 \times 0.65 = £13$ Award 1 mark for the correct answer $£20 + £13 = £33$ Apply OFR if the incorrect amount is added to £20. NB: Award 2 marks if £33 is written. Award 1 mark if the candidate shows workings of $1.65 \times £20$ but gives an incorrect answer.	2
(b)	Explain a problem that a business might face by using cost-plus pricing. AO3: 2 marks Award 1 mark for limited explanation Award 2 marks for developed explanation Indicative content: Small businesses might pay more for stock compared to a large business – will lead to high prices / prices not competitive – low numbers of sales / customers use competitors. Customers might feel the price is too high - so will not buy it / fewer sales. Higher prices than competitors/price is not competitive / competitors charge lower prices – so will lead to lower sales. Award marks for other valid explanations. Credit answers that refer to HHF.	2
(c)	Name the type of data that is shown in the bar graphs above, as a result of HHFs primary (field) research. AO2: 1 mark Award 1 mark for Quantitative / numerical	1

Question		Marks
(d)	Using the information in the graphs, explain how HHF could improve its profits. AO2: 2 marks Award 1 mark for each reference to the graph(s) (Max 1 mark per graph and up to 2 marks overall) Indicative content: Customers buy a large number of items / usually 6 or 7 / more than 1 / multiple items. They buy low price / buy cheaper products. Most customers spend between £40 and £59.99. Most customers spend over £20. Very few customers spend large amounts in the store (over £100). Credit any other valid examples. AO3: 1 mark Award 1 mark for a valid explanation Indicative content: Sell more of its expensive items by using promotions / discounts. Reduce prices of expensive items / furniture to increase sales. Remove cheaper versions of the same type of product to encourage customers to spend more money. Stock fewer expensive items to make more room for the products that are being bought. Stock more cheaper items to increase sales. Change the range of expensive products as they are not attracting customers. Increase prices of cheaper items to increase the amount spent per customer. Sample size is small so may not be that accurate/relevant. NOT increase prices or lower prices / promotions, needs to be more specific. Not pricing strategies. Credit any valid suggestion.	3

Question		Marks
6. (a)	Name two responsibilities of the Human Resources (HR) department. AO1: 2 marks Award 1 mark for a correct suggestion Indicative content: Recruitment. (not hiring / employ) Training Contracts Staff discipline Staff welfare / wellbeing Organising workers Motivation of workers Knowledge of employment laws Health and safety of workers Credit other valid suggestions.	2

Question		Marks
(b)	Explain why procurement is important to the success of Dobbies. AO1: 1 mark Award 1 mark for referring to / inferring the definition / knowledge of procurement Procurement is the buying of stock / products / sourcing products / finding suppliers. AO2: 1 mark Award 1 mark for a suggestion relating to Dobbies NB award an AO2 mark if answers linked to stocked item e.g. plants, garden items, café / restaurant or clothing. 79 / 68 / many garden centres across the UK / national business / online and physical store. NOT big / well-known business. AO3: 2 marks Award 1 mark for limited explanation and 2 marks for developed explanation Indicative content: Dobbies is in a competitive market – have to have good quality products / reputation to attract customers - maintain sales / profits. Dobbies has many competitors- cost of products must be as low as possible- to compete on price / attract customers. Dobbies sells perishable products / products that have a limited shelf-life – supplier must ensure products must be delivered quickly / safely – to offer customers the freshest products – products thrown away/discounted – reduce revenue / profits. Dobbies has stores around the U.K. – suppliers must make sure that products can reach all the stores – suppliers can meet demand - garden centres will not run out of stock / have plenty of stock – increasing sales / increasing loyalty. Dobbies sells online. – suppliers must make sure that products can reach the warehouse– suppliers can meet demand - warehouse will not run out of stock / have plenty of stock – increasing sales / increasing loyalty. NB award an AO2 mark if answers linked to stocked item e.g. plants, garden items, café / restaurant or clothing. NOT big / well-known business. Credit any other valid explanation.	4

Question		Marks
(c)	Outline two reasons why Dobbies use a number of technology platforms to promote its business. AO1: 2 marks Award 1 mark for each suggestion (Max 2 marks) Indicative content: Many people use social media / seen by a large number of people / posts can go viral. Can be seen a number of times on different platforms. Social media is cost effective / free / will keep promotion costs low. Some platforms can focus on a specific geographical area. Social media / pop up ads / algorithms can target those with specific interests. Can promote different information in different locations. Different platforms attract different market segments / reach different markets / wider range of customers. AO2: 2 marks Award 1 mark for applying each valid suggestion to Dobbies. (Max 2 marks) Indicative content: Dobbies have stores around the UK. Video / visual platforms to show customers how to use products - show products in more detail / online gardening communities / influencers. Dobbies customers come from a range of ages / genders / lifestyle / groups / older customers might use Facebook / younger might use Instagram. Garden centres are in a competitive market. Dobbies has a website / is an online retailer / direct to website. Credit and other valid suggestion.	4

Question				Marks
(d)	Calculate the percentage increase in the number of Dobbies garden centres after it bought the Wyevale stores. AO2: 2 marks Award 1 mark for calculating the number of existing stores. $68 - 37 = 31$ Award 1 mark for calculating the percentage increase $37 \div 31 \times 100 = 119.35\%$ Accept 119% or 119.4% N.B. Award OFR if a candidate uses another number in place of 31. Apart from 68.			2
(e)	Evaluate the growth strategy used by Dobbies, when it bought Wyevale in 2019.			8
Band	AO1	AO2	AO3	
	2	2	4	
3	There are no Band 3 marks for this assessment objective 2 marks are awarded as for Band 2	There are no Band 3 marks for this assessment objective 2 marks are awarded as for Band 2	4 marks Excellent well-reasoned and balanced evaluation on the advantages and disadvantages of external growth. Writing is very well structured using accurate grammar, punctuation and spelling. The advantages and disadvantages of external growth are fully evaluated.	
2	2 marks Good knowledge and understanding of external growth. Some attempt to use specialist vocabulary.	2 marks Good application to Dobbies/Garden Centre market/UK retail Information from the data is used in development	2-3 marks Good evaluation of the advantages and/or disadvantages of external growth Writing is generally well structured using reasonably accurate grammar, punctuation and spelling. The evaluation may be unbalanced and focus on either the advantages or disadvantages of external growth.	
1	1 mark Limited knowledge and/or understanding of external growth. Limited or no use of specialist vocabulary.	1 mark Limited application to Dobbies/Garden Centre market/UK retail The response is mostly generic with brief application to Dobbies	1 mark Limited evaluation on the advantages and/or disadvantages of external growth. Writing shows limited evidence of structure but with some errors in grammar, punctuation and spelling. The evaluation lacks detail and superficial comments are made with little development.	
0	0 marks No valid knowledge.	0 marks No valid application.	0 marks No valid evaluation.	

Question		Marks
Indicative content: External growth / integration / takeover AO1 2 marks Advantages External growth is the quickest way to grow. Dobbies increased its size by 119% by buying Wyevale. This means it is likely to be able to increase its profits by a similar amount, immediately. Dobbies is the largest garden centre in the UK so they might gain from further economies of scale with suppliers due to the immediate increase in scale. They can buy in bulk meaning a lower average cost of products. This will increase the competitiveness against other garden centres as they can reduce prices. Dobbies will have experience and skilled staff in those stores. This means they can be opened almost immediately, earning revenue straight away. Training costs will be lower. They will have an established customer base so the stores will attract customers immediately. Reduced competition, increasing the power of Dobbies. Competition in the area will be lower as Wyevale will no longer exist, increasing the chance of success. Disadvantages External growth is expensive. It will cost more than finding several sites and opening shops. This has cost £135 million which is nearly 1 year's revenue and if profits are £8 million per year then it is a long (17 year) payback (or 9 years if profits are assumed to double). This is significantly more than internal growth would cost. Possible duplication of some roles e.g. head office and HR, marketing departments etc. Need to make redundancies. Possible negative media (PR) from doing this. Cost of giving redundancy pay. Difficulty restructuring the new stores e.g. replacing management. Getting new ideas and different methods into the stores. Cost of training the Wyevale staff. Is Edinburgh the best place for the head office as the new stores are more spread out around the UK. Potential conflicts with online presence. Whilst the business is multi-channel this is increasing costs unnecessarily as customers can buy the products online. Credit other valid suggestion.		

Question		Marks
7. (a)	Outline why Lewis Pies uses batch production. AO2: 2 marks Award 1 mark for each valid reason Indicative content: Pies are sold in different amounts – to business / retailers and individual customers - need to adjust the number of products each time – not one at a time and not likely to be thousands. Different products e.g. savoury snacks, cakes and bread – in a range of flavours - likely to be done using the same equipment. Orders fulfilled in 5 days – not made immediately / made as they are needed so they are fresh – products made on demand – might mix orders from a number of customers. Credit any other valid justification.	2
(b)	Describe two ways Lewis Pies can make sure it produces quality food products. AO1: 2 marks AO2: 2 marks Award 1 mark for identifying each method of achieving quality products (max 2 marks) Award 1 mark for applying each method of achieving quality products, relevant to Lewis Pies / food manufacture (max 2 marks) Indicative content: Well-developed products - qualified chefs/food developers – improved taste/better appearance. Quality of workers - qualification / training/skills / experience – less likely to make errors during production – cakes / savoury snacks, bread will taste better / better appearance. High quality raw ingredients – food products will taste better. Quality control - workers will look for below quality products – any sub-standard products will be removed and not delivered to customers- test / check / inspect. Quality of equipment/machinery - product made more accurately / to recipe / no errors – better appearance. Quality assurance / TQM –all workers responsible for checking and maintaining quality production – workers ensure quality ingredients are manufactured into quality products. Ingredients are ordered close to manufacture date / local suppliers - products are fresher – taste better. Packaging – to keep the product fresh / protect the product in transport / not damaged. Feedback from customers / customer reviews – to inform how to improve their products. Credit any other valid suggestion. NB: Only accept taste or appearance once for AO2 mark.	4

Question		Marks
(c)	Explain two reasons why a manufacturer would choose to sell its products to retailers as well as directly to customers. AO1: 2 marks Award 1 mark for each reason identified (Max 2 marks) AO3: 2 marks Award 1 mark for each explanation Indicative content: Increases the size of the target market – there are more potential sales as there are sales to businesses and individuals / retailers have established customers. Increases profit margins by selling to customers – higher prices charged to customers as no retailers to take their cut. Sell in bulk / higher quantities to retailers - businesses order in larger quantities than individual buyers – this increases revenue. Fewer deliveries to retailers – more delivery costs with individual customers - increasing transport costs. Orders from retailers are likely to be more regular than orders from the general public - as the latter may just make a “one off” order for a social gathering. Increased opportunities for sales / higher demand - through different distribution channels – which make it more convenient for consumers. No need to open shops – reducing overheads / rent. Spread risks – not dependant on one distribution channel to earn revenue. Retailers display the products – provide customer service / promote the products - which may encourage sales or reduce costs. Manufacturer has more control when selling directly to customers – e.g. Customer service / pricing. Credit any valid explanation reason/explanation.	4

Question				Marks
(d)	Assess the impact that these changes may have had on the stakeholders of Lewis Pies			10
Band	AO1	AO2	AO3	
	2	4	4	
3	There are no Band 3 marks for this assessment objective 2 marks are awarded as for Band 2	4 marks Excellent application of the impact of the changes to the chosen stakeholder/ Lewis Pies/ food manufacturer. There is reference to the date throughout the answer.	4 marks An excellent assessment of the advantages and disadvantages of the impact of the changes on the chosen stakeholders The assessment will consider a range of impacts on the chosen stakeholders. Writing is very well structured using accurate grammar, punctuation and spelling. Well-reasoned and balanced assessment.	
2	2 marks Good knowledge and understanding of stakeholders.	2-3 marks Good application of the impact of the changes to the chosen stakeholder/ Lewis Pies/ food manufacturer. There is clear reference to data.	2-3 marks A good assessment of the advantages and disadvantages of the impact of the changes on the chosen stakeholders. Writing is generally well structured using reasonably accurate grammar, punctuation and spelling. The assessment may be unbalanced and focus on either the advantages or disadvantages of the changes on the chosen stakeholders.	
1	1 mark Limited knowledge and/or understanding of stakeholders. Characteristics are identified rather than understood. Limited or no use of specialist vocabulary.	1 mark Good application of the impact of the changes to the chosen stakeholder/ Lewis Pies/ food manufacturer. The response is mostly generic with brief application the chosen stakeholder/Lewis Pies/ food manufacturer.	1 mark Limited assessment of the advantages or disadvantages on the chosen stakeholder(s) Writing shows limited evidence of structure but with some errors in grammar, punctuation and spelling. The assessment lacks detail and superficial comments are made with little development.	
0	0 marks No valid knowledge.	0 marks No valid application.	0 marks No valid evaluation.	

Question		Marks
Indicative content: Owners / Shareholders Advantages: New target markets – able to sell Halal, vegan, vegetarian and meat products – increased sales - further profits. Able to fulfil food standards of cleanliness / accuracy of product description e.g. Halal – reduced chance of complaints – customers taking legal action. Reduced changeover time between batches - increasing the amount of products made – increasing sales / profit. Better reputation – because of increased hygiene / cleanliness standards. Disadvantages: Increased costs of buying the new machinery, £100 000 – other costs involved to run the machinery electricity – more staff to monitor / use the machinery - reduced profits. Need for new suppliers/ingredients – different then before then maybe less economies of scale – increased costs. Increased training costs – so staff can use the new systems. Customers Advantages: Retailer customers can offer an increased range of products – increase in target market – increase in sales. Customers may get products quicker - Lewis Pies can make a number of different products at the same time - more machines. As Lewis Pies are taking so much care to avoid cross contamination it should act as an incentive for customers to buy the vegan and Halal products. Disadvantages: Increased prices - to cover the cost of machinery – may increase costs of products – particularly difficult for retail customers as they may need to pass this onto their customers. Work carried out in surrounding areas - completed quicker due to less transportation of products – customers can more easily see the work in progress. Increased demand may increase lead (waiting) times from 5 days to more – difficult to manage – might run out of stock – lower sales (retailers). Competitors: Advantages: Increased costs for Lewis Pies – may increase sales for the competitor – if they keep prices lower. Lewis Pies takes the risks to supply these products – if successful in the market then competitors can follow, with less risk. Disadvantages: Difficult to compete with increased product range – customers may buy from Lewis Pies – retailers are able to get all its products from one supplier.		

Question		Marks
Local community: Advantages: May provide job opportunities in Swansea – through expansion – apprenticeships as a family business. Able to cater to local needs – cities tend to be more culturally diverse – more able to meet their needs. Disadvantages: Increased transport due to new products – specifically Halal products to the Middle East – and the rest of the UK. Suppliers: Advantages May require more raw materials due to expansion – increasing orders and revenue for suppliers – increasing profits. Disadvantages: May change suppliers – to be able to get suitable supplies for Halal / vegan products – so may order from one supplier to get bulk discount. Credit any other valid stakeholders, suggestions and explanation.		

Question		Marks
8. (a)	Outline the term sole trader AO1: 2 marks Award 1 mark for each valid point Indicative content: A business owned / set-up by one person – that has unlimited liability - personal possessions are at risk if the business fails – has full control - makes all decisions – who keeps all the profits. NOT run / manage. Not entrepreneur definitions. Credit any other valid suggestion.	2
(b)	Describe why being a sole trader is a suitable ownership model for June Davies. AO1: 2 marks Award 1 mark for each valid point (Max 2 marks) AO2: 2 marks Award 1 mark for each valid application to June Davies (Max 2 marks) Indicative content: Low start up costs / £ 5000 start up costs - so not much risk involved despite having unlimited liability. Small business / new business – straightforward to run – fewer legal requirements – lower costs / find capital herself. Can run the business how she likes / own boss – can continue to specialise in maths and science – or diversify. Can employ people – but still makes all the decisions. Was able to start the business immediately – earn an income after resigning from her job. Private accounts – not seen by others. Doesn't need additional skills / advice from another owner – already has teaching skills. Keep all the profits – as no income from teaching / payback investment / loan. Credit any other valid suggestions.	4

Question		Marks
(c)	Apart from growth, identify two business aims. AO1: 2 marks Award 1 mark for each valid business aim Indicative content: Survive / break-even Increase profits / earn profit (not just the word profit) Increase sales Improve customer satisfaction Social / community aims Ethical aims Increase market share Credit any other valid suggestions.	2
(d)	Describe one suitable source of finance June Davies might have used to establish her new business. AO1: 1 mark Award 1 mark for identifying a valid source of finance AO2: 1 mark Award 1 mark for application to June Davies/new business. Indicative content: Bank loan – £5000 is not a large sum of money / small amount - June can get this if she has repaid borrowing in the past – will be in June's name – personal possessions could be at risk if she does not pay. Savings / own money – has been working as teacher / previously employed – she quit her job so might have had money in the bank – might have £5000 saved - has unlimited liability so might not want to borrow money – as £5000 is a small amount of money. Borrow money from friends / family - £5000 not a large sum of money. Grant (Princes Trust / Business Wales) - someone starting a business can apply for a grant – have to pay back but terms are flexible. Credit any other valid suggestion and application. NOT selling assets. NB Not retained profit as a new business.	2

Question		Marks
(e)	Suggest and explain a reason why a business would decide to trademark its name. AO1: 1 mark Award 1 mark for valid suggestion (Max 1 mark) AO3: 1 mark Award 1 mark for a valid explanation of the suggestion Indicative content: Stop other business copying it / protect from other people using it - to make it different from competition / unique / easily identifiable Make a unique brand – create awareness from promotion To establish quality – ensure a higher price can be charged. Credit any valid suggestion and explanation.	2

Question			Marks
(f)	Discuss whether June Davies should use franchising to expand her business.		8
Band	AO1	AO2	AO3
	2	2	4
3	There are no Band 3 marks for this assessment objective 2 marks are awarded as for Band 2	There are no Band 3 marks for this assessment objective 2 marks are awarded as for Band 2	4 marks An excellent discussion of the advantages and disadvantages for A Tutor 4 U of becoming a franchisor. Writing is very well structured using accurate grammar, punctuation and spelling. Well-reasoned and balanced discussion with a clear line of argument. Clear judgements are made with supporting statements.
2	2 marks Good knowledge and understanding of franchising. Identification of franchising as a growth model.	2 marks Good application of franchising to A Tutor 4 U. Information from the data is used in development.	2-3 marks Good discussion about the advantages and disadvantages for A Tutor 4 U of becoming a franchisor. Writing is generally well structured using reasonably accurate grammar, punctuation and spelling. The discussion may be unbalanced and focus on either the advantages or disadvantages of becoming a franchisor.
1	1 mark Limited knowledge and/or understanding of franchising. Limited or no use of specialist vocabulary.	1 mark Limited application of franchising to A Tutor 4 U. The response is mostly generic with brief application to A Tutor 4 U.	1 mark Limited discussion on whether A Tutor 4 U should or should not become a franchisor which may be one-sided. Writing shows limited evidence of structure but with some errors in grammar, punctuation and spelling. The discussion lacks detail and superficial comments are made with little development. Unsupported conclusions are made.
0	0 marks No valid knowledge.	0 marks No valid application.	0 marks No valid analysis or evaluation.

Question		Marks
Indicative content: Answers could include: Advantages Enables growth for A Tutor 4 U with less risk, as the franchisee takes on the financial burden (debt). 'A Tutor 4 U' would not be responsible for debts for a failed franchise. The franchisee organises their franchise of A Tutor 4 U. They book the appointments; manage any staff they may employ cover the costs of the business. A Tutor 4 U receives money from the franchisees both when setting up and throughout the franchise agreement. The franchisee pays start-up fees so A Tutor 4 U does not need to fund the expansion, making growth more affordable for a small business. The franchisee pays royalties so A Tutor 4 U receive revenues throughout the year to pay overheads/fixed costs/management costs. The Franchisee may be more enthusiastic than a company employee – the franchise would gain sales/revenue. A Tutor 4 U would benefit from improved business reputation and increased royalty payments. The Franchisee may have a good idea about the local market, improving the chances of success. Examples may include knowledge of competitors, consumer wants and location. The franchisee would generate more sales/profit, leading to more royalty payments. Allows A Tutor 4 U to diversify into other areas of tutoring e.g. English and Humanities by having franchises that may be skilled in other subjects. Could allow franchise opportunities in the local area. Disadvantages A Tutor 4 U would have to pay some of the franchise costs such as training and advertising. This must be covered by royalty payments, reducing potential profits. As there will only be a few franchises initially, the royalty payment fees may be high, potentially dissuading some franchisees from investing in the business. A Tutor 4 U would have less control over franchised outlets as they would be run by the franchisee. Detailed interview/references needed potential franchisees to reduce the risk to the business, slowing down expansion. A Tutor 4 U might suffer from a damaged reputation if the franchisee runs the business badly. 'A Tutor 4 U' franchises might only be located locally so a bad reputation would be easily spread and have a large impact on all their businesses, due to their close proximity. Visiting the franchises / providing training could be time consuming if the franchises are spread-out. Running her existing business may be difficult if she is meeting new franchisees. Difficult to convince the franchisee that there is a benefit of joining the franchise and not starting their own tutor business. Tutoring is easily replicated and no great reputation in place from the existing business so might struggle to attract franchisees. Credit any other valid points.		

Question		Marks
9. (a)	Identify one action that Bryn and Nerys could adopt to become an environmentally friendly campsite. AO1: 1 mark Award 1 mark for naming a valid environmental action Indicative content: Use renewable energy Reuse water Recycle waste / rubbish / recycling bins / bins Provide electric car charging points Use electric vehicles Use energy efficient equipment Use environmentally friendly cleaning products Plant trees NOT encourage wildlife / no fires Credit any valid suggestions	1
(b)	Identify two pieces of information that would be included in the job description to work at Bryn and Nerys' campsite. AO2: 2 marks Award 1 mark for each valid suggestion Indicative content: Working in Little Haven / West Wales Working 5 days a week Working 38 hours a week Working from April to September / Seasonal job Carry out a range of duties / taking bookings/cleaning showers / showing customers to pitches / greeting customers (Max 1 mark for duties)	2

Question		Marks
(c)	Suggest and describe what type of training the staff at Little Haven campsite are most likely to receive. AO1: 1 mark Award 1 mark for a suitable suggestion (max 1 mark) Accept Job Shadowing / describing job shadowing. Mentoring - examples of on the job training / induction. AO2: 1 mark Award 1 mark for linking the suggestion to Bryn and Nerys' campsite (max 1 mark) Indicative content: Induction training – for the new workers. On-the-job training – shown by Bryn / Nerys on how to do jobs such as cleaning toilets / meeting guests / taking bookings etc – train staff to do jobs differently than they might have been shown at other campsites – train staff to understand the importance of the environmental policies. NOT job rotation.	2

Question		Marks
(d)	Describe why Little Haven campsite train its staff. AO1: 1 mark Award 1 mark for a valid suggestion AO2: 1 mark Award 1 mark for applying to Little Haven campsite/Holidays Indicative content: Provide good customer service – better holiday experience - may result in customers rebooking a holiday – important for a new business – new experience for customers. Health and Safety – Using equipment correctly so workers do not put themselves / customers at risk – staff not supervised. Quality of work – employ fewer workers so save on wages – small business. Less complaints - may result in customers rebooking a holiday – important for a new business / 10 other campsites locally – customers may book with them instead if poor customer experience. To use environmentally friendly working practices – campsite can continue to be advertised as environmentally friendly / attract customers wanting to be environmentally friendly / avoid fines or reputation damage if not being environmentally friendly. Increase productivity – showers and toilets cleaned quicker / guests checked in faster / pitches are made available for new campers quicker / taking bookings. Increased motivation – provide better customer service – complete cleaning tasks to a higher standard. Credit any other valid suggestions.	2
(e)	Calculate the following missing figures in the cash-flow forecast. AO2: 3 marks Award 1 mark for each correct answer i) Remaining Balances Paid in April £9 700 ii) Net cash flow in August £18 200 iii) Closing bank balance in May £-7 300	3

Question				Marks
(f)	Advise how Bryn and Nerys could improve Little Haven campsite's predicted cash-flow.			10
Band	A01	A02	A03	
	2	4	4	
3	There are no Band 3 marks for this assessment objective 2 marks are awarded as for Band 2	4 marks Excellent application of the data. There is clear and direct reference to the cash flow and written information for Bryn and Nerys. Relevant data is used to develop and support the argument.	4 marks An evaluation of the key points Bryn and Nerys should consider to improve their predicted cash flow with reference to qualitative and quantitative data. Advantages and disadvantages of each suggestion is considered. Writing is very well structured using accurate grammar, punctuation and spelling. Well-reasoned and balanced discussion with a clear line of argument. Information from the data is clearly used to support the discussion. Clear advice is given with supporting statements.	
2	2 marks Good knowledge and understanding of how to improve cash flow. Some attempt to use specialist vocabulary.	2-3 marks Good application of the data. Reference is made to the qualitative or quantitative data on Bryn and Nerys but there may be some omissions.	2-3 marks A good evaluation of the key points Bryn and Nerys should consider for improving cash flow. Writing is generally well structured using reasonably accurate grammar, punctuation and spelling. The discussion may be unbalanced focussing on the advantages or disadvantages of how cash flow can be improved and only focussing on increasing revenue or decreasing costs. Appropriate advice is given in the conclusion.	

Question		Marks	
1	1 mark Limited knowledge and/or understanding of how to improve cash flow. Limited or no use of specialist vocabulary.	1 mark Limited reference to the qualitative and/or quantitative data. The response is mostly generic with brief application to Bryn and Nerys.	1 mark Limited analysis and evaluation of how to improve cash flow. Writing shows limited evidence of structure but with some errors in grammar, punctuation and spelling. The discussion lacks detail and superficial comments are made with little development. Advice may be given but it is not soundly justified. Unsupported conclusions are made.
	0 marks No valid knowledge.	0 marks No valid application.	0 marks No valid analysis or evaluation.

Indicative content:

Increase revenue:

Bryn and Nerys could increase their prices to increase their turnover per stay. This would mean extra income each time they had a guest. However, there are a number of local competitors and if Bryn and Nerys charged too much then they would be unlikely to attract as many customers, as competitors would charge less. This would cause their cash flow to worsen.

Bryn and Nerys could increase the size of the deposit to cover themselves in the event of cancellations. This would bring money in earlier to stop them going into a negative bank balance. This may stop some customers booking as the low deposit means there is less risk if they needed to cancel later. This may attract some customers.

Bryn and Nerys could advertise the business more to further improve their cash flow position. They could promote the business by posting leaflets, advertising on local radio or in local newspapers to make more people aware of the business. They could also offer sales promotion such as discounts or competitions. This may encourage people to use their business rather than competitors. However, promotion costs money and they are spending money on advertising already. Whether there are up-front costs such as through advertising or by reducing the amount of sales revenue by lowering the price, this could have a negative impact on cash flow, unless sales increased considerably.

Increase revenue by offering additional services- particular in off-season – e.g. selling pizza, farmshop, themed events – concerts/cinema.

Question		Marks
<u>Reduce costs</u> Bryn and Nerys could reduce their salaries as that is there largest monthly cost. They take a salary even when the campsite is closed which means they are paid £60 000 a year. By April next year the business will have a negative cash-flow due to their large salaries. Reducing this will mean that the business has the opportunity to start on a positive balance and does not need to potentially borrow money. Bryn and Nerys could reduce wages. For example they could employ less staff. This would reduce wage costs but would mean them doing more work or potentially having a big impact om the customer experience e.g. no one to welcome them when they arrive, or toilets cleaned less frequently. This might reduce the quality of stay and minimise repeat bookings, damaging cash flow as less deposits will be paid. Paying staff less may lead to demotivated staff who then produce poor standards of work, damaging reputation. Low wages might lead to staff leaving to go to one of the many local campsites increasing recruitment and training costs / time impacting negatively on the cash-flow of the campsite. Credit any other valid discussion. 1 x AO1 mark if only suitable increasing revenue or cutting costs or delay payments.		