

Applied Business

Advanced GCE A2 H426/H626

Advanced Subsidiary GCE AS H026/H226

Mark Scheme for the Components

June 2008

H026/H226/MS/R/08

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F242 Understanding the business environment

Question	Expected Answer
<p>1 (a) What is meant by the term 'limited liability'?</p> <p>[2 marks] AO1 Acceptable annotation is ✓</p>	<p>Up to two marks for response.</p> <ul style="list-style-type: none">• Liability to meet the debts of the business is limited to the amount invested in the business (✓).• Once shares are fully paid up no further claim can be made against the shareholder (✓).• Shareholders will not lose personal assets (✓)
<p>1 (b) Whose liability is limited in a limited liability company?</p> <p>[1 mark] AO1 Acceptable annotation is ✓</p>	<p>For one mark:</p> <ul style="list-style-type: none">• Shareholders (✓).• Owners (✓)

<p>1 (c)*</p> <p>Evaluate the decision that Brookside Farm should become a private limited company.</p> <p>[12 marks]</p> <p>Acceptable annotation is</p> <table style="border: none; margin-left: 20px;"> <tr><td>AO1</td><td>L1</td></tr> <tr><td>AO2</td><td>L2</td></tr> <tr><td>AO3</td><td>L3</td></tr> <tr><td>AO4</td><td>L4</td></tr> </table> <p>Please indicate each time a candidate achieves a particular level as this will help you to allocate the marks within that level.</p> <p>Acceptable annotation for QWC+1 is the yellow highlighter annotation at the end of the question. Please note that this can only be used at the top of a level, for example, 3 marks, 6 marks or 9 marks.</p>	AO1	L1	AO2	L2	AO3	L3	AO4	L4	<p>Level 1 (1-3 marks) Candidate identifies possible opportunities and/or constraints of corporate status.</p> <p>Level 2 (4-6 marks) Candidate demonstrates an understanding of opportunities or constraint(s) of corporate status in context.</p> <p>Level 3 (7-9 marks) Candidate analyses opportunity(ies) and constraint(s) of corporate status in context.</p> <p>Level 4 (10-12 marks) Candidate evaluates opportunities and constraints of corporate status in context.</p> <p>Private limited company – indicative content:</p> <p>Opportunities</p> <ul style="list-style-type: none"> • Limited Liability • Separate legal identity • Easier to raise funds through selling shares • Banks are more likely to lend them money • Less likely to lose control/ lower risk of takeover • Wider range of skills brought in by new shareholders <p>Constraints</p> <ul style="list-style-type: none"> • Cannot sell shares on the stock exchange • Limited range of investors • Have to share profits • Could lose control of the business • More paperwork/'red tape' • Higher costs of setting up <p>Exemplar Response:</p> <p>Company corporate status provides access to additional sources of finance, such as a share issue (L1). Robert can issue shares to investors in the business who then have the privilege of limited liability. This is considered essential in terms of reducing the risks involved in share ownership (L2). Company status also confers other advantages, such as the creation of a legal entity (the so called corporate veil) and continuity of existence. The latter is especially important for a family based business (L3). But company status brings constraints, such as the requirement to hold general</p>
AO1	L1								
AO2	L2								
AO3	L3								
AO4	L4								

	meetings in which directors are elected into office and the obligation to report accounts to the Registrar of Companies. No longer will Robert be able to make all the decisions by himself and he could, in theory, be outvoted in shareholders' meetings (L3) . On balance, the benefits of limited liability, continuity of existence and the corporate veil outweigh the disclosure requirements. And, as a private limited company, the company is not as vulnerable to takeover as it would be if it were a public limited company (L4) .
<p>2 (a)</p> <p>Identify and describe <u>three</u> business activities which could be computerised in a business such as Brookside Farm Limited (BFL).</p> <p>[6 marks] AO1 (1 + 1) x 3</p> <p>Acceptable annotation is ✓</p>	<p>One mark for each correct identification up to a maximum of three identifications, plus a further mark for each of three descriptions.</p> <p>Activities:</p> <ul style="list-style-type: none"> • Stock control (✓) computerised records of stock purchased and stock used as a way of increasing control of stock levels (✓). • Computerised accounting (✓) such as use of spreadsheets for cash budgets (✓) IT spreadsheets are useful for "what if" questions especially on cash-flow forecasts (✓). Can also be used for break-even calculations. • Purchasing on line (✓) e.g. Robert can order supplies more conveniently online. (✓) • Bookings for the Bed and Breakfast may be taken online. (✓) This will be more convenient for customers OR create a web-site (✓). This is likely to attract higher sales (✓). • Set up database of customers and/or employees (✓). This can be used for marketing purposes (✓) or market research activities (✓) • Computerised production methods (✓). Less employees will be needed and production may be more efficient. (✓). Computer aided design (✓). • On-line banking (✓). Details can be accessed at any time and transactions conducted from home. (✓) • Communication (✓) e.g letters, documents, e-mails, etc. can be presented promptly and professionally. Can be used for advertising (✓) e.g leaflets produced using Publisher (✓)

<p>2 (b)</p> <p>Analyse the case for and against the computerisation of operations at Brookside Farm Limited.</p> <p>[9 marks]</p> <p>Acceptable annotation is</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">AO1</td> <td>L1</td> </tr> <tr> <td>AO2</td> <td>L2</td> </tr> <tr> <td>AO3</td> <td>L3</td> </tr> </table> <p>Please indicate each time a candidate achieves a particular level as this will help you to allocate the marks within that level.</p>	AO1	L1	AO2	L2	AO3	L3	<p>Level 1 (1-3 marks) Candidate identifies advantage(s) or disadvantage(s) of computerisation in a business.</p> <p>Level 2 (4-6 marks) Candidate describes understanding of advantage(s) or disadvantage(s) in context.</p> <p>Level 3 (7-9 marks) Candidate analyses advantage(s) and disadvantage(s) in context.</p> <p>Advantages and disadvantages for the computerisation of operations – indicative content</p> <p>Advantages</p> <ul style="list-style-type: none"> • Easy editing • Quicker and more efficient than manual methods • More organised - all information kept in one place • Security - passwords can be used • Less staff needed, therefore, lower wage costs <p>Disadvantages</p> <ul style="list-style-type: none"> • High set up costs, e.g. hardware/software • High running costs, e.g. costs of updating/ maintenance/training • Security risks - e.g. viruses/hackers/identity fraud <p>Exemplar response: ICT can be used for generic business processes, such as accounting and purchases and also for activities specific to farming, such as the control of animal feed. The great advantages are in terms of speed, accuracy, reduction in the clutter of paper work (L1). It provides a business such as Brookside Farm with greater control, thus reducing waste and, in terms of cash budgets, can quickly provide answers to “what if” questions (L2). Reduction in waste will reduce costs and increase profits, but there is a cost involved in terms of purchasing the hardware and software, and of training Karen in the use of dedicated software (L3).</p>
AO1	L1						
AO2	L2						
AO3	L3						

<p>3 (a)</p> <p>Define the term stakeholder.</p> <p>[2 marks] AO1</p> <p>Acceptable annotation is ✓</p>	<p>Up to two marks for definition.</p> <p>A stakeholder is anyone with a stake in a business (✓) in the sense that they are affected by the business (✓) and/or are able to influence decisions of the business (✓)</p>	
<p>3 (b)</p> <p>Complete the table below to identify why <u>each</u> of the following stakeholders would have an interest in the performance of BFL.</p> <p>State how <u>each</u> stakeholder would judge the performance of the business.</p> <p>[10 marks] AO1 5 AO2 5 (1+1) x 5</p> <p>Acceptable annotation is ✓</p>	<p>One mark for each correct identification up to a maximum of five identifications, plus a further one mark for each of five appropriate judgements.</p>	
	<p>Stakeholder Steve Drummond</p> <p>How BFL is judged</p>	<p>Interest A shareholder (✓) or owner (✓) in receipt of a dividend (✓) An employee (✓) in receipt of wages (✓). The level of profits/sales (✓) and the amount distributed as dividend (✓) Reputation (✓)</p>

	Stakeholder Suppliers of animal feed How BFL is judged	Interest Suppliers (✓). Dependent on farms like BFL for orders (✓) Size of orders (✓) promptness in payment (✓) Frequency of orders (✓)
	Stakeholder Creditors How BFL is judged	Interest Creditors (✓). As a creditor they are owed money (✓). Supplier of money (✓). Bank/money lenders (✓) Promptness of repayment (✓) Profit (✓). Sales (✓). Cash Flow ✓)
	Stakeholder The local community How BFL is judged	Interest The community is affected by the activities of BFL (✓) Customers (✓) Local businesses (✓). Animal welfare (✓) use of chemicals (✓) smells (✓) inconvenience from slow moving farm vehicles (✓) Pollution (✓). Provision of Jobs (✓) Prices (✓). Quality of products/service (✓)
	Stakeholder A competitor How BFL is judged	Interest Competitors (✓). Other farms (✓). Compete with BFL for sales and market share (✓) Fairness in competition (✓) or price charged by competitor (✓) Sales (✓). Profits (✓). Number of customers (✓)

<p>3 (c)</p> <p>Discuss the extent of the influence of stakeholders on BFL.</p> <p>[12 marks]</p> <p>Acceptable annotation is</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">AO1</td> <td style="text-align: right;">L1</td> </tr> <tr> <td>AO2</td> <td style="text-align: right;">L2</td> </tr> <tr> <td>AO3</td> <td style="text-align: right;">L3</td> </tr> <tr> <td>AO4</td> <td style="text-align: right;">L4</td> </tr> </table> <p>Please indicate each time a candidate achieves a particular level as this will help you to allocate the marks within that level.</p>	AO1	L1	AO2	L2	AO3	L3	AO4	L4	<p>Level 1 (1-3 marks) Candidate identifies way(s) that stakeholders influence businesses.</p> <p>Level 2 (4-6 marks) Candidate describes way(s) that stakeholders influence BFL.</p> <p>Level 3 (7-9 marks) Candidate analyses way(s) that stakeholders influence BFL.</p> <p>Level 4 (10-12 marks) Candidate evaluates ways that stakeholders influence BFL.</p> <p>Ways that stakeholders influence business – indicative content</p> <ul style="list-style-type: none"> • Customers can influence what BFL sells and its pricing strategy • Competitors can influence BFL's prices/quality • Local community/pressure groups can influence how the farm operates, i.e. disposal of waste, use of chemicals etc • Owners control how the farm is run and make major decisions • Government can influence operations i.e. health and safety legislation, animal welfare, etc. They can influence the business, directly and indirectly, through taxation policies. • Employees determine the quality of the operation. They can influence costs by asking for a pay rise etc. <p>Exemplar response: Shareholders have influence via voting at the annual general meeting (L1). This gives the opportunity to change the directors and, thereby, influence the direction of the business. Creditors have influence if the business is seeking a loan or is facing difficulty meeting loan repayments (L1). Robert is in such a powerful position that only the combined opposition of his wife and children will prevent him pursuing his policies (L2). When Robert sought a loan the bank was in a powerful position (L2). Although each stakeholder has some influence over decision making the relative power of stakeholders varies and in some cases only applies in certain situations. Creditors are powerful when firms seek a loan or have difficulty repaying a past loan. Suppliers are powerful only when they enjoy a monopoly position in the market (L3). Overall, the most influential stakeholder is Robert, as he has control of the business and is the main decision maker (L4). The Bank will have some influence if Robert decides to expand and needs to obtain a bank loan (L4).</p>
AO1	L1								
AO2	L2								
AO3	L3								
AO4	L4								

<p>3 (d)</p> <p>Explain Simon Lewis' position with regard to his decisions <u>not</u> to reveal his involvement in a cheese making business.</p> <p>[4 marks] AO1 AO2</p> <p>Acceptable annotation is ✓</p>	<p>Up to four marks for explanation.</p> <p>Simon failed to reveal his involvement in a cheese making business because he had an interest in the rival business (✓) He probably saw BFL as a threat (✓) and did not want the business in which he was a shareholder to face new competition (✓) There was a conflict of interest (✓) with his clients and Simon acted for selfish reasons - he was clearly underhanded (✓) At the very least Simon's action was unethical – it probably breached the code of conduct laid down by his professional association as he has a duty of care to his clients(✓), and may have been immoral (✓)</p>
<p>4 (a)</p> <p>Define the term fixed cost.</p> <p>[2 marks] AO1</p> <p>Acceptable annotation is ✓</p>	<p>Up to two marks for definition</p> <p>Fixed costs are costs which do not change (✓) with the level of output/sales/activity (✓).</p> <p>Costs that businesses have to pay regardless of output (✓) – 2 marks</p>
<p>4 (b)</p> <p>Assuming that each guest stays one night, calculate the number of guests needed in the first year to break even on the bed and breakfast venture.</p> <p>[4 marks] AO1 2 AO2 2</p> <p>Acceptable annotation is ✓</p>	<p>Four marks to be allocated as follows:</p> <p>Break even = Fixed costs/contribution per unit (✓) Contribution per unit = £30 – £4.50 = £25.5 (✓) Break even = £15k/£25.50 (✓) OR £15k/£30 – £4.50 (✓) Answer 589 guests (✓) NB: Must be rounded up.</p>

<p>4 (c)(i)</p> <p>In 2007, the first year of operation, the number of guests was 450.</p> <p>Calculate the profit or loss made on the bed and breakfast venture.</p> <p>[2 marks] AO2</p> <p>Acceptable annotation is ✓</p>	<p>Two marks to be allocated as follows:</p> <p>Total cost = fixed costs+ variable costs = £15,000 + (£4.5 x 450) = £15,000 + £2025 = £17,025 Total revenue = 450 x £30 = £13,500</p> <p>Loss = £17025 – £13,500 (1) = £3525 (1).</p> <p>Alternatively, profit/loss = margin of safety x contribution per unit. Negative margin of safety: 450 – 589 = 139 (1). Loss = 139 x £25.50 = £3544.50 (1).</p> <p>If an answer of 588 is carried down from 4b, the negative margin of safety is 450-588 = 138 (1) Loss = 138 x £25.50 = £3519 (1)</p>
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<p>4c (ii)</p> <p>Sandra had expected to attract 650 guests in the first year. What is the variance on the profit from this venture?</p> <p>[2 marks] AO2</p> <p>Acceptable annotation is ✓</p>	<p>Two marks to be allocated as follows:</p> <p>Profit variance = expected profit – actual profit. $£1575 - (£3525) = £(5100)$</p> <p>OR using the concept of lost contribution. Profit variance = shortfall in the number of guests x £25.50 = $(650 - 450) \times £25.50 = 200 \times £25.50 = £5100$ and it was adverse.</p> <p>Award one mark for £5100 and one mark for a clear indication that the figure is negative. The loss must be clearly indicated (by: minus sign, brackets or adverse/(A), unfavourable) for full marks to be awarded.</p>
<p>4d</p> <p>For 2008 Sandra expects bookings to rise to 700, prices and costs remaining unchanged.</p> <p>Calculate the:</p> <p>(i) expected margin of safety in 2008</p> <p>[1 mark] AO2</p> <p>Acceptable annotation is ✓</p>	<p>For one mark.</p> <p>Margin of safety = $700 - 589 = 111$ guests (1)</p> <p>OR: $700 - 588 = 112$ guests (1)</p>

<p>[2 marks] AO2</p> <p>Calculate the:</p> <p>(ii) expected profit or loss in 2008</p> <p>Acceptable annotation is ✓</p>	<p>Two marks to be allocated as follows:-</p> <p>Expected profit = $111 \times £25.50$ (1) = £2830.50. (1) OR</p> <p>Total Costs = $15,000 + (4.50 \times 700) = 18,150$ } Total Revenue = $30 \times 700 = 21,000$ } (1) Profit = 2,850 (1)</p> <p>OR 112×25.5 (1) = £2,856 (1)</p>
<p>4e (i)</p> <p>On the graph below illustrate the impact of a rise in the price charged by BFL for bed and breakfast.</p> <p>[1 mark] AO1</p> <p>Acceptable annotation is ✓</p>	<p>For one mark.</p> <p>This produces a rise in total revenue. The total revenue curve will rise from the point of origin at a steeper rate (✓).</p>
<p>(ii)</p> <p>State the consequences for the break even level.</p> <p>[1 mark] AO1</p> <p>Acceptable annotation is ✓</p>	<p>For one mark.</p> <p>As a result the break even point will be lower (✓) OR quicker/easier to achieve (✓).</p>

<p>4f (i)</p> <p>On the graph below illustrate the impact of a rise in interest rates resulting in a rise in the annual loan repayment made by BFL.</p> <p>[2 marks] AO1</p> <p>Acceptable annotation is ✓</p>	<p>For two marks.</p> <p>As a result the fixed cost line will shift upwards parallel to the origin (✓) and total cost line (FC + VC) will also shift upwards (✓).</p>
<p>(ii)</p> <p>State the consequence for the break even level.</p> <p>[1 mark] AO1</p> <p>Acceptable annotation is ✓</p>	<p>For one mark.</p> <p>This will raise the break even level of output (✓) OR increase is harder/slower to achieve (✓)</p>

<p>5 (a)</p> <p>Undertake a partial SWOT analysis for BFL's ice cream venture.</p> <p>You should identify and describe <u>three</u> opportunities and <u>three</u> threats.</p> <p>[12 marks] AO1 AO2</p>	<p>One mark for each correct identification up to a maximum of three identifications of opportunities plus one further mark for each of three descriptions.</p> <p>One mark for each correct identification up to a maximum of three identifications of threats plus one further mark for each of three descriptions.</p>	
<p>Acceptable annotation is ✓</p>	<p>Opportunities</p> <p>Economic growth (✓) Increase in consumer demand (✓)</p> <p>Low inflation (✓)</p> <p>Less likely to be faced with rising prices (✓)</p> <p>Sell to theme park/ local supermarkets/retailers (✓)</p> <p>Opportunity to benefit from tourist spending (✓)</p> <p>Reducing food miles (✓)</p> <p>Changing consumer tastes e.g. awareness of organic products (✓)</p> <p>Developing different flavours (✓)</p> <p>Developing healthier ice cream (✓)</p> <p>Use of ICT (✓)</p> <p>Unemployment (✓) – an opportunity to recruit staff (✓).</p>	<p>Threats</p> <p>Competition from premium brands (✓)</p> <p>More difficult to sell product (✓)</p> <p>Rise in interest rates (✓)</p> <p>Rise in cost of loans (✓)</p> <p>Rise in unemployment (✓)</p> <p>Reduction in spending (✓)</p> <p>Recession (✓)</p> <p>Inflation/rising costs (✓)</p> <p>Pressures of healthy eating (✓)</p> <p>Weather (✓)</p> <p>Seasonal product (✓)</p> <p>Legislation e.g food hygiene/health & safety/minimum wage, etc (✓)</p> <p>Rise in taxation (✓)</p> <p>Political e.g EU farm payments (✓).</p>

<p>5 (b)</p> <p>Evaluate the role of SWOT analysis in helping BFL to achieve its marketing objectives.</p> <p>[12 marks]</p> <p>Acceptable annotation is</p> <table style="margin-left: 20px;"> <tr><td>AO1</td><td>L1</td></tr> <tr><td>AO2</td><td>L2</td></tr> <tr><td>AO3</td><td>L3</td></tr> <tr><td>AO4</td><td>L4</td></tr> </table> <p>Please indicate each time a candidate achieves a particular level as this will help you to allocate the marks within that level.</p>	AO1	L1	AO2	L2	AO3	L3	AO4	L4	<p>Level 1 (1-3 marks) Candidate identifies way(s) in which SWOT analysis can be used in a business.</p> <p>Level 2 (4-6 marks) Candidate describes how SWOT analysis can be used in the context of BFL to achieve its marketing objective.</p> <p>Level 3 (7-9 marks) Candidates analyses how SWOT analysis can be used in the context of BFL to achieve its marketing objective.</p> <p>Level 4 (10-12 marks) Candidate evaluates how SWOT analysis can be used in the context of BFL to achieve its marketing objective.</p> <p>Ways in which SWOT analysis can be used – indicative content</p> <p>By the analysis of their strengths BFL can identify areas of the business with most potential for profitable development such as selling the ice cream as a high quality, organic, local product for which they can charge a premium price.</p> <p>By the analysis of opportunities, BFL can identify aspects of their marketing mix to focus upon e.g. new product development with a healthier ice cream that will cater to growing consumer awareness of health and lifestyle issues such as obesity.</p> <p>By the analysis of their weaknesses BFL can objectively identify areas where they can use professional advisers to the greatest affect e.g. Simon their accountant or the opinion of their Bank Manager on the viability of expansion.</p> <p>By the analysis of threats BFL can identify external influences such as inflation that may put the viability of the proposed expansion in doubt and take appropriate corrective action e.g. reducing non-essential costs.</p> <p>Exemplar responses: SWOT analysis forces managers to consider the situation – present and future, internal and external. It is used to list SWOT (L1). But it is more than just a list. It should be used to help devise plans for the future. Objectives (such as Brookside’s objectives for ice cream) are more likely to be achieved if they are based</p>
AO1	L1								
AO2	L2								
AO3	L3								
AO4	L4								

	<p>on a sound analysis of the current situation (L2). A firm should build on its strengths, eg Brookside is a quality milk producer able to guarantee freshness and quality in its ice cream. It would be advised to avoid activities where it has a weakness or where the market situation looks unpromising (L2). SWOT analysis can be used to identify areas of development for the firm – ideally these will be SO strategies which build on strengths to take advantage of opportunities in the market, such as growing consumer awareness of the ‘food miles’ issue or healthier, organic products(L3). However, it is merely the first step in planning. Before embarking on a project, more detailed work needs to be done. In order to meet marketing objectives, Robert needs to carry out thorough market research on customer needs and wants. SWOT analysis alone does not guarantee success and plans can be thrown off course by external influences such as changes in economic circumstances.(L4)</p>
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F243 The impact of customer service

Question	Expected Answer
<p>1 (a)</p> <p>Identify and describe two specific customer needs which any business must satisfy.</p> <p>[4 marks] AO1-4 (1+1)x2</p>	<p>One mark for each correct identification, up to a maximum of two identifications, plus a further one mark for each of two descriptions</p> <ul style="list-style-type: none"> • customers expect to be given advice (✓) about the best product for them (✓+) • customer must feel safe (✓) in the store so that they are not at risk of any accidents (✓+) • customers expect to be able to complain to the firm (✓) and for that complaint to be taken seriously (✓+) • customers want clear information available to them (✓) so they are not confused about what to expect (✓+)
<p>1 (b)</p> <p>Identify <u>two</u> different types of customer mentioned in the case study.</p> <p>[2 marks] AO1-2 2 x 1</p>	<p>One mark for each correct identification, up to a maximum of two identifications</p> <ul style="list-style-type: none"> • commuters (✓) • school children (✓) • university students (✓) • older people (✓) • DJs (✓) • dance music fans (✓) • workers at CoolBeats London (✓) • James Chinery at Head office (✓) • Employees from office block (✓)

<p>1 (c)</p> <p>Discuss possible consequences to CBL of <u>not</u> becoming more focused on customer service.</p> <p>[12 marks]</p> <p>Levels</p> <p>AO1-3</p> <p>AO2-3</p> <p>AO3-3</p> <p>AO4-3</p>	<p>Level 1: [1-3 marks] Candidate identifies the possible consequence(s) for a business of not focusing on customer service.</p> <p>Level 2: [4-6 marks] Candidate describes the possible consequence(s) for CBL not focusing on customer service.</p> <p>Level 3: [7-9 marks] Candidate analyses the possible consequence(s) for CBL if it does not focus on customer service.</p> <p>Level 4: [10-12 marks] Candidate evaluates the possible consequences for CBL not becoming more focused on customer service.</p> <p>Exemplar response: It is important for firms to focus on customer service if they are to stay in business (L1). The music retail industry is a highly competitive market (L2) and so if Emma does not treat her customers well then they will buy their music elsewhere, at one of her competitors' outlets (L3) or another Cool Beats store (L3) or on the Internet (L3) and so her store will lose money (L3). Customers' taste in music change dramatically over time (L1) so it is important that CBL also changes to satisfy those requirements (L2). If people are happy they will return to CBL again and again (L2) and will also tell friends about the store (L3) which will, ultimately, generate more profit (L4). In the long term, if customers are not catered for correctly then the future of CBL is at stake (L4).</p>
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<p>2 (a)</p> <p>Identify and describe <u>three</u> acts or regulations that would protect customers of businesses such as CBL.</p> <p>[6 marks] AO1-6 (1+1)x3</p>	<p>One mark for each correct identification, up to a maximum of three identifications, plus a further one mark for each of three descriptions</p> <ul style="list-style-type: none"> • Sale and Supply of Goods (1979/94) (✓); this act dictates that goods must be of ‘merchantable quality’ and fit for their purpose (✓+) • Health and Safety Act (1974) (✓) making the shop safe for customers (✓+) • Supply of Goods and Services Act (1982) (✓) • Trades Descriptions Act (1968) (✓) • Consumer Protection Act (1987) (✓) • Data Protection Act (1984/98) (✓)
<p>2 (b)</p> <p>With reference to the case study, outline <u>four</u> examples of good customer service practice.</p> <p>[8 marks] AO1-4 AO2-4 (1+1)x4</p>	<p>Up to two marks for each of four examples</p> <ul style="list-style-type: none"> • giving advice (✓+) over which CDs would be most suitable for the customer’s needs • providing information (✓+) on new releases or new artistes (✓+) • letting customers try before they buy (✓+) by letting them listen to the CD beforehand (✓+) • informing customers of music-related information (✓+) through the use of a newsletter (✓+) • having a notice board (✓+) to inform customers of forthcoming gigs (✓+) • letting customers order products (✓+) if they can’t find them in store (✓+).

<p>2 (c) *</p> <p>QWC assessed here.</p> <p>Evaluate the extent to which staff training on the computerised ordering system is likely to improve the provision of customer service at CBL.</p> <p>[12 marks]</p> <p>Levels</p> <p>AO1-3</p> <p>AO2-3</p> <p>AO3-3</p> <p>AO4-3</p>	<p>Level 1: [1-3 marks] Candidate identifies the effect(s) that staff training has on customer service within a business.</p> <p>Level 2: [4-6 marks] Candidate describes the effect(s) that training on the system will have on customer service provision at CBL.</p> <p>Level 3: [7-9 marks] Candidate analyses the effect(s) that training on the system will have on customer service provision at CBL.</p> <p>Level 4: [10-12 marks] Candidate evaluates the extent to which training on the system has an effect on customer service provision at CBL.</p> <p>Exemplar response: Staff training has a big effect on customer service as it teaches the staff how to look after and provide for customers more effectively (L1). It can help staff give customers what they need (L1). Training on the ordering system will help CBL staff to process orders quicker (L2) and to see if certain CDs which the customer wants are available (L2) and should, therefore, help the customer get the want if CBL doesn't currently stock it (L3), which is a good example of customer service provision (L3). However, if the staff are not competent on the system, then they would actually be providing poor customer service (L2) as they are discouraging customers from ordering so they don't have to use it (L3) or taking a long time to use the system, whereby the customer may get fed up and leave (L3). Staff training should address this (L3). Overall, if the staff have training on the system then they will feel more confident about using it (L2) and so will be better equipped to deal with customers wishing to place orders (L3) and, if they learn to use it efficiently, it should enhance the customer service provision currently offered at CBL (L4). Realistically then, training on the system has the potential to have a massive effect on the standard of customer service at CBL in terms of ordering stock for customers (L4) but, of course, there are a lot more elements to the customer service process than just taking orders (L4).</p>
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<p>3 (a)</p> <p>Cool Beats head office used a ‘mystery shopper’ to assess the standard of customer service in its stores. Describe how a mystery shopper might be used by Cool Beats.</p> <p>[6 marks] Levels AO1-3 AO2-3</p>	<p>Level 1: [1-3 marks] Candidate identifies aspect(s) of a ‘mystery shopper’ system.</p> <p>Level 2: [4-6 marks] Candidate describes how a ‘mystery shopper’ system operates in context of CBL.</p> <p>Exemplar response: The shop is visited by someone who the staff think is a normal customer (L1). They then assess the standard of customer care of the organisation (L1) by experiencing it as a normal customer would do (L1), possibly in different situations and scenarios (L1). In this case, CBL would have been visited by someone from head office who the staff didn’t recognise (L2) who would have tested out the standard of customer care at the store, from checking the CD’s to placing an order (L2), they would then have collated that information and compared it to other Cool Beats stores (L2).</p>
<p>3 (b)</p> <p>Identify and explain <u>four</u> other ways in which retail businesses can assess the standard of customer service in their stores.</p> <p>[8 marks] AO1-8 (1+1)x4</p>	<p>One mark for each correct identification, up to a maximum of four identifications, plus a further one mark for each of four explanations</p> <ul style="list-style-type: none"> • they can take informal comments from customers (✓) as they come out of their stores (✓+) • they could interview staff members (✓) to find out if they felt customers were getting a good deal (✓+) • they could create a freephone number (✓) for customers to phone with their comments (✓+) • they could organise a focus group (✓) consisting of regular customers from across the region (✓+) • they could simply observe the customers and staff from a distance (✓) to see if they were interacting and getting the products they wanted (✓+).

<p>3 (c)</p> <p>Analyse the implications for the success of CBL of specialising only in dance music.</p> <p>[9 marks]</p> <p>AO1-3</p> <p>AO2-3</p> <p>AO3-3</p>	<p>Level 1: [1-3 marks] Candidate identifies the implication(s) for the success of changing the store to a specialist store.</p> <p>Level 2: [4-6 marks] Candidate describes the implication(s) for the success of CBL of specialising only in dance music.</p> <p>Level 3: [7-9 marks] Candidate analyses the implication(s) for the success of CBL of specialising only in dance music.</p> <p>Exemplar response: Changing the store to a specialist store is a good idea as it attracts a certain type of customer (L1) who is likely to visit the shop (L1) as it has what they are looking for (L1). The music retail industry is very competitive so CBL needs to be different in order to survive (L2) and dance music is always very popular at the store anyway (L2), so selling that only would be a good idea. It already has an expert member of staff in Helen (L2). However, CBL brings in a large percentage of the company's profits anyway so must be doing well as it is (L3) and if it specialises it may alienate some of the customers who buy other types of music (L3) and who may stop going to CBL altogether (L3), so it may in the future have an adverse effect on the success of CBL (L3).</p>
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<p>4 (a)</p> <p>If the newspaper letter goes ahead, a database will be built up to keep information on customers. Identify and explain <u>three</u> legal implications for CBL of storing customer data.</p> <p>[9 marks] AO1-3 AO2-6 (1+2)x3</p>	<p>One mark for each correct identification, up to a maximum of three identifications, plus up to a further two marks for each of three explanations</p> <ul style="list-style-type: none">• data needs to be kept securely (✓) so CBL needs to make sure that, if it's kept on computer, it is passworded or only accessed by certain people (✓+) or if hard copies are taken, locked away in a filing cabinet (✓+)• the data must be accurate (✓) so any changes to customer details must be done as soon as possible (✓+) so the data is up to date (✓+)• the data should be kept for no longer than necessary (✓), so, if a customer wants to stop receiving the newsletter then their personal details should be destroyed (✓+) as there is no need to keep them (✓+)• other issues relating to the Data Protection Act – must be processed fairly and lawfully (✓) obtained for lawful purposes (✓) issues with transferring data to third party (✓)
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<p>4 (b)</p> <p>State and explain <u>two</u> advantages and <u>two</u> disadvantages to CBL of posting a weekly newsletter to its customers.</p> <p>[12 marks] AO1-4 AO2-8 (1+2)x4</p>	<p>One mark for each correct identification, up to a maximum of four identifications, plus up to a further two marks for each of four explanations</p> <p>Advantages</p> <ul style="list-style-type: none">• keeps the customer in touch (✓) so that they feel that CBL cares about them (✓+) so will visit it more (✓+)• can inform the customer of new releases or special in store events (✓+) such as gigs or DJ sets (✓+) so that they can attend/take advantage (✓+).• the customer will receive the newsletter every week (✓) which means the information is relatively current (✓+), so they won't miss out or get invalid information. (✓+)• the customer may have forgotten that CBL existed (✓) and so this will jog their memory (✓+) and they may visit the shop after reading the latest news (✓+). <p>Disadvantages</p> <ul style="list-style-type: none">• because it is postal, the customer may simply put it in the bin (✓) thinking it is junk mail (✓+) so it would be a waste of money (✓+)• sending one every week might be a bit much (✓) and the customers may feel they're being pestered (✓+) and get irritated by CBL (✓+)• printing them all may cost a lot of money (✓) which could be used for other things in CBL (✓+) to make the customer happier (✓+)• it is not very environmentally friendly, particularly if it gets a lot of subscribers (✓) which might anger some of the customers (✓+) who may boycott CBL altogether (✓+).
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<p>4 (c)</p> <p>Evaluate the extent to which having a DJ playing music in CBL would boost sales.</p> <p>[12 marks]</p> <p>Levels AO1-3 AO2-3 AO3-3 AO4-3</p>	<p>Level 1: [1-3 marks] Candidate identifies how a DJ would operate in a generic store.</p> <p>Level 2: [4-6 marks] Candidate describes how a DJ in CBL would operate.</p> <p>Level 3: [7-9 marks] Candidate analyses how a DJ in CBL may boost sales in the store.</p> <p>Level 4: [10-12 marks] Candidate evaluates to what extent having a DJ in CBL would boost sales in the store.</p> <p>Exemplar responses: A DJ would play tunes on his decks to people shopping in the store (L1) and they could listen to it as they browse (L1). As Cool Beats London is a music store customers would be potentially hearing tunes which they could purchase there and then (L2) and also they could be exposed to some music they'd never heard before (L2) and may not have thought or even listening to before (L2). This means that they may be encouraged to buy the CD of the music they hear (L3) or find out a lot more about it from a sales assistant (L3) who could discuss what they want with them (L3). The customer may also have come in for just one CD but may purchase more hearing the DJ play (L3) or may spend more time in the store because they love the atmosphere (L2) and therefore, may purchase more (L3). However, they may not like the music the DJ is playing (L2) so may cut their time in Cool Beats London short, therefore not buying anything extra (L3) or not buying anything at all (L3). Overall, if the DJ set is not too intrusive and plays a good selection of music, it is likely to boost sales quite a bit on the days he plays (L4) but probably not on the days when he doesn't (L4), unless the set brought in new customers (L4) who have become loyal and returned on another day (L4).</p>
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F248 Strategic decision-making

Question No		Grid Ref.	Max Mark
1 (a) ✓	<p>What is meant by the term ‘mission statement’?</p> <p><i>Up to two marks</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • A mission statement is a brief outline of the general purpose of a business (1). It is used to provide direction for the business and also as a way of branding the business in the public eye (1). • any other valid suggestion e.g motivation, business philosophy 	AO1	[2]
(b) ✓	<p>Describe one possible strategic objective that a small limited company might have in the first year of trading.</p> <p>NOTE: Some flexibility on term strategic <i>One mark for a correct identification plus up to two marks for an explanation</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • survival (1); • break-even (1); • gain market share/reputation (1); • encourage environmental awareness (1); • any other valid suggestion NOT expansion. <p>Eg Initially a small firm might seek to break even (1). This means that revenue is enough to cover costs (1). This is likely to only be sustainable for a short period of time as the firm will wish to make some sort of profit (1).</p>	AO1	[3]

Question No		Grid Ref.	Max Mark
2 (a) ✓	<p>Calculate the labour turnover among expedition leaders in 2007.</p> <p><i>Up to two marks.</i></p> <p>leavers/av. no. of staff (1 mark) $19/28 \times 100 = 67.9\%$ (1 mark) Allow 67% or 68%</p> <p>2 marks for correct answer</p>	AO1 AO2	[1] [2]
(b) ✓ ✓+ ✓An	<p>Analyse the likely problems that EETL could face as a result of a high labour turnover among its expedition leaders.</p> <p>Possible responses may include: Problems:</p> <ul style="list-style-type: none"> • being short of staff; • training and recruitment costs; • poor image; • any other valid suggestion. <p>Level 1 (1-2 marks) Candidates identify problems of labour turnover</p> <p>Level 2 (3-4 marks) Candidates explain problem(s) in context of EETL</p> <p>Level 3 (5-6 marks) Candidate analyses the likely problem(s) which EETL could face as a result of a high labour turnover amongst its expedition leader.</p> <p>Eg Firms which experience high labour turnover will spend a lot of time recruiting new staff (L1). EETL will have to spend a lot of time finding new staff as 68% is a very high rate (L2). This will be very costly as expedition leaders are hard to come by (L3).</p>	AO1 AO2 AO3	[6] (Levels)

Question No		Grid Ref.	Max Mark
3 (a) ✓	<p>Calculate showing your workings, the payback period for Option 1.</p> <p><i>Up to two marks</i></p> <p>Option 1 $(20+30+56+122+(54/162))$ (1 mark) = 4.33 years or 4 years and 4 months (1 mark)</p> <p>Full marks for correct answer.</p>	AO1 AO2	[2]
(b) ✓	<p>Calculate, showing your workings, the ARR for Option 1.</p> <p><i>Up to four marks</i></p> <p>Option 1 $£786,000 - £282,000 = £504,000$ (1 mark) $£504,000/7 \text{ years} = £72,000$ (1 mark) $£72,000/£282,000 \times 100$ (1 mark) = 25.53% (1 mark)</p> <p>Award one mark if just formula given. Full marks for correct answer.</p>	AO1 AO2	[4]
(c)	<p>Describe one disadvantage of using each of PBP and ARR as investment appraisal techniques.</p> <p><i>One mark for a correct identification up to a maximum of two identifications plus a further one mark for each of two descriptions.</i></p> <p>(i) Pay Back Period eg Pay Back Period only looks at speed of payback (1). It discriminates against projects which have longer payback periods (1).</p> <p>(ii) ARR ARR ignores when the money comes back (1). It could be that the returns all come at the end, denying the business of a flow of cash (1).</p>	AO1	[1+1*2]

Question No		Grid Ref.	Max Mark
<p>4 (a)</p> <p>✓</p>	<p>Complete the decision tree below.</p> <p>Up to eight marks.</p> <p>1. <u>662,500</u></p> <p>2. <u>562,500</u></p> <p>3. <u>508,250</u></p> <p>4. <u>245,000</u></p> <p>5. <u>2,140,000</u></p> <p>6. <u>2,200,000</u></p> <p>7. <u>1,240,000</u></p> <p>8. <u>490,000</u></p>	<p>AO1 AO2</p>	<p>[8]</p>
<p>(b)</p> <p>✓</p> <p>✓+</p> <p>✓An</p> <p>✓Ev</p>	<p>Assess the extent to which this decision tree is useful to EETL in its strategic decision-making.</p> <p>Level 1 (1-2 marks) Candidate demonstrate knowledge of usefulness of the decision tree with no context</p> <p>Level 2 (3-4 marks) Candidate applies knowledge of usefulness of the decision tree in the context of EETL.</p> <p>Level 3 (5-7 marks) Candidate analyses the usefulness of the decision tree to EETL in its decision making.</p> <p>Level 4 (8-12 marks) Candidate evaluates the extent to which the decision tree is useful to EETL in its decision making.</p> <p>Possible answers may include: Issues:</p> <ul style="list-style-type: none"> quantifies decisions - maybe better than qualitative information; use of probability; outcomes and probabilities are not fact - how produced?; easy to make it biased; many external factors which can make it inaccurate; 	<p>AO1 AO2 AO3 AO4</p>	<p>[12] (Levels)</p>

	<ul style="list-style-type: none">• any other valid suggestion. <p>Eg Decision trees rely on accurate information (L1). EETL will find it hard to get accurate outcome and probability information (L2). This is because, for example, political problems in the Middle East are difficult to translate into probability and, thus, the answers will be virtually meaningless (L3). It may, however, work well if EETL does thorough research into markets it knows about and can, therefore, rely on the quantitative data, such as the schools market (L4).</p>		
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Question No		Grid Ref.	Max Mark
5 (a) ✓	<p>Explain three sources of finance which EETL could use should it decide to expand.</p> <p><i>One mark for each correct identification up to a maximum of three identifications, plus a further one mark for each of three explanations</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • bank loans (1); • overdraft (1); • grant (if eco route) (1); • sale of shares - private or public (1); • debenture issue (1); • venture capitalist (1); • retained profit (1); • friends and family (shares/debentures) (1); • sale of assets (1); • any other valid suggestion. <p>Eg EETL could seek a grant (1). This would be feasible if it was doing something the government wanted to 'sponsor' such as eco-tourism (1).</p>	AO1 AO2	[6]
(b) ✓	<p>Explain four ways in which the external environment could impact upon EETL's financial position.</p> <p><i>One mark for each correct identification up to a maximum of four identifications, plus up to a further two marks for each of four explanations.</i></p> <p>Must relate to FINANCIAL position</p> <p>Possible responses may include: Issue:</p> <ul style="list-style-type: none"> • changes in interest rates and the impact (1); • tax changes (1); • public spending, such as grants (1); • exchange rates (1); • any other valid suggestion. <p>Changes in exchange rates may affect EETL (1). EETL sells holidays and is thus buying in different currencies (1), If the value of the pound fell, for example, this would make EETL holidays more expensive (1).</p>	AO1 AO2	[12]

Question No		Grid Ref.	Max Mark																
6 (a) & (b) ✓	<p>Label the four quadrants in the Ansoff's Matrix grid below.</p> <p>Insert each of the three options available to EETL in the correct quadrant</p> <p>1. Market Penetration (1) 2. Product Development (1) Option 2 (Further into Middle East) Option 2 ?? Option 1 ??</p> <p>3. Market Development (1) 4. Diversification (1) Option 1 (Educational tours) Option 3 (Cruises)</p>	AO1 AO2	[7]																
(c) ✓ ✓+ ✓An ✓Ev	<p>Using both quantitative and qualitative information, recommend and fully justify which option EETL should choose.</p> <p>Level 1 (1-4 marks) General comments about expansion or other issues - out of context.</p> <p>Level 2 (5-9 marks) Explanation/list of reasons related to options OR 1 option analysed only.</p> <p>Level 3 (10-14 marks) Candidate analyses, using quantitative and/or qualitative information, the options available to EETL.</p> <p>Level 4 (15-20 marks) Candidate recommends and justifies which option EETL should choose. MUST BE quantitative as well as qualitative</p> <p>Many different possibilities</p> <p>Eg Expansion is a good option for most businesses after a year of operation (L1). Option 1 has a decent Pay Back Period and APR, effectively in the middle of the other two (L2). The high APR would give it a large return and it is relatively quick. It is also a comparatively safe option as it is not really changing its product (moderate risk according to Ansoff's) (L3). This is far safer than the other two - given the history of political unrest/war in the Middle East and the sheer cost of the cruise boats - and there are far less obvious risks (L4).</p> <table border="0" data-bbox="336 1904 1134 2078"> <thead> <tr> <th></th> <th>PBP</th> <th>APR</th> <th>ARR (acc RR)</th> </tr> </thead> <tbody> <tr> <td>Opt 1</td> <td>4yrs 4m</td> <td>25.53%</td> <td>39.8%</td> </tr> <tr> <td>Opt 2</td> <td>2 yrs</td> <td>20.63%</td> <td>34.9%</td> </tr> <tr> <td>Opt 3</td> <td>4.98yrs</td> <td>9.62%</td> <td>23.9%</td> </tr> </tbody> </table>		PBP	APR	ARR (acc RR)	Opt 1	4yrs 4m	25.53%	39.8%	Opt 2	2 yrs	20.63%	34.9%	Opt 3	4.98yrs	9.62%	23.9%	AO1 AO2 AO3 AO4	[20] (Levels)
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Question No		Grid Ref.	Max Mark
7* ✓ ✓+ ✓An ✓Ev	<p>Erica decided to choose Option One (Educational tours). Recommend and fully justify an appropriate marketing strategy for this option.</p> <p>This is the QWC question. Please see instructions at the front of this mark scheme.</p> <p>Level 1 (1-2 marks) Candidate demonstrates knowledge of marketing issues with no context</p> <p>Level 2 (3-4 marks) List 4Ps issues/explains points in context</p> <p>Level 3 (5-7 marks) Candidate analyses an appropriate marketing strategy for Option One.</p> <p>Level 4 (8-12 marks) Candidate recommends and justifies an appropriate marketing strategy for Option One.</p> <p>Issues: Price - appropriate for getting into schools market eg penetration or skimming if eco market is not competitive. Price discrimination, etc Product - eco related issues as well as modes of travel, accommodation, etc Promotion - brochures, staff inspection visits, website etc</p> <p>Eg To produce a marketing strategy firms look at the 4Ps (L1) EETL must consider its promotion - methods such as glossy brochures combined with personal selling (reps) would be good (L2). These are particularly appropriate because teachers do not have any travel agent to visit as such and human contact will work as they need to be very reassured as the risks are huge (L3). The promotional methods must tie in with pricing, so that particular tours, maybe off-peak, are brought to the teacher's attention, maybe with brief update flyers by mail. This would work well because it keeps EETL to the forefront and is relatively cheap. There is no substitute for personal contact though and this must be followed through as soon as a teacher responds to a flyer (L4).</p>	AO1 AO2 AO3 AO4	[12] (Levels)

F256 Business law

Q	Expected answer	AO	Mark
1 (a)	<p>Penny wanted to formalise the partnership by drawing up a Deed of Partnership.</p> <p>(i) Explain why Penny might wish to do this.</p> <p>✓ <i>Award one mark for reason, second mark for development in context.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • stops future disputes (1); • clarity of operation (1); • states who does what (1); • establishes rewards (1); • any other valid suggestion <p>Eg A Deed stops any arguments (1). In Penny's Farthings there could well be arguments relating to how much profit each partner gets as they clearly will do different amounts of work (1).</p>	A01 1 AO2 1	[2]
(ii)	<p>Explain <u>four</u> legal statements that should be included in PF's Deed of Partnership.</p> <p><i>One mark for each correct identification up to a maximum of four identifications, plus a further one mark for each of four explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • share of profit and losses (1); • if capital can be withdrawn (1); • sick pay and sick leave, etc (1); • duties and responsibilities of partners (1); • if salary is to be paid to anyone (1); • arrangements in case of dissolution (1); • identity of partners (1); • business name (1); • duration (1); • registered address (1); • any other valid suggestion. <p>Do not accept signatures or reference to signing as signatures are not statements.</p> <p>The four statements chosen must be explained in detail. Award for contextualised answers.</p> <p>Eg The Deed will state whether or not Penny or Clive are entitled to withdraw any of their capital at any stage within the partnership (1). It will specify who and how much or state a percentage (1).</p>	AO2 8	[1+1*4]

<p>(b) ✓</p>	<p>PF has unlimited liability. Why could this be a problem for Penny and Clive?</p> <p><i>Up to two marks for an explanation of the principle of unlimited liability, plus a further one mark for a contextual reference to PF.</i></p> <p>Unlimited liability means that there is no limit to the owners' personal loss, should they need to pay off the business debts, because of the principle of 'same legal identity'.</p> <p>Eg Unlimited liability means that there is no limit to the owners' personal loss (1), should they need to pay off the business debts because of the principle of 'same legal identity' (1). This would mean that Penny could lose her houses (1).</p>	<p>AO1 2 AO2 1</p>	<p>[3]</p>
<p>(c) ✓</p>	<p>Other than unlimited liability, describe three legal provisions of the Partnership Act (1890).</p> <p><i>One mark for each correct identification up to a maximum of three statements, plus a further one mark for each correct description.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • all profits or losses to be shared equally (1); • no capital withdrawal allowed (1); • if a partner leaves or dies, the partnership must be dissolved (1); • no partner can be paid a salary (1); • sick pay cannot be paid (1); • all partners are jointly and severally liable for the debts of the partnership (1); • each partner is an agent of the firm making decisions on behalf of all other partners (1); <p>Eg All partners are jointly liable for debts (1). This means that responsibility is shared equally for any loss the partnership experiences (1).</p>	<p>AO1</p>	<p>[1+1*3]</p>
<p>(d) ✓</p>	<p>Describe the main principle of The Limited Partnership Act (1907).</p> <p><i>One mark for each correct identification, plus up to a further two marks for a description/development.</i></p> <p>Eg The Act enables the creation of limited partnerships (1). At least one partner must retain unlimited liability (1). The rest have their liability limited to the amount stated in the partnership agreement (1).</p>	<p>AO1 1</p>	<p>[1+2]</p>

<p>(e) *</p> <p>✓</p> <p>✓+</p> <p>✓An</p> <p>✓Ev</p>	<p>Evaluate Penny's decision to form a partnership with Clive.</p> <p>This is the QWC question. Refer to instructions at the front of the mark scheme.</p> <p>Evaluation of the decision to form a partnership (as opposed to staying as a sole trader).</p> <p>Essentially advantage(s)/disadvantage(s) of sole trader v advantage(s)/disadvantage(s) of partnership</p> <p>Should be use of context:</p> <p>Issues:</p> <ul style="list-style-type: none"> • keeping all/sharing of profits • obey Partnership Act 1890 • jointly and severally liable if partnership - ie share legal responsibility • sharing of workload, holidays, time off, etc • increased expertise (particularly with unreliable employee) • start-up requirements, non-publication of accounts, unlimited liability (unless one of them has limited liability) are not really an issue • more finance - she needs it for premises and increase bike range • any other valid suggestion <p>Level 1 (1-3 marks) Candidate demonstrates knowledge of a sole trader and/or partnership with no context</p> <p>Level 2 (4-6 marks) Candidate applies knowledge of a sole trader and/or partnership to PF</p> <p>Level 3 (7-10 marks) Candidate analyses factor(s) such as advantage(s) and disadvantage(s) to the decision to form a partnership</p> <p>Level 4 (11-15 marks) Candidate evaluates the decision to form a partnership</p> <p>Eg Partnerships can share out the workload (L1). Penny needs another 'mechanic' (L2). If her brother were to take on all of the repair work then she could get rid of the unreliable employee which she, presumably, needed beforehand (L3). However, Clive cannot necessarily work a full week and this workload will not be shared and could be a cause for disputes (L4).</p>	<p>AO1 3</p> <p>AO2 3</p> <p>AO3 4</p> <p>AO4 5</p>	<p>[15] (Levels)</p>
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<p>2 (a)</p> <p>✓</p>	<p>PF's supplier was in breach of contract by delivering the bikes late. If Penny were to threaten legal action, explain <u>two</u> ways in which this situation could be resolved.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • pay money back (1); • compensation or similar (1); • free bikes (1); • credit note (1); • other free goods or services (1); • court settlements (1); • any other valid suggestions. <p>Eg PFs supplier could give a reduction on the next order (1). This would stop PF taking further legal action for breach of contract (1).</p>	<p>AO1 2 AO2 2</p>	<p>[1+1*2]</p>
<p>(b)</p> <p>✓</p>	<p>Explain <u>two</u> issues related to the Consumer Credit Act (1974) that PF must consider when it offers credit to customers.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • givers of credit must be licensed (1); • adverts must show the true cost (1); • APR must be stated (1); • provide clear and detailed agreement setting out all terms (1); • signed by both parties, only when all details completed (1); • debtor must receive written copy of agreement (1); • any other valid suggestion. <p>Eg If PF has an advert relating to credit then it must show the real cost (1). This is to include the APR (1).</p>	<p>AO1 1 AO2 2</p>	<p>[1+1*2]</p>

<p>(c) (i)</p> <p>✓</p>	<p>Explain <u>three</u> ways in which PF could be affected by the Data Protection Acts (1984/98).</p> <p><i>One mark for each correct identification up to a maximum of three identifications, plus a further two marks for each of three explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • data obtained and processed lawfully (1); • kept only for the purposes of the register (1); • not disclosed/used for any purpose other than that intended (1); • adequate, relevant and not excessive (1); • accurate and kept up to date (1); • not kept longer than necessary (1); • reasonable access to correct and erase (1); • obligation to protect security (1); • must not trade without explicit consent (1); • not to be traded outside the EU (1); • duty to disclose to data subject on receipt of payment and written request (1); • any other valid suggestion. <p>Eg Data collected and kept must be relevant and not excessive (1). If Penny collected data on, say, take away food preferences, then this would be irrelevant (1). This would mean that she has to spend time editing data (1).</p>	<p>A01 3 AO2 6</p>	<p>[1+2*3]</p>
<p>(ii)</p> <p>✓</p> <p>✓+</p> <p>✓An</p> <p>✓Ev</p>	<p>Evaluate possible effects of the Data Protection Acts (1984/98) on PF as it tries to expand further.</p> <p>Must be in the context of expansion.</p> <p>As business expands it will want to:</p> <ul style="list-style-type: none"> • do more research and hold more data - 8 principles in question 2(c)(i) will leave them open to more chance of abuse of data - do the customers know their information is being held?; • as firm expands there will be more employees - more people will have access to data - possible abuse; • legal action will cost time and money; • any other valid suggestion. <p>Level 1 (1-3 marks) Candidate demonstrates knowledge of the DPA in relation to the expansion of a business</p> <p>Level 2 (4-6 marks) Candidate applies knowledge of the DPA in relation to the further expansion of PF</p> <p>Level 3 (7-10 marks) Candidate analyses possible effect(s) of the DPA on PF if it tries to expand further</p>	<p>AO1 3 AO2 3 AO3 4 AO4 5</p>	<p>[15] (Levels)</p>

	<p>Level 4 (11-15 marks) Candidate evaluates possible effects of the DPA on PF if it tries to expand further</p> <p>Eg Expansion will lead to more customers and therefore more data (L1). More data increases the demands for PF on security and correct handling of their customer details (L2). Time and money will need to be spent ensuring that current systems can cope with the demands of increasing amounts of data (L3). In the short term this may cost a fair amount of money but ignoring the law would be a false economy as any potential leaks of personal data could result in complaints from customers causing the company to lose its good reputation, income and profit in the long run.</p>		
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<p>3 (a)</p> <p>✓</p>	<p>Describe <u>one</u> principle of the Consumer Protection Act (1987).</p> <p><i>One mark for a correct identification, plus a further one mark for a description/development.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • strict liability for anyone injured by product (1); • consolidation of previous legislation on product safety and trade descriptions (1); • any other valid suggestion. <p>Must be safety.</p> <p>Eg The CPA makes producers strictly liable for defective products (1). This means that they are, in all circumstances, responsible (1).</p>	AO1 2	[1+1]
<p>(b)</p> <p>✓</p>	<p>Part of the Consumer Protection Act originated as a European Directive to ensure that UK law is aligned with EU law. Describe how EU legislation is created.</p> <p><i>Up to six marks</i></p> <ul style="list-style-type: none"> • founded on the Treaty of Rome. New laws go through a lengthy consultation process • proposed law (after consultation) • considered by the Council of Ministers • common position adopted • common position considered by European Parliament • European Parliament either approves, rejects or amends 	AO1 6	[6]

<p>(c)</p> <p>✓</p> <p>✓+</p> <p>✓An</p> <p>✓Ev</p>	<p>Evaluate the extent to which PF could be breaking consumer protection legislation.</p> <p>Can refer to:</p> <ul style="list-style-type: none"> • SSGA - 3 criteria • trade descriptions • Consumer Protection Act • SGSA • any other valid suggestion <p>Lots of issues - was the bike fit for purpose? satisfactory quality? misdescriptions? strictly liable for damage to consumer? was it his fault?</p> <p>Level 1 (1-3 marks) Candidate demonstrates knowledge of consumer protection legislation</p> <p>Level 2 (4-6 marks) Candidate applies knowledge of consumer protection legislation to PF</p> <p>Level 3 (7-10 marks) Candidate analyses consumer protection legislation in relation to PF</p> <p>Level 4 (11-15 marks) Candidate evaluates the extent to which PF could be breaking consumer protection legislation</p> <p>Eg The SSGA states that goods must be fit for purpose (L1). The bike could not operate at low speeds. PF was clearly in breach of this law and so would be liable under this act (L2). However, the consumer could well have been at fault for cycling in a pedestrianised area and this caused the crash (L3). It is most likely though that, given two out of six bikes were involved in accidents, that there is a problem with the design and that they are clearly not fit for purpose - hence, successful legal action (L4).</p>	<p>AO1 3</p> <p>AO2 3</p> <p>AO3 4</p> <p>AO4 5</p>	<p>[15]</p> <p>(Levels)</p>
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<p>4 (a) (i)</p> <p>✓</p>	<p>Describe the main principle of the Trade Marks Act (1994).</p> <p><i>One mark for a correct identification, plus a further one mark for description/development.</i></p> <p>Trade Marks Act 1994 - non verbal marks include emblems and symbols. They must be distinctive and not identical to any other. They must not be morally offensive or against the public interest. Trade Marks need to be registered.</p>	AO1 2	[2]
<p>(ii)</p> <p>✓</p>	<p>Explain why PF may have wished to register its RPF trade mark.</p> <p><i>Up to two marks.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • a distinctive, unique symbol for marketing purposes (1); • take legal action against anyone copying it (1); • sell the rights (1); • any other valid suggestion. <p>Eg If PF's symbol is unique then no-one can copy it (1). This means that it has a marketing advantage (1).</p>	AO2 2	[2]
<p>(b)</p> <p>✓</p>	<p>Explain how Penny and Clive should go about dissolving their partnership.</p> <p><i>Up to four marks.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • dissolved by partners or by court; • could follow the way prescribed in the Deed (eg fixed period); • after wind up, authority remains with partners to ensure most beneficial end; • if solvent, payments made to a) all outside creditors b) loans by partners c) repayment of partners capital d) any surplus paid to partners in agreed ratio. <p>Eg The partnership might have come to its natural end (1) as it may have been that Penny and Clive agreed to operate for a couple of years (1).</p>	AO1 2 AO2 2	[4]

F257 Managing risk in the workplace

Q	Expected Answers	AO	Mark
1 (a) ✓	<p>In the context of health and safety, define the term 'hazard'.</p> <p><i>Up to two marks for a definition.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> something which has the potential to cause harm (1), eg a material or substance (1); any other valid suggestion. 	AO1 - 2	[2] (1+1)
1 (b) ✓	<p>Outline <u>two</u> relevant health and safety issues which Dave may have discussed with his workshop staff during their induction training.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two developments.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> lifting and moving heavy loads (1). This is of particular importance when carrying the heavy carpets (1); consequences of poor work posture (1); activities involving vehicles and motorised aids to move goods and materials (1); general working conditions (poor 'housekeeping', untidy and dangerous work areas, lack of consideration for other workers'/visitors' safety) (1); fire alarm procedure (1); protective clothing requirements (1); any other valid suggestion. 	AO1 - 2 AO2 - 2	[4] (1+1)*2
1 (c) ✓	<p>Explain <u>three</u> of the steps which Arjun should undertake during a risk assessment.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> identifying areas of potential risk (1), such as the precariously piled stack of carpets in the stock room (1); evaluating the risks (1); deciding whether existing precautions are adequate or whether more should be done (1); recording findings (1); reviewing assessment and revising, if necessary (1); any other valid suggestion. 	AO1 - 3 AO2 - 3	[6] (1+1)*3

<p>2 (a) ✓</p>	<p>Outline <u>two</u> possible ways in which stress within its workforce may negatively affect CCL.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further one mark for each of two developments.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • increased absenteeism (1) may delay deliveries as only Chris can operate the electronic tailgate for Comfy Carpets Ltd. (1); • increased overheads (1); • poor quality (1); • poor reputation (1); • any other valid suggestion. 	<p>AO1 - 2 AO2 - 2</p>	<p>[4] (1+1)*2</p>
<p>2 (b) ✓</p>	<p>Identify <u>two</u> possible causes of Dave's accident in the van.</p> <p><i>One mark for each of two correct identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • improper training in manual handling (1); • lack of risk assessment (1); • lack of supervision (1); • lack of safety equipment (1); • stress (1); • previous injuries (1); • any other valid suggestion. 	<p>AO2 - 2</p>	<p>[2] (1*2)</p>
<p>(c) (i) ✓</p>	<p>Outline <u>one</u> basic principle of the Health and Safety at Work Act (1974).</p> <p>Can relate to employers OR employees.</p> <p><i>One mark for a correct identification, plus a further one mark for a development.</i></p> <ul style="list-style-type: none"> • employers must safeguard, so far as reasonably practicable, the health, safety and welfare of the people who work for them. This applies in particular to the provision and maintenance of safe plant and systems of work, and covers all machinery, equipment and appliances used. • employees must take reasonable care to avoid injury to themselves or to others by their work activities, and to co-operate with employers and others. Employees must not interfere with or misuse anything provided to protect their health, safety or welfare. <p>Possible responses may include: This Act makes provision for securing the health, safety and welfare of persons at work (1) and for protecting others against risks to health or safety in connection with the activities of persons at work (1). Any other valid suggestion.</p>	<p>AO1 - 2</p>	<p>[2] (1+1)</p>

<p>(ii)</p> <p>✓</p>	<p>Other than the Health and Safety at Work Act (1974), explain two other laws or regulations which may have a bearing on Dave's case.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus a further two marks for each of two explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • Workplace (Health and Safety and Welfare) Regulations 1992 (1). As with Dave's situation, these regulations seek to reduce the very large incidence of injury and ill-health arising from the manual handling of loads at work (1). Dave appears to have been handling abnormal loads without proper equipment or training. This will certainly have a bearing on his case (1); • Manual Handling Operations Regulations 1992 (1); • Management of Health and Safety at Work Regulations 1999 (1); • any other valid suggestion. 	<p>AO1 - 2 AO2 - 4</p>	<p>[6] (1+2)*2</p>
<p>2 (d)</p> <p>✓</p>	<p>Explain <u>two</u> ways in which a contingency plan could have benefited Arjun in dealing with the potential reduction of his weaving staff.</p> <p><i>One mark for each correct identification of law(s) or regulation(s) up to a maximum of two identifications, plus up to a further two marks for each of two explanations in context.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • regular meetings would highlight areas of concern within the business (1). Arjun would have been able to identify the problems of a reduction in the workshop staff and may have employed additional weaving staff (1). As a result, Dave's absence, although inconvenient, would not have a significant impact on the production capacity of Comfy Carpets Ltd. (1); • the creation of a multi-skilled, flexible workforce could deal with staff absences (1); • policies are created to deal with likely events (1); • any other valid suggestion. 	<p>AO1 - 2 AO2 - 4</p>	<p>[6] (1+2)*2</p>

<p>2 (e)</p> <p>✓ ✓+ ✓An ✓E</p>	<p>Although Arjun has a duty of care to his employees. Discuss the extent to which the actions of Dave and Chris may compromise Dave’s potential claim against Comfy Carpets Ltd.</p> <p>Level 1 (1-3 marks) Candidate explains the concept of a ‘duty of care’ or makes general statements about its application to a business.</p> <p>Level 2 (4-6 marks) Candidate applies knowledge of the concept of a duty of care to the case study incident.</p> <p>Level 3 (7-10 marks) Candidate analyses how the actions of Dave and Chris may compromise Dave’s potential claim against CCL.</p> <p>Level 4 (11-15 marks) Candidates discusses/evaluates the extent to which the actions of Dave and Chris may compromise Dave’s potential claim against CCL.</p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> Arjun has provided Dave and Chris with suitable equipment to safely carry out deliveries (L1). Chris has decided to move the carpets without the proper equipment even though their training would inform Chris that this is a bad idea (L2). In doing so Chris was not fulfilling his duty of care to Dave by putting him in danger (L3). However, Arjun may have known about Dave’s carrying out additional work he had not been trained to carry out. Therefore, although there may be a question regarding Arjun carrying out his duty of care, Dave’s action are much more likely to be considered a cause of the accident, compromising the claim against CCL (L4); any other valid suggestion. 	<p>AO1 – 3 AO2 – 3 AO3 – 4 AO4 – 5</p>	<p>[15] Levels</p>
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<p>3 (a)</p> <p>✓ ✓+ ✓An ✓Ev</p>	<p>Discuss the potential risks to Comfy Carpets Ltd. arising from the purchase of Weavers Wool.</p> <p>Use of level of response criteria:</p> <p>Level 1 (1-3 marks) Candidate identifies potential risk(s).</p> <p>Level 2 (4-6 marks) Candidate applies knowledge to suggest potential relevance of risks in context.</p> <p>Level 3 (7-10 marks) Candidate analyses the potential risk to CCL arising from the purchase of Weavers Wool.</p> <p>Level 4 (11-15 marks) Candidate discusses/evaluates the potential risks to CCL arising from the purchase of Weavers Wool.</p> <p>Looking for arguments supporting problems and benefits of the proposed expansion. Once established, issues need to form part of an overall judgement.</p> <p>Problems:</p> <ul style="list-style-type: none"> • increased gearing or financial pressure on the company; • problems of running a larger business: communication, coordination, losing touch with staff; • lack of knowledge about the wool processing market; • poor employer/employee relationship. <p>Benefits:</p> <ul style="list-style-type: none"> • backwards vertical integration, ie manufacturing can be linked to sales; • reduce stock handling difficulties; • increase communication between supplier and manufacturer; • any other valid suggestion. <p>Possible responses may include: Expansion into a new area of business is likely to contain an element of risk due to lack of knowledge of the wool fibre industry (L1). In this case, Arjun is considering entering into an area which is not dissimilar to his current business activity, that of carpet manufacturing (L2). This backwards vertical integration is likely to reduce the stock handling difficulties and reduce the cost of stock (L3). Therefore, short-term financial costs of the purchase may well be outweighed by long-term financial gain (L4).</p>	<p>AO1 - 3 AO2 - 3 AO3 - 4 AO4 - 5</p>	<p>[15] Levels</p>
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<p>3 (b) ✓</p>	<p>Explain <u>two</u> types of industrial action which the employees of Comfy Carpets Ltd. could pursue in order to improve their working conditions.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • strike action may take place (1); • this may include picketing of Comfy Carpets Ltd. (1); • this may lead to loss of trade as customers may become concerned about the ethics of their supplier (1); • go-slows (1); • overtime ban (1); • sit-in/work-in (1); • any other valid suggestion. 	<p>AO1 - 2 AO2 - 4</p>	<p>[6] (1+2)*2</p>
<p>4 (a) (i) ✓</p>	<p>Identify <u>three</u> elements of the Manual Operations Handling Regulations (1992).</p> <p><i>One mark for each of three correct identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • place duties upon employers in respect of their own employees (1); • identical duties (as those of employers) are placed on the self-employed in respect of their own safety (1); • regulations do not impose duties on employers in relation to other persons (1), eg customers lifting goods within a DIY store; • training (1); • any other valid suggestion. 	<p>AO1 - 3</p>	<p>[3] (1*3)</p>
<p>(ii) ✓</p>	<p>Explain <u>two</u> possible workplace health and safety risks which may occur in a manufacturing business such as Weavers Wool.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • use of equipment and machinery (1) in the manufacture of carpets such as staple guns (1), could lead to cuts and abrasions, if used incorrectly (1); • activities related risks (1); • substances (1); • environmental risks (1); • general working conditions (1); • any other valid suggestion. 	<p>AO1 - 2 AO2 - 4</p>	<p>[6] (1+2)*2</p>

<p>4 (b) (i)</p> <p>✓</p>	<p>Identify <u>two</u> physical problems which Dave may experience when working on computer equipment for long periods of time.</p> <p><i>One mark for each of two correct identifications.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • musculoskeletal problems due to poor posture (1); • visual fatigue (1); • mental stress (1); • repetitive strain injury (1); • any other valid suggestion. 	<p>AO1 - 2</p>	<p>[2] (1*2)</p>
<p>(ii)</p>	<p>Explain <u>two</u> ways in which a business such as CCL might reduce the problems experienced by employees working on computer systems for long periods of time.</p> <p><i>One mark for each correct identification up to a maximum of two identifications, plus up to a further two marks for each of two explanations.</i></p> <p>Possible responses may include:</p> <ul style="list-style-type: none"> • Musculoskeletal problems due to poor posture could be dealt with by a workstation health check (1) ensuring that the keyboard, monitor and chair are at the correct height and correctly positioned (1). This would reduce the risk of repetitive strain injuries (1); • Visual fatigue could be dealt with by training employees on taking breaks from looking at computer screens (1). This will reduce eye strain injuries through employees staring at screen for more than the recommended time (1) and offer the employees a variety in their work regime increasing their motivation (1); • Mental stress (1); • Repetitive strain injury (1); • any other valid suggestion. 	<p>AO1 - 6</p>	<p>[6]</p>

<p>5*</p> <p>✓ ✓+ ✓An ✓Ev</p>	<p>Evaluate which machinery Arjun should purchase in order to be able to meet the new order.</p> <p>This is the QWC question. Refer to instructions at the front of the mark scheme.</p> <p>Use of level of response criteria:</p> <p>Level 1 (1-3 marks) Candidate identifies machine for purchase.</p> <p>Level 2 (4-6 marks) Candidate applies knowledge to suggest reasons for the purchase of a machine.</p> <p>Level 3 (7-10 marks) Candidate analyses which machinery Arjun should purchase in order to be able to meet the new order.</p> <p>Level 4 (11-15 marks) Candidate evaluates which machinery Arjun should purchase in order to be able to meet the new order.</p> <p>A machine is identified for purchase (L1). Looking for arguments supporting problems and benefits of the proposed choice against that of an alternative using the material provided (L2). Once established, the choice of machine needs to be justified in comparison to other options (L3). Judgement of its level of benefit in comparison to other alternatives is made (L4).</p>	<p>AO1 - 3 AO2 - 3 AO3 - 4 AO4 - 5</p>	<p>[15] Levels</p>
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Grade Thresholds

Applied GCE (Applied Business) (H026/H226/H426/H626)
June 2008 Examination Series

Coursework Unit Threshold Marks

Unit		Maximum Mark	A	B	C	D	E	U
F240	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F241	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F244	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F245	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F246	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F247	Raw	50	43	38	33	28	23	0
	UMS	100	80	70	60	50	40	0
F249	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F250	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F251	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F252	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F253	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F254	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0
F255	Raw	50	43	38	33	28	24	0
	UMS	100	80	70	60	50	40	0

Examined Unit Threshold Marks

Unit		Maximum Mark	A	B	C	D	E	U
F242	Raw	100	77	68	59	50	42	0
	UMS	100	80	70	60	50	40	0
F243	Raw	100	76	69	62	56	50	0
	UMS	100	80	70	60	50	40	0
F248	Raw	100	77	69	61	53	46	0
	UMS	100	80	70	60	50	40	0
F256	Raw	100	67	59	51	43	36	0
	UMS	100	80	70	60	50	40	0
F257	Raw	100	74	67	60	54	48	0
	UMS	100	80	70	60	50	40	0

Specification Aggregation Results

Uniform marks correspond to overall grades as follows.

Advanced Subsidiary GCE (H026):

Overall Grade	A	B	C	D	E
UMS (max 300)	240	210	180	150	120

Advanced Subsidiary GCE (Double Award) (H226):

Overall Grade	AA	AB	BB	BC	CC	CD	DD	DE	EE
UMS (max 600)	480	450	420	390	360	330	300	270	240

Advanced GCE (H426):

Overall Grade	A	B	C	D	E
UMS (max 600)	480	420	360	300	240

Advanced GCE (Double Award) (H626):

Overall Grade	AA	AB	BB	BC	CC	CD	DD	DE	EE
UMS (max 1200)	960	900	840	780	720	660	600	540	480

Cumulative Percentage in Grade

Advanced Subsidiary GCE (H026):

2713 candidates were entered for aggregation this series

A	B	C	D	E
3.21	14.11	35.63	61.00	81.22

Advanced Subsidiary GCE (Double Award) (H226):

537 candidates were entered for aggregation this series

AA	AB	BB	BC	CC	CD	DD	DE	EE
1.31	4.58	8.06	16.99	24.62	38.13	53.38	66.01	79.74

Advanced GCE (H426):

1915 candidates were entered for aggregation this series

A	B	C	D	E
4.22	19.62	44.11	69.21	89.48

Advanced GCE (Double Award) (H626):

631 candidates were entered for aggregation this series

AA	AB	BB	BC	CC	CD	DD	DE	EE
1.21	6.57	12.63	20.59	32.18	46.71	64.36	79.07	88.06

For a description of how UMS marks are calculated see:

http://www.ocr.org.uk/learners/ums_results.html

Statistics are correct at the time of publication.

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