



Oxford Cambridge and RSA

Monday 3 June 2019 – Afternoon

A Level Business

H431/02 The UK business environment

Time allowed: 2 hours



You must have:

- the Resource Booklet

You may use:

- a calculator



Please write clearly in black ink. **Do not write in the barcodes.**

Centre number Candidate number

First name(s) _____

Last name _____

INSTRUCTIONS

- Use black ink.
- Answer **all** the questions.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- The Resource Booklet is for **Section B** only.

INFORMATION

- The total mark for this paper is **80**.
- The marks for each question are shown in brackets [].
- Quality of extended responses will be assessed in questions marked with an asterisk (*).
- This document consists of **16** pages.

 **A calculator may be used for this paper**

2

Section A

Answer **all** the questions.

1 State **two** factors which may affect the choice of finance for a business.

1

2 [2]

2 What is meant by 'opportunity cost'.

.....

.....

.....

..... [2]

3 A business manufactures teddy bears. Its turnover for the last financial year was £280 000 with cost of sales of £115 000 and other expenses of £55 000.

Calculate the gross profit for the business.

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.....

Answer [2]

4 'Intensity of rivalry within the industry' is one of the forces identified by Porter in his Five Forces model of strategic choice.

List **two** of the other forces identified by Porter in his Five Forces model.

1

2 [2]

5 The table below sets out a selection of workforce performance data for a business, using index numbers.

	2016	2017	2018
Lateness	112	100	101
Absenteeism	115	100	97
Productivity	79	100	121

(a) Identify the base year for all of the data.

..... [1]

(b) Identify the year in which productivity rose by 21%.

..... [1]

(c) Calculate the percentage change in absenteeism between 2016 and 2018.

.....
.....

Answer [2]

6 Explain **two** disadvantages for a business of using job production.

1
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2
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[4]

7 Explain **two** functions of management.

1

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2

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[4]

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END OF QUESTION PAPER

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