AQA

Please write clearly in block capitals.

Centre number | | | | | Candidate number | | | |

Surname ____________________

Forename(s) ____________________

Candidate signature ____________________

AS
BUSINESS

Paper 2 Business 2

Thursday 23 May 2019 Afternoon Time allowed: 1 hour 30 minutes

Materials

For this paper you must have:
- the insert (enclosed)
- a calculator.

Instructions
- Use black ink or black ball-point pen.
- Fill in the boxes at the top of this page.
- Answer **all** questions.
- You must answer the questions in the spaces provided. Do not write outside the box around each page or on blank pages.
- Do all rough work in this answer book. Cross through any work you do not want to be marked.

Information
- The maximum mark for this paper is 80.
- The marks for questions are shown in brackets.

For Examiner's Use	
Question	Mark
1	
2	
3	
4	
5	
6	
7	
8	
TOTAL	

Do not write outside the box

Answer **all** questions.

Read the **source** in the **insert booklet.**

0 1 Using **Figure 1**, calculate the percentage change of UK clothing sales from 2015 to 2016.

[3 marks]

3

0 2 The budgeted profit for Rana Fashion in 2018 was £2 946 000. Using the data below, calculate the profit variance for Rana Fashion in 2018. State whether it is adverse or favourable.

[4 marks]

	Actual
Sales revenue	£5 600 000
Costs:	
Inventory	£2 300 000
Warehousing	£200 000
Distribution	£126 000
IT	£170 000
Other	£180 000

Workings

Budgeted profit variance

Adverse/favourable?

4

Do not write outside the box

0 3 Explain how Rana Fashion's ownership structure helps the business to achieve its objectives.

[3 marks]

Extra space

3

Turn over for the next question

Do not write outside the box

0 4 Rana Fashion outsources its distribution function.

Analyse **two** reasons why.

[9 marks]

Extra space

9

Do not write outside the box

0 5 Claudia is considering delegating more to her warehouse manager.

Analyse **two** benefits of this to Rana Fashion.

[9 marks]

Extra space

9

Do not write outside the box

0 6 How useful do you think the data provided in **Figures 1**, **2** and **3** might be to Claudia when predicting future sales? Justify your answer.

[16 marks]

Do not write outside the box

Extra space

16

Turn over ▶

0 7 Rana Fashion's financial adviser has suggested two solutions to the company's cash flow problems. Make a justified recommendation as to which solution Claudia should choose.

[16 marks]

Do not write outside the box

Extra space

16

Turn over ►

0 8 'For any retailer to make a profit in the future it will need to be operating only online.'

Do you agree? Justify your view.

[20 marks]

Do not write outside the box

Extra space

Do not write outside the box

20

END OF QUESTIONS