



GCSE

3510U10-1

THURSDAY, 18 MAY 2023 – AFTERNOON

BUSINESS

Unit 1: Business World

2 hours plus your additional time allowance

Surname _____

First name(s) _____

Centre Number _____

Candidate Number 0 _____

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

ADDITIONAL MATERIALS

A calculator.

INSTRUCTIONS TO CANDIDATES

Use black ink, black ball-point pen or your usual method.

You may use a pencil for graphs and diagrams only.

Write your name, centre number and candidate number in the spaces provided on the front cover.

Answer ALL questions.

Write your answers in the spaces provided in this booklet. Additional space is provided for some questions within the booklet (if required). If further space is required for any question, use the additional page(s) at the back of the booklet, taking care to number the question(s) correctly.

(Turn over)

INFORMATION FOR CANDIDATES

The number of marks is given in brackets at the end of each question or part-question. You are advised to divide your time accordingly.

The total number of marks available is 100.

You are reminded of the need for good English and orderly, clear presentation in your answers.

Answer ALL the questions in the space provided.

- 1. Identify which TWO of the following are characteristics of Public Limited Companies (PLCs). [2 marks]**

Tick (✓) TWO boxes only.

Owned by the government		Unlimited liability	
Minimum of 2 owners		Shares are sold on the stock exchange	

(Turn over)

2. Identify which TWO of the following are advantages of international trade to UK businesses. [2 marks]

Tick (✓) TWO boxes only.

High transportation costs		Increased sales	
New markets		Language barriers	

Job

Turnover

Profit and loss account

Cost of sales

Flow (Mass)

Quantitative data

Cash-flow forecast

Qualitative data

3. Opposite are a number of business terms and phrases.

Identify which of the terms best describes each of the following:

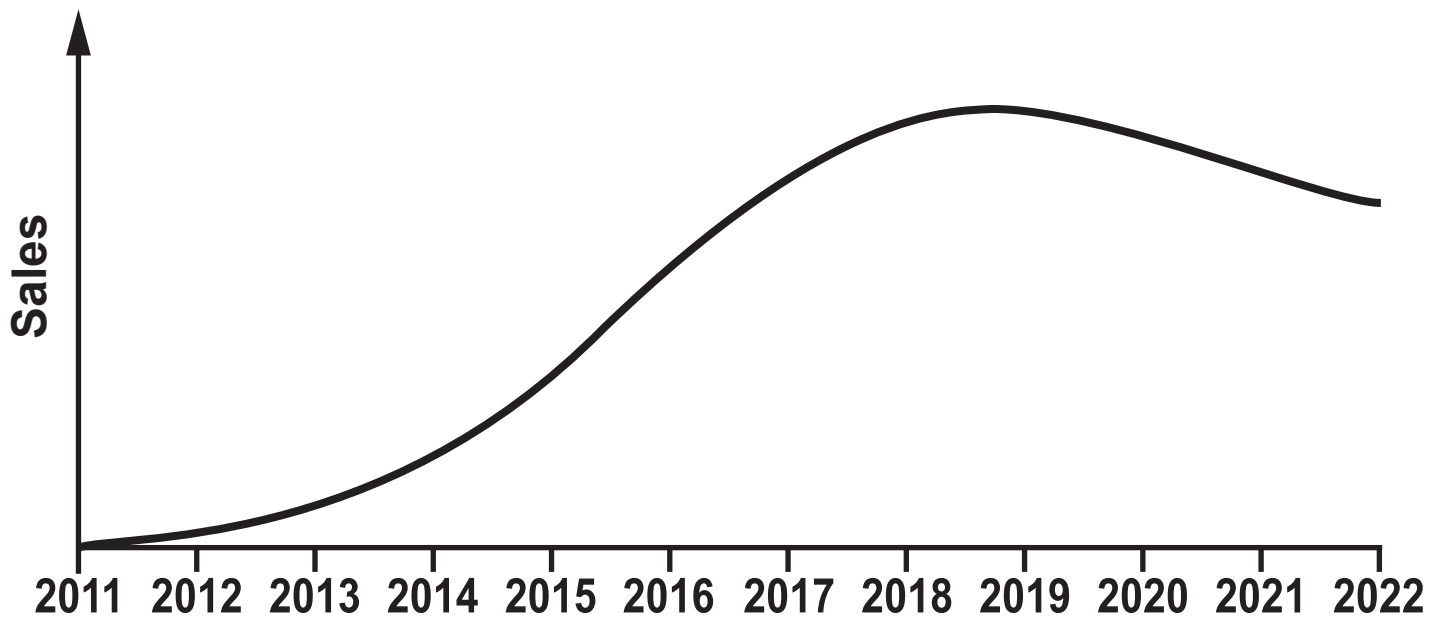
(a) The method of production that produces many identical items. [1 mark]

(b) The money a business makes from sales. [1 mark]

(c) Information that is numerical and often shown in graphs or tables. [1 mark]

(d) A prediction of the money going in and out of a business over a period of time. [1 mark]

(Turn over)



4. Bertie's Berry Crunch is a breakfast cereal that is only sold in UK supermarkets. It has been available since 2011. Due to the quality of the ingredients, Bertie's Berry Crunch is sold at a high price. The graph opposite shows the product life-cycle of Bertie's Berry Crunch.

(a) Using the graph, identify which stage of the product life-cycle Bertie's Berry Crunch is in during;

(i) 2015: _____ [1 mark]

(ii) 2021: _____ [1 mark]

(b) Outline TWO extension strategies that Bertie's Berry Crunch could adopt to improve sales.

[4 marks]

1. _____

4 (b)

2. _____

5. State TWO resources needed to produce goods or services. [2 marks]

1. _____

2. _____

6. **Saundersfoot Sheds, based in Pembrokeshire, is a business that designs and builds garden sheds for its customers. The business has one shop in Saundersfoot and will only deliver in Pembrokeshire.**

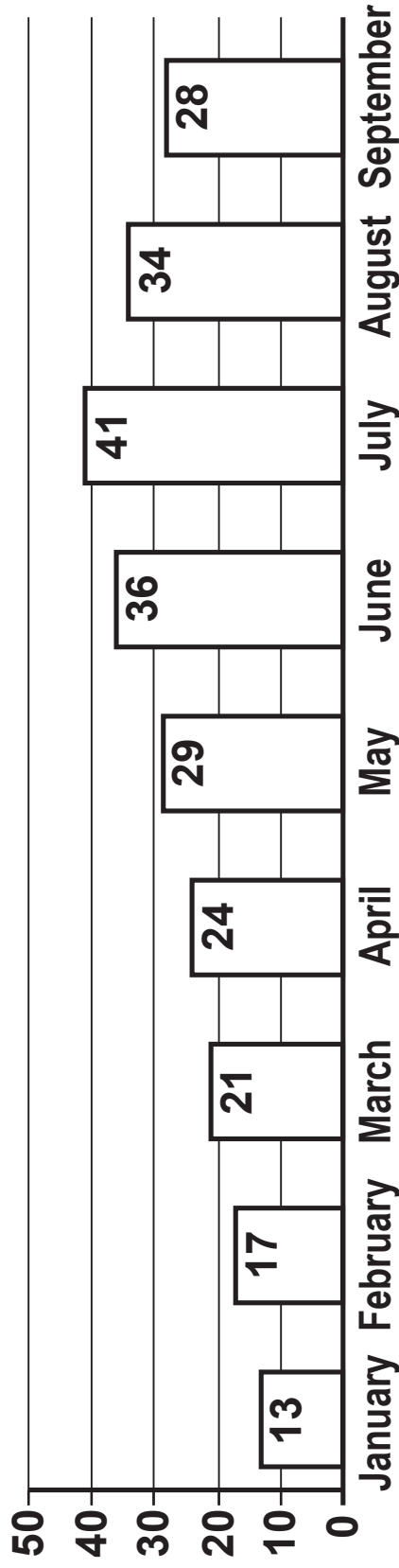
(a) **Identify which ONE of the following best describes the scale of operation of Saundersfoot Sheds.**

[1 mark]

Tick (✓) ONE box only.

Local	
National	
Global	

Number of sheds sold per month by Saundersfoot Sheds



Opposite is a graph showing the number of sheds sold per month by Saundersfoot Sheds.

6 (b) (i)

Describe the trend of sales for Saundersfoot Sheds shown in the graph. [1 mark]

Saundersfoot Sheds has earned £75 330 revenue from the sales of sheds from January to September.

(ii) Calculate the average selling price per shed.

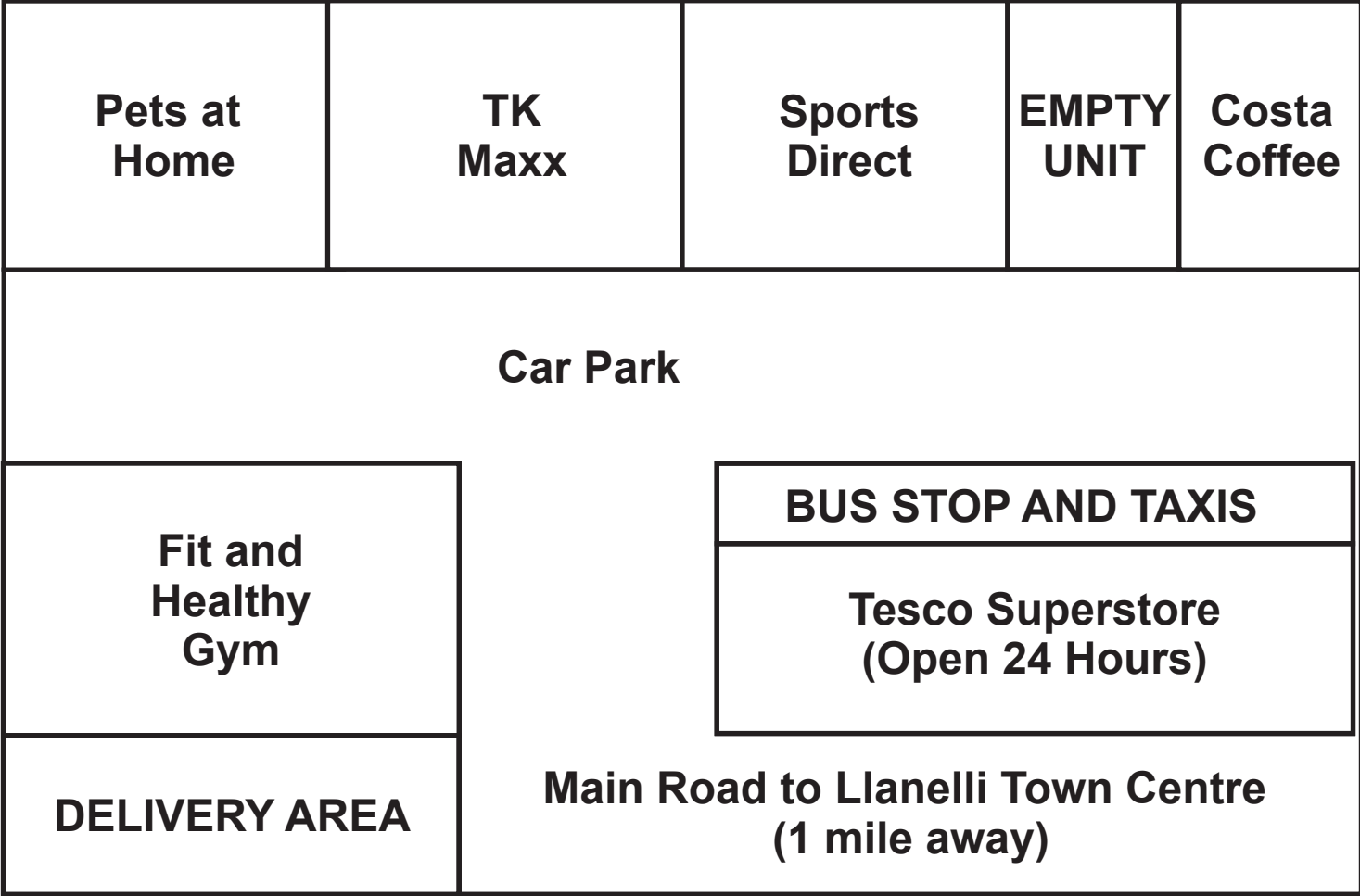
[2 marks]

(Turn over)

7. Jane Miller is a fitness instructor in a gym called Fit and Healthy in Llanelli, Wales. Jane has worked at Fit and Healthy Gym since it opened in 2012 but she hopes to start up her own gym in the local area in the near future. Jane is aware of the risks and rewards of starting up a business.

(a) Suggest and explain ONE risk and ONE reward to entrepreneurs of starting a business. [4 marks]

Risk: _____



Additional space for Question 7 (c) only:

Jane has carried out market research to help identify and understand her potential customers.

7 (d) Suggest a reason why it is important for a business to identify and understand its potential customers. [1 mark]

(Turn over)

After much consideration, Jane has decided to quit her job and borrow £50 000 from the bank to set up a new gym in the retail park in Llanelli. Jane has been approached by co-workers and friends about setting up the business with them rather than by herself. Jane feels that the business has a good chance of succeeding and is unsure as to which type of ownership she should choose for her new business.

7 (e) Advise Jane as to which type of business ownership she should choose to set up the gym.

[8 marks]

(Turn over)

8. Aberavon Car Centre is a used car sales business that has been open for more than 45 years. It is a small-scale car business with only one showroom and two owners, who are also the only workers. Aberavon Car Centre is based in Port Talbot, South Wales and sells used cars in a range of makes and models. The cars the business sells are all under 5 years old and the average price is £15 000 per car. The business slogan is “The home of quality cars”.

(a) Describe what Aberavon Car Centre customers expect from a quality car. [1 mark]

(b) Identify ONE way a business achieves quality. [1 mark]

(Turn over)

8 (d) (i)

Identify TWO stages in the sales process.

[2 marks]

1. _____

2. _____

(ii) Describe how the sales process is used by
Aberavon Car Centre to sell high value products.

[2 marks]

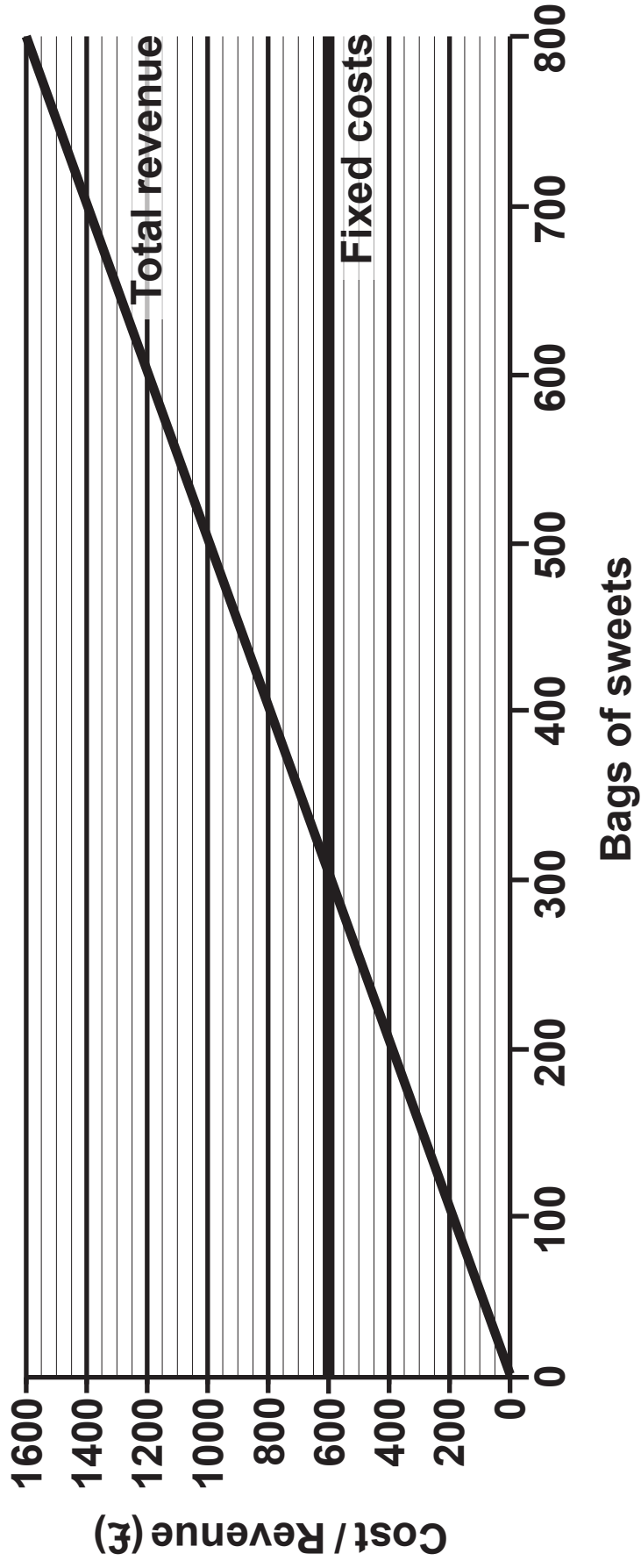
(Turn over)

Aberavon Car Centre has many competitors, for example other small-scale used car retailers and large-scale car retailers such as Trade Centre Wales. Trade Centre Wales has five large showrooms, employs over 500 people and made profits of over £20.4 million in 2019.

8 (e) Discuss the pricing strategies that Aberavon Car Centre might use to increase sales. [10 marks]

(Turn over)

Seaside Sweets' monthly break-even chart



9. **Seaside Sweets is a small traditional sweet shop in Bangor, North Wales. Seaside Sweets is owned by Rashid Khan, a sole trader, who currently employs two part-time workers to help him out during busy times. Opposite is a monthly break-even chart for Seaside Sweets.**

Seaside Sweets currently pays its supplier £1 per bag.

- (a) On the break-even chart, draw the TOTAL COST line for Seaside Sweets. [2 marks]**

- (b) Identify how many bags of sweets Seaside Sweets must sell to break-even. [1 mark]**

The supplier for Seaside Sweets is increasing the cost from £1 per bag to £1.50 per bag.

- (c) Identify the impact that the change in costs may have on Seaside Sweets. [1 mark]

One of the part-time workers has decided to leave the sweet shop, so Rashid will need to recruit a new worker to fill the vacancy at Seaside Sweets. The worker will be expected to serve customers and re-stock shelves.

9 (d) Explain how Rashid may use the recruitment process to help him employ a new part-time worker. [6 marks]

Additional space for Question 9 (d) only:

Rashid has selected a new part-time worker. The new worker will need to be trained.

9 (e) With reference to Seaside Sweets, outline ONE suitable method that Rashid might use to train his new part-time worker. [2 marks]

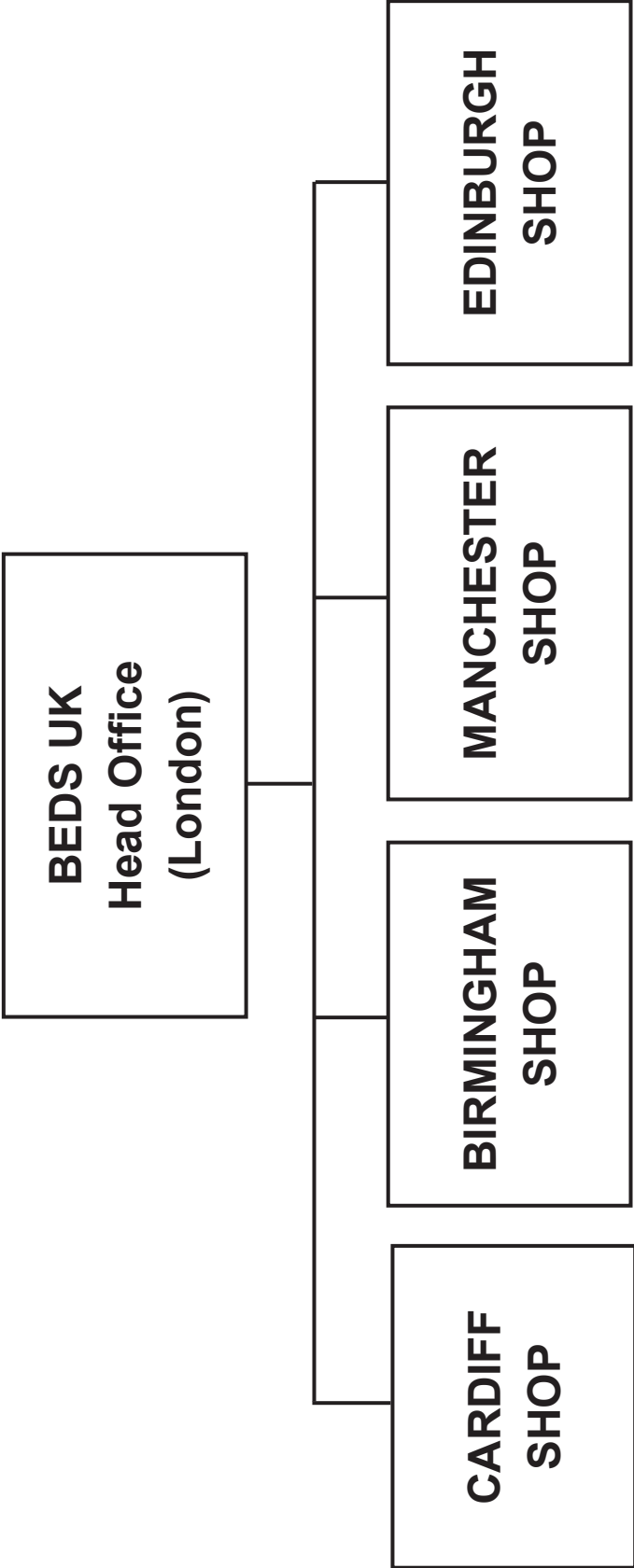
Rashid is unsure as to whether he should try to grow his business or to remain small.

9 (f) Assess the reasons why Rashid might grow the business or choose to remain small. [8 marks]

(Turn over)

10. Beds UK sells beds and mattresses across the UK. Beds UK has shops in Cardiff (Wales), Birmingham (England), Manchester (England) and Edinburgh (Scotland) and its head office is in London (England). Each shop has a manager and its own sales team to try to make sales to the public. Beds UK only distributes its products from its shops.

(a) The position of a manager is an important job role in a business. Identify ONE characteristic of a managerial job role. [1 mark]



Beds UK has a regional (geographical) organisation structure shown in the diagram opposite:

10 (b) With reference to the organisation structure, describe ONE problem with the type of organisational structure used by Beds UK.

[2 marks]

Jasper is part of the sales team at the Cardiff shop for Beds UK and earns 12% commission on any sales he makes.

10 (c) Jasper sells products to the value of £4 890 in a month. Calculate how much commission he earns, in that month. [1 mark]

Commission is an example of a financial method of motivation.

(d) Identify TWO benefits to a business of a motivated workforce. [2 marks]

1. _____

2. _____

Profit and Loss Accounts 2021–2022

	2021	2022
Sales	£5 020 100	£4 800 000
Cost of Sales	£2 008 040	£2 160 000
Gross Profit	£3 012 060	£2 640 000
Rent	£520 000	£535 000
Business Rates	£234 000	£240 750
Wages (Salary and Commission)	£1 712 412	£1 686 000
Other Expenses	£43 056	£45 100
Total Expenses	£2 509 468	£2 506 850
Net Profit	£502 592	£133 150

Beds UK has decided to close the Edinburgh (Scotland) shop. This decision will affect stakeholders such as the owners, the workers, customers and suppliers.

10 (f) Consider how stakeholders may be affected by the decision to close the Edinburgh shop.

[10 marks]

(Turn over)

END OF PAPER

(Turn over)

