

Surname	Centre Number	Candidate Number
Other Names		0



GCSE

4080/01

BUSINESS STUDIES

A.M. WEDNESDAY, 21 May 2014

2 hours

For Examiner's use only		
Question	Maximum Mark	Mark Awarded
1.	2	
2.	2	
3.	4	
4.	4	
5.	4	
6.	4	
7.	20	
8.	20	
9.	20	
10.	20	
Total	100	

ADDITIONAL MATERIALS

Calculators may be used.

INSTRUCTIONS TO CANDIDATES

Use black ink or black ball-point pen.
Do not use pencil or gel pen.
Do not use correction fluid.

Write your name, centre number and candidate number in the spaces at the top of this page.

Answer **all** questions.

Write your answers in the spaces provided in this question-and-answer booklet.

If you run out of space, use the continuation pages at the back of the booklet, taking care to number the question(s) correctly.

INFORMATION FOR CANDIDATES

The number of marks is given in brackets at the end of each question or part-question.


You are reminded that assessment will take into account the quality of written communication used in your answers to questions **9(e)** and **10(e)**.



Answer **all** the questions in the spaces provided.


1. Which **two** of the following are used by **businesses** in order to raise extra finance? [2]

Tick **two** boxes only.

	Have a raffle	1
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	Sell assets	2
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	Hold a jumble sale	3
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	Take on a partner	4
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2. Which **two** of the following are functions of trade unions? [2]

Tick **two** boxes only.

	Give redundancy pay to members	1
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	Organise strikes for their members, if necessary	2
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	Inform members of their employment rights	3
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	Set up co-operatives owned by the members	4
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3. Suggest and explain **two** reasons why packaging is important to manufacturers of food products. [4]

(i)

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(ii)

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4. The directors of Buble Bread Ltd want to introduce ICT to improve the running of their business. They have already introduced desk top publishing (DTP) to improve marketing.

Suggest **one** other type of ICT they might introduce to improve **each** of the following. [4]

Financial calculations

Customer records

Letter writing

Meetings with distant branches

5. Burger Plus has received bad publicity about its environmental standards. Litter is a major problem outside many of its fast food takeaway restaurants.

Suggest and explain **two** actions the business can take to improve its environmental and ethical reputation. [4]

(i)

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(ii)

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6. Below are a number of business terms.

VENTURE
CAPITAL

DEMOCRATIC
LEADERSHIP

BREAK EVEN
CHART

OVERDRAFT

ORGANISATION
CHART

DEED OF
PARTNERSHIP

SPAN OF
CONTROL

AUTOCRATIC
LEADERSHIP

Which of the above terms best describes **each** of the following:

[4]

- (i) a diagram which shows the internal structure of a business;

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- (ii) a legal document which covers the ownership and control of a business;

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- (iii) a type of leadership where employees are consulted on business decisions;

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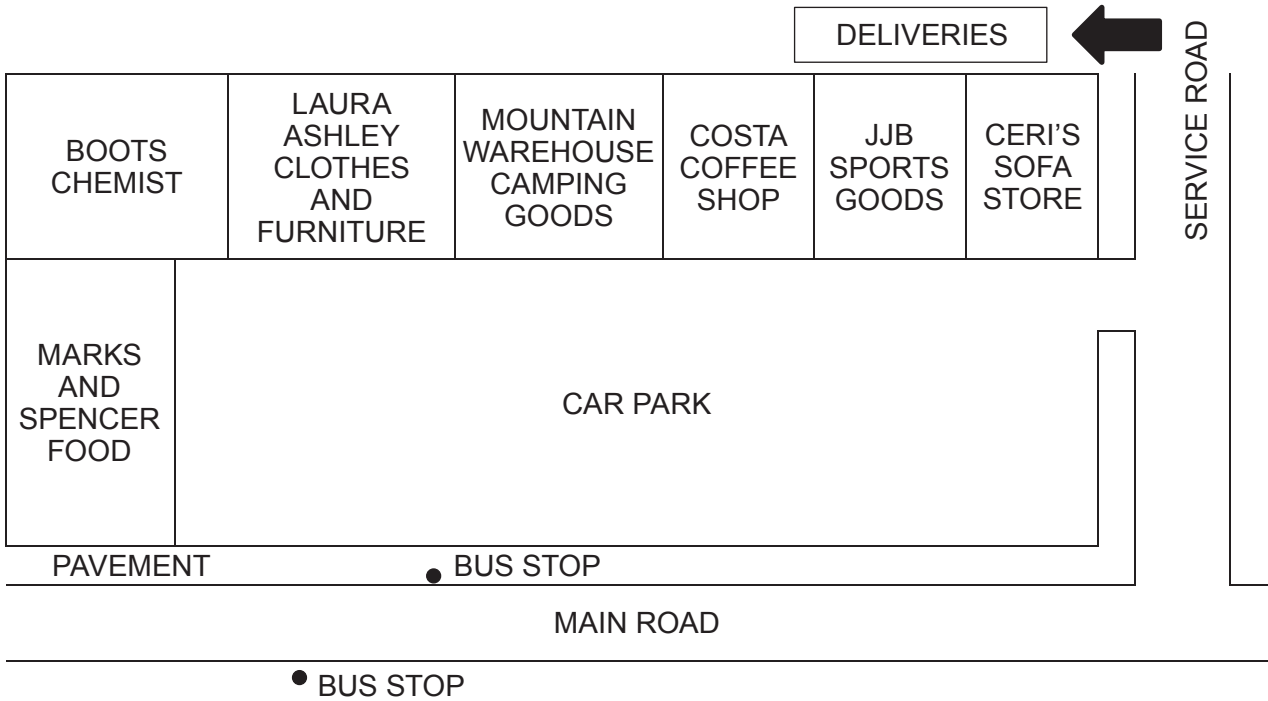
- (iv) money placed into a business by someone wanting to invest in what is likely to be a growing business?

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7. Coed Deri Shopping Centre is on the outskirts of a town. It is situated at the edge of an industrial estate which has offices and workshops. Close by is a leisure centre and within half a mile is a traditional local shopping area.

Below is a map of the Coed Deri Shopping Centre.



Ceri's Sofa Store was recently set up by Ceri Thomas who had been made redundant by a town centre department store.

(a) Suggest and explain **two** reasons why Ceri might want to set up her own business. [4]

(i)

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(ii)

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(b) Outline **two** of the benefits Ceri might gain from the location of her business in Coed Deri Shopping Centre. [4]

(i)

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(ii)

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(c) Explain **one** possible disadvantage Ceri's Sofa Store may face in this location. [2]

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Ceri's Sofa Store will need to promote the business to attract customers.

(d) Other than advertising, suggest **two** promotional methods Ceri could use to attract customers to the store. [2]

(i)

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(ii)

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8. Dyson Ltd is a British technology company founded in 1993 by James Dyson. The business designs and manufactures vacuum cleaners, hand dryers and other electrical products.

(a) What type of business is Dyson Ltd? [1]

Tick one box only.

PARTNERSHIP	1
PRIVATE LIMITED COMPANY	2
PUBLIC LIMITED COMPANY	3
SOLE TRADER	4

The company prides itself on engineering products which work in different and better ways than those of their competitors.

Much of the design work of Dyson Ltd is carried out in its offices in Wiltshire. This relies heavily on the use of Computer Aided Design (CAD). Similar technologies are used in Dyson Ltd factories in Asia where Computer Aided Manufacture (CAM) is used.

(b) Outline how firms such as Dyson Ltd benefit from using CAD and CAM. [4]

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Dyson Ltd products are found in many homes, shops, restaurants and offices.

- (c) Which type of production – job, batch or flow – is Dyson likely to use in the manufacture of its products? Explain your answer. [3]

Type of production

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Explanation

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The Dyson brand is very important to James Dyson. He has gone to great efforts to protect his brand and technologies.

- (d) (i) What is meant by the term brand? [1]

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- (ii) Why do businesses such as Dyson Ltd brand their products? [3]

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9. Hugh Lewis operates boat trips during the summer months in Cardigan Bay. He wants to borrow money from the bank to buy an additional boat. The bank has asked to see his cash flow forecast to help make their decision on whether or not to lend the money.

Below is a copy of a cash flow forecast Hugh Lewis produced for the bank.

	APR	MAY	JUN	JUL	AUG	SEPT
Receipts	£	£	£	£	£	£
Turnover	4000	2000	?	7000	10000	5000
Payments						
Fuel	400	300	400	1000	?	700
Wages	2000	2000	2000	3000	4000	1500
Advertising	100	100	100	200	200	100
Insurance	100	100	100	100	100	100
Other costs	100	0	100	200	400	100
Total Payments	2700	2500	2700	4500	6100	2500
Net cash flow	1300	-500	1300	2500	3900	2500
Opening bank balance	4000	5300	4800	6100	8600	12500
Closing bank balance	5300	4800	6100	8600	12500	15000

(a) What is a cash flow forecast?

[2]

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(b) Calculate the estimated [2]

(i) turnover for June;

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(ii) fuel payment for August.

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(c) Why is a cash flow forecast important to Hugh Lewis' bank? [2]

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(d) All businesses are affected by external events. Suggest and explain **two** external events which may result in the actual cash flow being different from the forecast. At least one must have been caused by government action. [4]

(i) A government action that could affect cash flow.

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(ii) Another event that could affect cash flow.

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10. Judith Moore has a medium sized business cleaning ovens, called CookerClean. She runs her business from a small office located on an industrial estate where she employs three workers.

A pay slip for one of her workers, Walter Rose, is shown below.

CookerClean					
PAY SLIP					
RATE	DATE	TAX WEEK	NAME		
£10 per Hour	13/06/14	10	Walter Rose		
		DEDUCTIONS		TOTALS	
BASIC PAY	£440.00	PAYE N.I.	£60.00 £44.00	GROSS PAY	£?
OVERTIME	£40.00			LESS	£104.00
TOTAL	£?	TOTAL	£104.00	NET PAY	£?

- (a) How much did Walter Rose earn as (i) Gross Pay and (ii) Net Pay? [2]

(i) Gross Pay

(ii) Net Pay

- (b) Income tax is collected using a system called PAYE. What do these initials stand for? [1]

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Judith Moore has found that the demand for her service has greatly increased. She has decided to employ three additional workers. She has asked applicants for references.

(c) What are references and why are they important in the recruitment process? [4]

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(d) Having decided which people to appoint, Judith needs to communicate with the successful candidates. Recommend **one** suitable form of communication Judith could use and explain the reason for your choice. [3]

Recommendation

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Reason

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