

Surname	Centre Number	Candidate Number
Other Names		0



**GCSE**

4080/01



**BUSINESS STUDIES**

WEDNESDAY, 6 JUNE 2018 – AFTERNOON

2 hours

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

**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 additional page(s) 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 8(e) and 9(f).



JUN1840800101

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

1. Which **two** of the following apply to a Public Limited Company? [2]

Tick (✓) **two** boxes only.

The name of the company is followed by the letters "Ltd"	1	The name of the company is followed by the letters "plc"	2
The maximum amount of shareholders is 50	3	Shares are sold on the stock exchange	4

2. Which **three** of the following are the responsibilities of a company's Human Resource (Personnel) department? [3]

Tick (✓) **three** boxes only.

Selecting new job applicants	1	Ordering new supplies and equipment	2
Planning production	3	Organising training for workers	4
Looking after staff welfare	5	Quality control	6

3. The Human Resource (Personnel) department has legal responsibilities towards workers. For example, workers are protected from discrimination.

(a) Identify **two** forms of discrimination in the workplace. [2]

(i) .....

(ii) .....

(b) Apart from discrimination, state **one** other legal responsibility a business will have to its workers. [1]

.....



4. Limited companies are required to create financial accounts such as a balance sheet, which is a published document that anyone can see. A balance sheet includes fixed and current assets as well as liabilities.

(a) Which **two** of the following are examples of fixed assets for a house builder? [2]

*Tick (✓) two boxes only.*

JCB digger (machinery)	1
Trade credit for supplies	2
Overdraft	3
Building tools and equipment	4

(b) With the aid of an example, explain what is meant by the term current asset? [2]

.....

.....

.....

.....



All businesses need access to finance, whether it is to start up, expand or to purchase new equipment and machinery. This money can be obtained from internal or external sources.

5. (a) Which **two** of the following are examples of internal sources of finance? [2]

*Tick (✓) two boxes only.*

Retained profit	1	Government grant	2
Hire purchase	3	Selling assets	4

- (b) An external source of finance is a bank loan. Explain **one** disadvantage of financing the business with a bank loan. [2]

.....

.....

.....

.....



6. Below are a number of terms and concepts used in business.

PRIVATE SECTOR

CONSUMER GOOD

INCOME TAX

TRADE CREDIT

DEBTOR

PUBLIC SECTOR

PRODUCER GOOD

CORPORATION TAX

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

[4]

(a) Organisations owned and controlled by the government;

.....

(b) A statutory deduction of money that is taken from the gross pay of workers;

.....

(c) A good sold to or bought by the general public;

.....

(d) A source of finance whereby a business receives stock and can pay for it at a later date?

.....



7. Dion Carpenter was employed for a number of years as a landscape gardener. When she was made redundant in 2014, she decided to set up a business as a partnership with her brother Jedd, who is a highly skilled bricklayer. They used their own savings to set up the business which provides gardening, landscaping and building services to the local community of Cowbridge, in South Wales.

(a) Suggest **one** feature of a partnership. [1]

.....

(b) Outline the advantages to Dion of setting up in a partnership with her brother Jedd. [3]

.....

.....

.....

.....

.....

.....

Dion and Jedd made sure that a Deed of Partnership was created and signed before they started the business.

(c) Why is it important for Dion and Jedd to have a Deed of Partnership? [2]

.....

.....

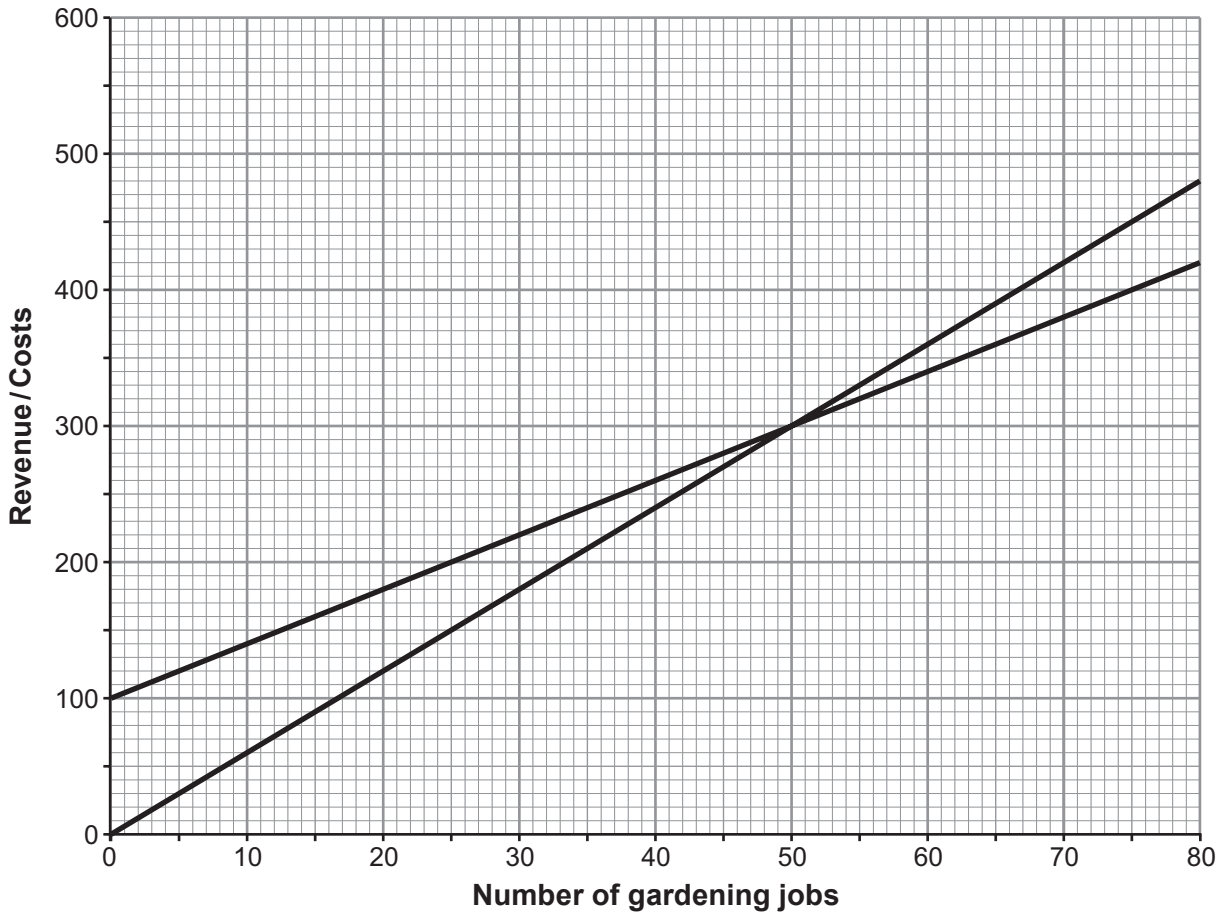
.....

.....



Dion and Jedd can do a maximum of 80 gardening jobs a month. Below is a break even chart for Dion and Jedd's Gardening Services.

**Break even chart for Dion and Jedd's Gardening Services**



(d) (i) On the chart, draw and label the fixed cost line. [1]

(ii) What is meant by the term **break even**? [1]

.....

.....

(iii) Using the break even chart, calculate how much profit Dion and Jedd make when they have 80 gardening jobs. [1]

.....

4080  
010007



Dion and Jedd are keen to increase the profit that they make from their business.

- (e) Assess **one** way in which Dion and Jedd could increase the profit that they make from their gardening services business. [3]

.....

.....

.....

.....

.....

.....

Under Dion and Jedd’s leadership, the business has seen the number of customers and employees grow quickly. They believe this success was achieved because they **make all the decisions without consulting their workers**. However, in the past few months, a few workers have left to work for rival gardening, building and landscaping businesses.

- (f) Consider the strengths and weaknesses of Dion and Jedd’s leadership style. [8]

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....





Examiner  
only

.....

.....

.....

.....

.....

.....

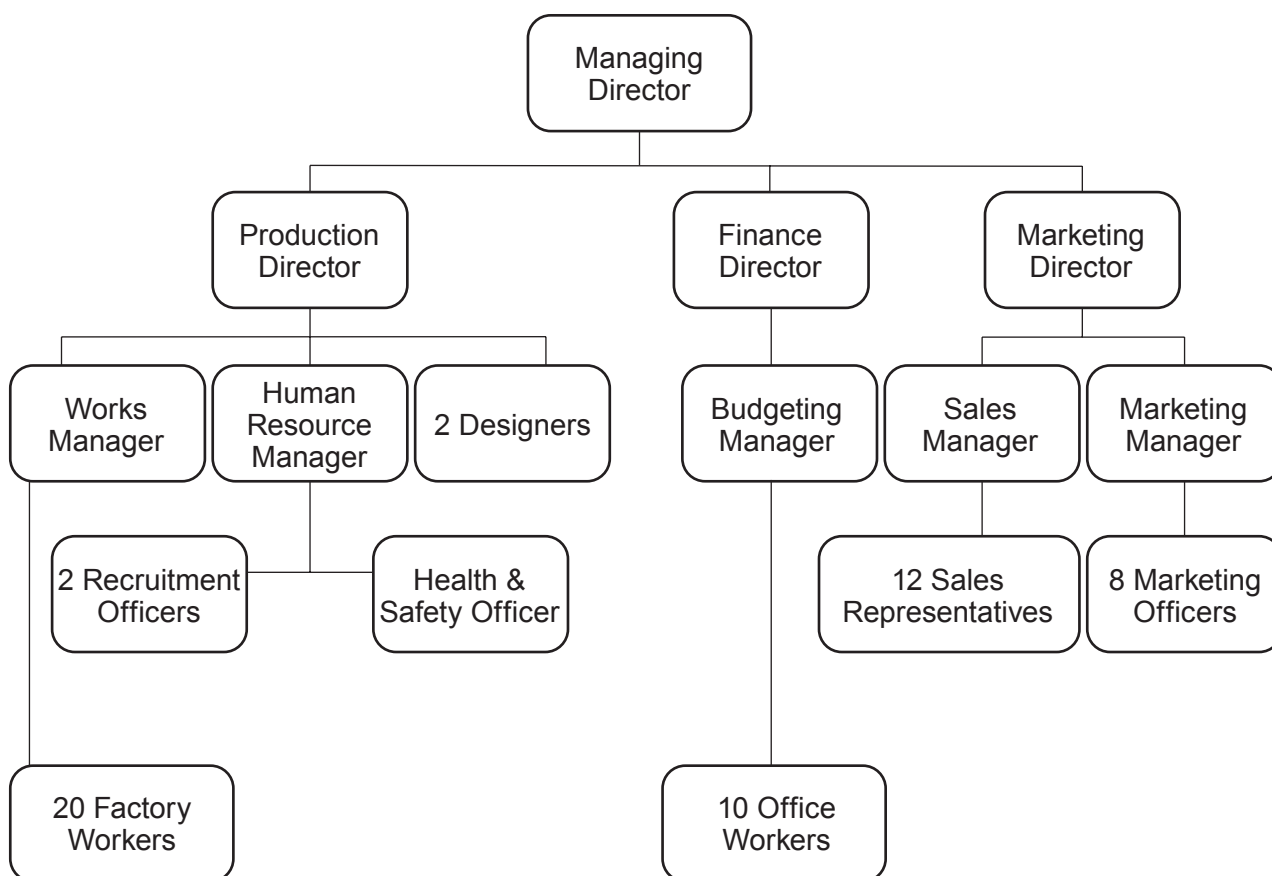
.....

4080  
010009



8. SH Printers Ltd is a company which prints flyers, banners, invitations, gift cards, magazines and signage. The factory is based on the outskirts of Birmingham. SH Printers Ltd sells its products throughout the UK.

Below is an organisation chart for SH Printers Ltd.



- (a) (i) What is meant by the term **span of control**? [1]

.....

.....

- (ii) What is the span of control of the sales manager of SH Printers Ltd? [1]

.....

.....

- (b) (i) From the organisational chart, which director is responsible for the health and safety of workers? [1]

.....

.....

- (ii) Which person is responsible for the whole company? [1]

.....

.....



(c) Explain **one** reason why an organisation structure, such as the one shown, helps businesses to run smoothly. [2]

.....  
.....  
.....  
.....

Since SH Printers Ltd first started trading in 2010, the business has expanded very quickly to become very competitive in the printing industry. The production department has seen the production of party invitations increase from 250 a week to 10 000 a week.

(d) Identify and explain **two** economies of scale SH Printers Ltd would benefit from as result of the expansion and increase in production. [4]

(i) .....

.....  
.....  
.....

(ii) .....

.....  
.....  
.....

4080  
010011





**BLANK PAGE**

**PLEASE DO NOT WRITE  
ON THIS PAGE**



9. Shazad Kaliq is a carpet fitter and the owner of a retail store that provides a wide range of carpets, laminate flooring and floor tiles in his local village, located just off the M4 motorway. The village is close to a retail park which has large retailers such as Carpet Right, Floors-2-Go and B&Q. Shazad Kaliq's main aim is to maximise profits every year.

(a) Apart from maximising profit, suggest **two** aims Shazad Kaliq could set for his business. [2]

(i) .....

(ii) .....

(b) Why might the location of Shazad Kaliq's retail store be a problem for the business? Explain your reason. [2]

.....

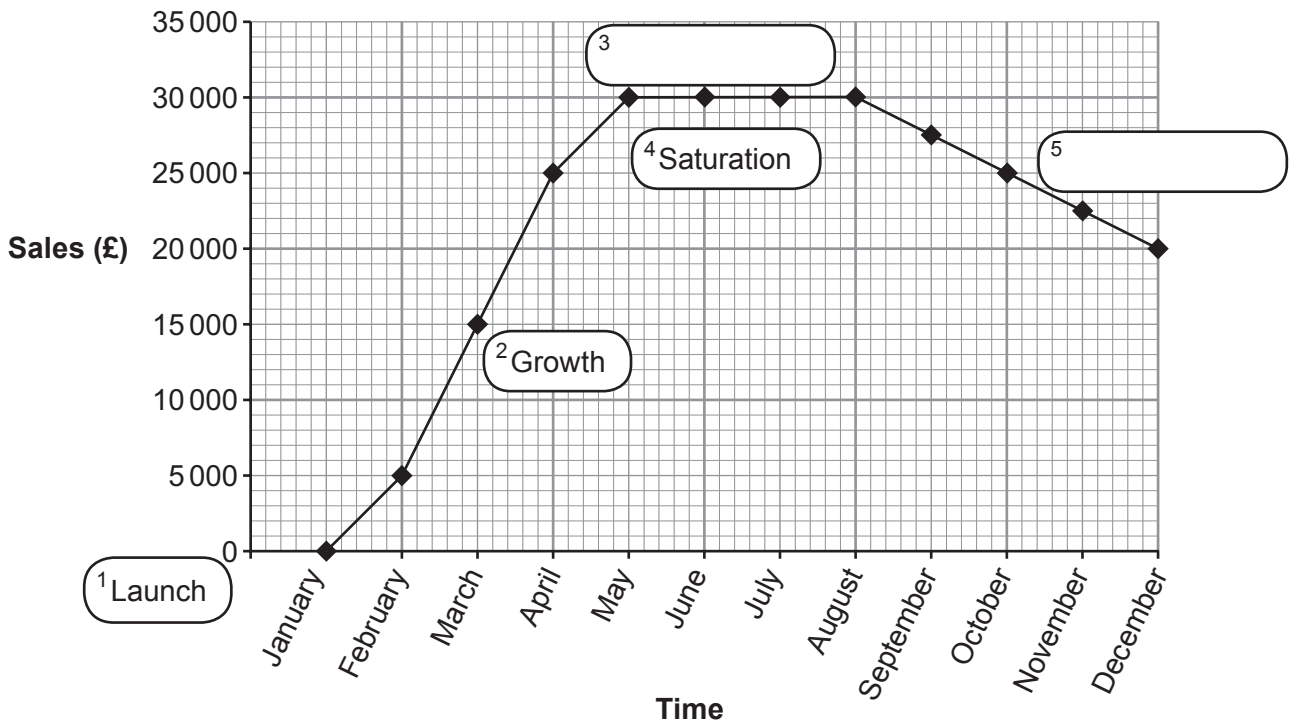
.....

.....

.....

Shazad Kaliq is constantly monitoring the sales of the products within his retail store. When the business started, marketing promotions meant that laminate flooring sold well to begin with but these sales have started to fall.

**Product lifecycle for the sale of laminate flooring in Shazad Kaliq's retail store**



(c) On the graph above, name the missing stages of the product lifecycle. [2]









**BLANK PAGE**

**PLEASE DO NOT WRITE  
ON THIS PAGE**



10. According to market research, the 'Big Four' Grocers – Tesco, Sainsbury's, Asda and Morrisons continue to lose customers resulting in a loss of market share. The Co-operative, along with the discount chains Lidl and Aldi continue to show the highest growth.

Below is a table showing the market share of supermarkets within the grocery market.

Supermarket	Market Share (%)
Tesco	28.3
Sainsbury's	16.2
Asda	15.8
Morrisons	10.7
The Co-operative	?
Aldi	6.1
Waitrose	5.3
Lidl	4.4
Iceland	2.1
Other	4.9

- (a) Explain the features of co-operative ownership.

[2]

.....

.....

.....

.....

- (b) Using the data in the table above, calculate the market share of the Co-operative.

[1]

.....

.....

.....

.....



Tesco is the grocery market leader. An example of the profit and loss account for Tesco plc can be seen below:

<b>Profit &amp; Loss Account for Tesco plc 2016</b>	
	<b>(£m)</b>
Turnover	54 433
Cost of Sales	51 579
Gross Profit	2 854
Expenses	1 808
Net Profit	1 046

- (c) Suggest **one** example of an expense a business may have to pay. [1]

.....

.....

- (d) Calculate net profit as a percentage of turnover for Tesco plc in 2016. (Show your workings.) [2]

.....

.....

.....

.....



Supermarkets are often affected by external influences including changes in exchange rates, changes in taxation and unforeseen events. An example of an unforeseen event was the dairy farmers herding cows through the aisles of Asda in protest at the low payments they receive for the milk that they supply.

(e) Explain how businesses such as supermarkets are affected by:

(i) A fall in the value of the pound; [2]

.....  
.....  
.....  
.....

(ii) An increase in corporation tax; [2]

.....  
.....  
.....  
.....

(iii) Protests against low payments to suppliers. [2]

.....  
.....  
.....  
.....

Supermarkets have adopted a number of environmental and ethical policies. These include donating money to charities, selling fair trade products, reducing packaging for products and reducing waste.

(f) Explain the advantages and disadvantages to businesses, such as supermarkets, of adopting environmental and ethical policies. [8]

.....  
.....  
.....  
.....



.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

**END OF PAPER**



**BLANK PAGE**

**PLEASE DO NOT WRITE  
ON THIS PAGE**





