



*Rewarding Learning*

**ADVANCED**  
**General Certificate of Education**  
**2017**

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**Business Studies**

Assessment Unit A2 2

*assessing*

The Changing Business Environment

**[AT221]**

**MONDAY 19 JUNE, MORNING**

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**MARK  
SCHEME**

## General Marking Instructions

### Introduction

Mark schemes are published to assist teachers and students in their preparation for examinations. Through the mark schemes teachers and students will be able to see what examiners are looking for in response to questions and exactly where the marks have been awarded. The publishing of the mark schemes may help to show that examiners are not concerned about finding out what a student does not know but rather with rewarding students for what they do know.

### The Purpose of Mark Schemes

Examination papers are set and revised by teams of examiners and revisers appointed by the Council. The teams of examiners and revisers include experienced teachers who are familiar with the level and standards expected of students in schools and colleges.

The job of the examiners is to set the questions and the mark schemes; and the job of the revisers is to review the questions and mark schemes commenting on a large range of issues about which they must be satisfied before the question papers and mark schemes are finalised.

The questions and the mark schemes are developed in association with each other so that the issues of differentiation and positive achievement can be addressed right from the start. Mark schemes, therefore, are regarded as part of an integral process which begins with the setting of questions and ends with the marking of the examination.

The main purpose of the mark scheme is to provide a uniform basis for the marking process so that all the markers are following exactly the same instructions and making the same judgements in so far as this is possible. Before marking begins a standardising meeting is held where all the markers are briefed using the mark scheme and samples of the students' work in the form of scripts. Consideration is also given at this stage to any comments on the operational papers received from teachers and their organisations. During this meeting, and up to and including the end of the marking, there is provision for amendments to be made to the mark scheme. What is published represents this final form of the mark scheme.

It is important to recognise that in some cases there may well be other correct responses which are equally acceptable to those published: the mark scheme can only cover those responses which emerged in the examination. There may also be instances where certain judgements may have to be left to the experience of the examiner, for example, where there is no absolute correct response – all teachers will be familiar with making such judgements.

**AO1: Demonstrate knowledge and understanding of concepts and issues relating to the report.**

<b>Level 0</b>	<b>[0]</b>	No knowledge and understanding.
<b>Level 1</b>	<b>[1]–[4]</b>	Little knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes limited use of specialist terms.
<b>Level 2</b>	<b>[5]–[8]</b>	Some knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes satisfactory use of specialist terms when appropriate.
<b>Level 3</b>	<b>[9]–[12]</b>	Good knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes good use of specialist terms when appropriate.
<b>Level 4</b>	<b>[13]–[16]</b>	Excellent knowledge and understanding of theories, procedures and concepts relevant to the report is displayed, including use of correct format. Candidate makes excellent use of specialist terms when appropriate.

Candidates cannot achieve the top band if the report is not in an appropriate format.

**AVAILABLE  
MARKS**

Report format should be:	
<b>Title</b>	<b>Senebus HealthCare Ltd. – The Way Forward</b>
<b>Aim</b>	The aim of the report is to examine the major concerns facing Senebus HealthCare Ltd.
<b>Introduction</b>	The Introduction should set the scene by briefly describing the current situation facing Senebus HealthCare Ltd. It should state that Senebus HealthCare Ltd. is facing many problems especially financial, losses for years ended 31 March 2016 and 31 March 2017, decreasing Government fees, and difficulties paying off debt interest on loan. Other Care homes across Northern Ireland are being sold off and even closing.
<b>Analysis and discussion of findings</b>	This should examine the threats/opportunities faced by Senebus HealthCare Ltd. from all the sources given and identify the issues faced by management by discussing the reasons/benefits/drawbacks of each.
<b>Conclusions/ Evaluations</b>	The report should evaluate the main issues facing Senebus HealthCare Ltd. and based on their evaluation will decide whether Senebus HealthCare Ltd. should continue trading.
<b>Recommendations</b>	The report should make recommendations to the management of Senebus HealthCare Ltd. on how they should proceed based on their conclusion.

AVAILABLE MARKS

**Knowledge and understanding demonstrated in this report might include:**

Pressure groups;  
 business ethics;  
 economic growth;  
 employment;  
 government objectives;  
 government expenditure;  
 managing change effectively;  
 demographics;  
 business objectives;  
 stakeholder objectives;  
 company accounts and ratio analysis.

**AO2: Apply knowledge and understanding to problems and issues relating to the report.****AVAILABLE  
MARKS**

<b>Level 0</b>	<b>[0]</b>	No evidence that knowledge and critical understanding has been applied.
<b>Level 1</b>	<b>[1]–[6]</b>	Little evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
<b>Level 2</b>	<b>[7]–[11]</b>	Some evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates satisfactory use of spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The answer is organised in a satisfactory manner.
<b>Level 3</b>	<b>[12]–[16]</b>	Good evidence that knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates good use of spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
<b>Level 4</b>	<b>[17]–[20]</b>	Comprehensive evidence that excellent knowledge and critical understanding has been applied and all or most of the information relevant to the report has been selected. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.

Candidates should draw on the information presented in the case study. They must apply their knowledge and understanding to select that information relevant to effectively assess the issues facing Senebus HealthCare Ltd., and explain/analyse the options available. They must also apply their knowledge/understanding to consider recommendations for the management of Senebus HealthCare Ltd.

**AO3: Analyse problems, issues and situations relating to the report.**

<b>Level 0</b>	<b>[0]</b>	No analysis of the problems, issues and situations.
<b>Level 1</b>	<b>[1]–[6]</b>	Little analysis of the problems, issues and situations relevant to the report. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
<b>Level 2</b>	<b>[7]–[11]</b>	Some analysis of the problems, issues and situations relevant to the report. Candidate demonstrates satisfactory use of spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The answer is organised in a satisfactory manner.
<b>Level 3</b>	<b>[12]–[16]</b>	Good analysis of the problems, issues and situations relevant to the report. Candidate demonstrates good use of spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
<b>Level 4</b>	<b>[17]–[20]</b>	Comprehensive analysis of the problems, issues and situations relevant to the report. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.

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Candidates must analyse the selected information in order to gain a full awareness of the extent of the issues facing Senebus HealthCare Ltd. in the current situation. Analyse arguments for/against to continue trading.

**AO4: Evaluate, distinguish between and assess appropriateness of fact and opinion, and judge information from a variety of sources.**

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<b>Level 0</b>	<b>[0]</b>	No evaluation of evidence.
<b>Level 1</b>	<b>[1]–[6]</b>	Little evaluation of all the evidence to arrive at reasoned and valid conclusions. The candidate makes limited use of spelling, punctuation and grammar. The meaning of the text is not always clear. The candidate demonstrates a limited form and style appropriate to the question. The organisation of the answer is limited.
<b>Level 2</b>	<b>[7]–[12]</b>	Some evaluation of all the evidence to arrive at reasoned and valid conclusions. Candidate demonstrates satisfactory spelling, punctuation and grammar. The meaning of the text is clear most of the time. The candidate demonstrates a satisfactory level of writing, form and style appropriate to the purpose of the question. The answer is organised in a satisfactory manner.
<b>Level 3</b>	<b>[13]–[18]</b>	Good evaluation of all the evidence to arrive at reasons and valid conclusions. Candidate demonstrates good spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.
<b>Level 4</b>	<b>[19]–[24]</b>	Comprehensive evaluation of evidence to arrive at reasoned and valid conclusions. Candidate demonstrates excellent spelling, punctuation and grammar. The meaning of the text is clear. The candidate has consistently used a form and style of writing appropriate to the purpose of the question. Answer is organised in a clear and coherent manner.

Candidates should draw conclusions, and evaluate the arguments presented throughout the stimulus material and make recommendations as appropriate.

Candidates must use different sources from the case study and be able to show that they know the difference between fact and opinions.

In the evaluation they must show both the positive and negative sides of the options being considered and they must make a final judgement.

Candidates should also make realistic recommendations based on their conclusions for the attention of the management team of Senebus HealthCare Ltd.

Considerations not to continue Trading

- Losses for year ended 31 March 2017 of £1.118 million and losses of £398 million for the year ended 31 March 2016
- Ceteris Paribus, No change will continue with losses
- No Dividends to shareholders if losses continue through to 2018
- Inability to obtain future loans for growth and capital expenditure
- Increased staff wages bill, Minimum Wage and National Living Wage every year increases
- Decreasing future Government Fees
- Competitors either selling care homes or closing them, cutting their losses.

## Consideration to continue Trading

- Sell off more Residential Homes to pay off Debt thus decreasing Interest payments
- Decrease Debt by raising funds by going Public, i.e. Ltd. to plc.
- Reduce reliance on Government and move to totally Private Fees
- Increase weekly Fees for all residents
- Review to reduce staff and Administrative Expenses
- Discuss with Government future increased fees by 5% annually
- With care homes closing in Northern Ireland will be able to accommodate the increases.

[80]

**Total****AVAILABLE  
MARKS**

80

**80**