



Oxford Cambridge and RSA

Friday 17 May 2024 – Morning

AS Level Business

H031/01 The local business environment

Resource Booklet

Time allowed: 1 hour 30 minutes



INSTRUCTIONS

- Use this Resource Booklet to answer the questions in **Section B**.

INFORMATION

- The businesses described in this Resource Booklet are **real** businesses.
- This document has **4** pages.

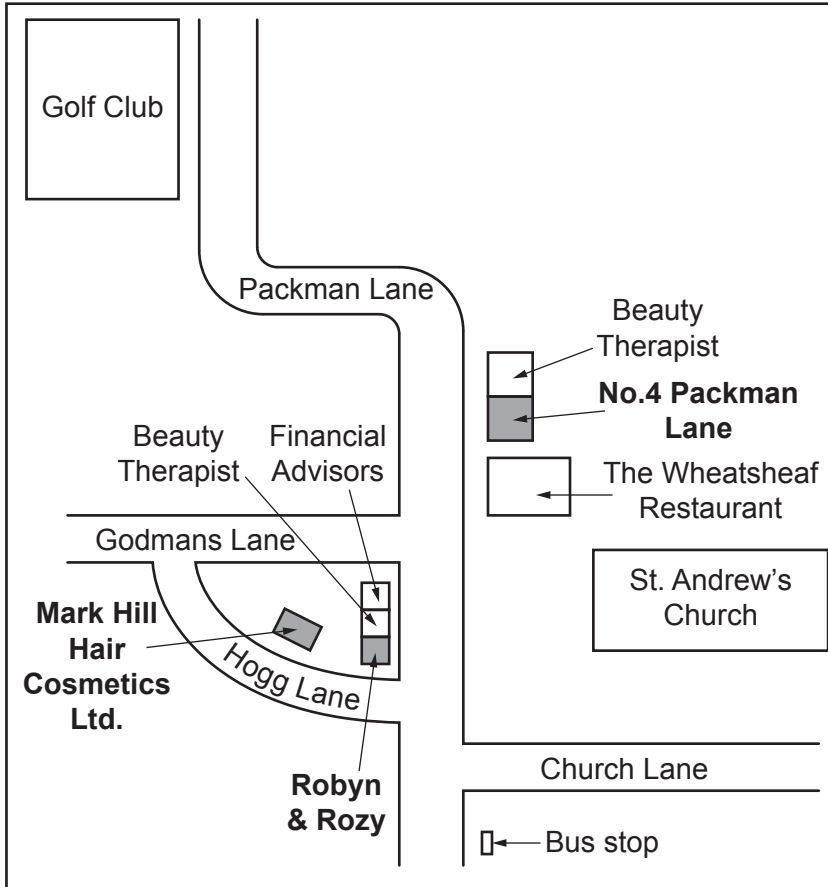
INSTRUCTIONS

- Do **not** send this Resource Booklet for marking. Keep it in the centre or recycle it.

Hairdressing salons in Kirk Ella

Kirk Ella is a large, wealthy village in Yorkshire. Three hairdressing salons are located very close to each other in the centre of the village (see **Fig. 1**). These salons are called Robyn & Rozy, Mark Hill Hair Cosmetics Ltd. and No.4 Packman Lane.

Fig. 1
Plan of Kirk Ella village centre (not to scale)



Extract A Robyn & Rozy

Robyn and Rozy were friends for more than 20 years before becoming partners in their own hairdressing salon in 2019 which is called Robyn & Rozy. Before this they both worked at Mark Hill Hair Cosmetics Ltd. (see **Extract C**) where their roles included styling celebrities for photoshoots and events such as Red Nose Day, the Brit Awards and London Fashion week.

Their salon specialises in colouring and styling hair, although they offer a wide range of other services, such as cuts and hair extensions.

The salon is a small and friendly place. Customers are treated to a good selection of free drinks and snacks whilst in the salon, including tea, coffee, soft drinks, and biscuits. Appointments can be made either by phone or the salon's own website.

Advertising is done via their own website, Facebook, and Instagram. Photos are taken of clients, with their permission, to be included on the salon's Facebook page. Customer recommendations are included on the website and many customers have left excellent reviews on Facebook.

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Extract B

Sustainability in the hairdressing industry

Going green and being conscious about environmental issues does not have to mean cutting hair in the dark. Potentially, all the equipment that is used in a hairdressing salon is powered by non-renewable fuels. Non-renewable energy is produced by burning fossil fuels, such as coal.

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Today's hairdressing salons have a range of services that can affect the environment. In providing these services waste can be generated. The main issues for salons are:

- Water use and wastewater disposal
- Energy use
- Solid waste (such as paper towels, product containers, and other packaging).

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Source: Adapted from www.marjoriemilner.edu.au/hairdressing-sustainability
(Accessed 01/11/2021)

Extract C

Mark Hill Hair Cosmetics Ltd.

Situated close to Robyn & Rozy is another hairdressing salon, a private limited company called Mark Hill Hair Cosmetics Ltd. Mark Hill is a well-known entrepreneur and hairdresser with many celebrity customers. He has been hairdressing for over 40 years and has won numerous hairdressing awards. He has his own range of branded hair products which can be bought in stores and online.

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Mark works three days a week in his salon, dedicating the rest of his time to his celebrity customers and promoting his brand. He has a team of hairdressers who work in the salon on a day-to-day basis.

Customers telephone to make an appointment. The salon has a website which is used to introduce the hairdressers, show their price lists and enable people to buy from the 'Mark Hill' range of branded products. The salon has a Facebook page where customers can leave reviews. This also includes photos of celebrity events where Mark and his team have styled hair.

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Mark Hill's salon location is hidden away, situated on a narrow lane with only a small sign next to the door and 'MHS' branding on the front gate.

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Extract D

No.4 Packman Lane

Near Robyn & Rozy is a third hairdressing salon, No.4 Packman Lane. This salon is owned by Liz, who operates as a sole trader.

Liz opened the salon in 2015. Initially she worked alone, but she now employs another hairdresser. In addition, a beauty therapist and a natural health therapist pay Liz rent to use space within the salon.

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The salon specialises in colouring hair, cuts and blow dries. Appointments can be made by telephoning the salon. Promotion is done via Facebook and Instagram. Many satisfied customers have left reviews on the salon's Facebook page.

Table 1**Extract from Mark Hill Hair Cosmetics Ltd.'s statement of financial position as at 30/06/2022**

	£	£
Non-current assets		
Intangible assets	13 983	
Tangible assets	1 563	
		15 546
Current assets		
Inventories	245 025	
Trade and other receivables	285 799	
Cash	967 769	
		1 498 593
Current liabilities		5 082 984
Net assets		(3 568 845)

Source: Mark Hill Hair Cosmetics Ltd Financial Statements (30/6/22)

Table 2**Selection of prices for hairdressing services in Kirk Ella**

	Robyn & Rozy	Mark Hill Hair Cosmetics Ltd.	No.4 Packman Lane
Full head colour	£95	£67 – £150	£75
Cut and blow dry	£50	£31 – £82	£37
Men's dry cut	£18	£16 – £52	£12

NB: All data was correct at the time of writing**OCR**

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