

Surname	Centre Number	Candidate Number
Other Names		2

**GCE A LEVEL – NEW**



A510U10-1



**BUSINESS – A level component 1  
Business Opportunities and Functions**

MONDAY, 12 JUNE 2017 – AFTERNOON

2 hours 15 minutes

For Examiner's use only		
Question	Maximum Mark	Mark Awarded
Section A	1.	6
	2.	4
	3.	18
Section B	4.	16
	5.	14
	6.	10
	7.	12
<b>Total</b>	<b>80</b>	

**ADDITIONAL MATERIALS**

A calculator.

**INSTRUCTIONS TO CANDIDATES**

Use black ink or black ball-point pen.

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 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 of the necessity for good English and orderly presentation in your answers.



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3. Sharon Thomas recently left college where she studied catering. Rather than look for a job with an established business Sharon has decided that she would like to start up on her own. She has decided that she would like to open a café that specialises in healthy foods.

Sharon has already found out that the average spending on café meals in her area is £104 per person per year and that the total number of consumers is 12 000. Sharon is aiming to capture 5% of this market in the first year. Sharon will need to secure a small loan in order to start her business.

She has spoken to the manager in her bank who told her that, as a sole trader, she will have unlimited liability.

The manager also said that it was important for Sharon to write a business plan. He also advised her that it would be a good idea for her to carry out some further market research before starting her business.

- (a) Explain the implications of unlimited liability to Sharon. [4]

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- (b) Describe why the manager at the bank told Sharon that it was important for her to write a business plan. [4]

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- (c) Outline **three** suitable methods of market research that Sharon might undertake before starting her business. [6]

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From the information given in the data on page 4:

- (d) (i) calculate the total spending on café meals in her area per year. [1]

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Sharon has estimated that her weekly costs will be £750.

- (ii) Calculate her weekly profit. [3]

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