



Rewarding Learning

General Certificate of Secondary Education
2014

Centre Number

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Candidate Number

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Business Studies

Unit 2

Business Development

[GBS21]

ML

MONDAY 2 JUNE, MORNING

TIME

1 hour 40 minutes, plus your additional time allowance.

INSTRUCTIONS TO CANDIDATES

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper.

Complete in blue or black ink only.

There should be enough space for your answers. If you do require more space, you may complete your answers on the extra lined pages at the back of this paper.

Answer **all three** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 90.

Quality of written communication will be assessed in Questions **1(e)** and **2(f)**.

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question.

Answer **all three** questions

Examiner Only

Marks Remark

1

Shades is a large, unisex hairdressing salon in Strabane.

- (a) Shades needs to recruit an extra hairdresser. Each applicant for the post has to complete an Application Form. Explain **one** advantage and **one** disadvantage for Shades of using application forms.

Advantage _____

_____ [2]

Disadvantage _____

_____ [2]

- (b) Some of the applicants will also be invited for interview. Explain **two** benefits for Shades of having interviews.

1. _____

_____ [2]

2. _____

_____ [2]

(c) Both Shades and the applicants have certain responsibilities in the selection process. Discuss the following responsibilities.

Honesty _____

Objectivity _____

Fairness _____

Confidentiality _____

[8]

| Examiner Only | |
|---------------|--------|
| Marks | Remark |
| | |

[Turn over

2

Ashton Ltd (Belfast) is a successful company which manufactures chocolate and confectionery.

(a) Ashton Ltd is described as successful. Explain **two** signs of success you would expect to find in this company.

1. _____

_____ [2]

2. _____

_____ [2]

| Examiner Only | |
|---------------|--------|
| Marks | Remark |
| | |

[Turn over

(e) It is planned that the new company would sell its products to other countries as well as on the home market. Explain how this international trade would affect the following areas of its marketing mix.

Product _____

Price _____

Promotion _____

Place _____

[8]

| Examiner Only | |
|---------------|--------|
| Marks | Remark |
| | |

3

The Bookworm is a retail shop selling books and magazines in Carrickfergus. The shop is owned and managed by Carolyn.

- (a) Carolyn sometimes has difficulty in maintaining a good cash flow. Explain the meaning of "cash flow".

[2]

- (b) Explain **two** reasons why cash flow is important in business.

[4]

Examiner Only

| Marks | Remark |
|-------|--------|
| | |

- (c) Describe **one** way in which Carolyn might improve the cash flow in The Bookworm.

[2]

- (d) The table below lists four costs which The Bookworm has to pay. In the column beside each cost, write down if it is a fixed cost or a variable cost.

| COST | TYPE |
|-----------|------|
| Postage | |
| Rent | |
| Purchases | |
| Rates | |

[4]

- (e) Explain **one** reason why it is important for Carolyn to know the Breakeven Point in The Bookworm.

[2]

Examiner Only

Marks

Remark

[Turn over

THIS IS THE END OF THE QUESTION PAPER

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DO NOT WRITE ON THIS PAGE

| For Examiner's use only | |
|-------------------------|-------|
| Question Number | Marks |
| 1 | |
| 2 | |
| 3 | |

| | |
|--------------------|--|
| Total Marks | |
|--------------------|--|

Examiner Number

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