



General Certificate of Secondary Education
2015

Centre Number

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Candidate Number

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Business Studies

Unit 2

Business Development



[GBS21]

GBS21

FRIDAY 5 JUNE, MORNING

TIME

1 hour 40 minutes.

INSTRUCTIONS TO CANDIDATES

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

You must answer the questions in the spaces provided.

Do not write outside the boxed area on each page or on blank pages.

Complete in blue or black ink only. **Do not write with a gel pen.**

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 question paper.

Answer **all three** questions.

INFORMATION FOR CANDIDATES

The total mark for this paper is 90.

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

Quality of written communication will be assessed in Questions **1(f)**, **2(c)** and **3(e)**.



Answer **all** questions

1

“Accounting Matters” – a firm of accountants in Markethill – has advertised in the newspapers for an additional accountant. Stephen has recently qualified as an accountant and has applied for the job.

- (a) Explain **one** advantage and **one** disadvantage for Accounting Matters of advertising the post externally.

Advantage _____

_____ [2]

Disadvantage _____

_____ [2]

- (b) Accounting Matters has sent a Job Description to Stephen. Explain **one** advantage for Stephen of having a Job Description and name **two** details which a Job Description should contain.

Advantage _____

_____ [2]

Details

1. _____ [1]

2. _____ [1]



(c) Accounting Matters also uses a Person Specification in its recruitment procedure. Explain **two** purposes of a Person Specification from the firm's point of view.

1. _____

_____ [2]

2. _____

_____ [2]

(d) As part of the selection process, Stephen is required to give a Presentation. Explain **two** reasons why Accounting Matters uses this method of selection.

1. _____

_____ [2]

2. _____

_____ [2]

[Turn over



2

Elm Homes Ltd is a medium sized company which sells household goods in Limavady. The business wishes to grow but does not have the technology to trade on-line.

(a) Elm Homes Ltd aims to grow and expand its business. Give details of **two** reasons why this business aims to grow and expand.

1. _____

_____ [2]

2. _____

_____ [2]



3

In January, 2014, Joanna opened “The Coffee Pot” – a new coffee shop in Crumlin.

(a) Before Joanna opened The Coffee Pot, she spent a long time working on a Business Plan. Explain **two** reasons why it is important for a business to have a Business Plan.

1. _____

_____ [2]

2. _____

_____ [2]

(b) Name **two** components which Joanna would have included in her Business Plan.

1. _____ [1]

2. _____ [1]



- (c) (i) At the end of her first year in The Coffee Pot, Joanna produced a Statement of Financial Position. Some amounts are missing.

**STATEMENT OF FINANCIAL POSITION OF THE COFFEE POT
AS AT 31 DECEMBER 2014**

	£	£
Non-Current Assets		
Buildings		
Shop Equipment	15,000	
Total Non-Current Assets		47,000
Current Assets		
Closing Inventory	1,500	
Cash Balance	1,000	
Bank Balance		
Total Current Assets		7,500
Total Assets		
Equity		
Capital	20,000	
Add Net Profit		
	22,000	
Less Drawings	1,000	
Total Equity		21,000
Non-Current Liabilities		
Loan	25,000	25,000
Current Liabilities		
Trade Payables	8,500	8,500
Total Liabilities		33,500
Total Equity and Liabilities		54,500

Calculate the following amounts:

Total value of the buildings _____ [1]

Total Bank Balance _____ [1]

Total Assets _____ [1]

Total Net Profit _____ [1]

[Turn over



(ii) Explain the meaning of each of the following terms:

Current Assets

[2]

Closing Inventory

[2]

Trade Payables

[2]

Drawings

[2]



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

Total Marks	
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Examiner Number

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