

# WJEC GCSE Business

Approved by Qualifications Wales

## Sample Assessment Materials

Unit 1: Introduction to the Business World

Teaching from 2025

For award from 2027



This Qualifications Wales regulated qualification  
is not available to centres in England.

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Ready for the world.



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SAMPLE

Surname	Centre number	Candidate number
First name(s)		0



**GCSE**

**3160U10-1**

**Business – Unit 1**  
**Introduction to the Business World**

**1 hour 15 minutes**  
**SAMPLE ASSESSMENT**  
**MATERIALS**

**Additional materials**

A calculator.

**Instructions to candidates**

Use black ink or black ball-point pen. Do **not** use gel pen or correction fluid.

You may use a pencil for graphs and diagrams only.

Write your name, centre number and candidate number in the spaces provided at the top of this page.

Answer **all** questions.

Write your answers in the spaces in this booklet. If you need more space, use the additional page(s) at the back of this booklet. Number the question(s) correctly.

**Information for candidates**

The number of marks is given in brackets at the end of each question or part-question.

The total number of marks available is **60**.

You should think carefully about how you use your time.

Your responses must be clear, accurate and well presented.

For examiner's use only		
Question	Maximum mark	Mark awarded
1.	1	
2.	1	
3.	1	
4.	3	
5.	4	
6.	6	
7.	1	
8.	10	
9.	7	
10.	4	
11.	12	
12.	10	
<b>Total</b>	<b>60</b>	

Answer **all** questions.

1. Identify which **one** of the following is a business aim.

[1]

Examiner  
only

Tick (✓) one box only.

- A. Increasing total costs
- B. Increasing market share
- C. Unlimited liability
- D. Make a loss

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2. Identify which **one** of the following is a stage of the supply chain.

[1]

Tick (✓) **one** box only.

- A. Producer good
- B. Low prices
- C. Infrastructure
- D. Logistics

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3. Identify which **one** of the following statements best describes a benefit corporation (B Corp).

[1]

Tick (✓) one box only.

- A. A business that focuses on maximising profit
- B. A limited liability business
- C. A business that aims to meet high social and environmental standards
- D. A global business

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4. (a) Outline the role of the public sector.

[2]

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(b) Give **one** example of a public sector organisation.

[1]

Examiner  
only

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5. (a) Identify **two** factors influencing the location of a business.

[2]

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(b) Describe the impact of remote working on business location.

[2]

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6. (a) Outline what is meant by the term 'circular economy'.

[2]

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- (b) Assess the importance of the circular economy to businesses and the environment.

[4] Examiner  
only

7. A cafe sold the following products last week:

Products	Quantity sold	Price per item
Hot meals	420	£6
Sandwiches	265	£3
Drinks	500	£2
Cakes	300	£3

Calculate the total revenue for the week.

[1]

- 8.** National supermarkets such as Tesco and Asda have a range of different types of consumers who buy their products. Satisfying the needs and wants of these consumers in a competitive retail environment is important to the success of these supermarkets.

(a) Describe what is meant by the competitive environment. [2]

Examiner  
only

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- (b) Explain how supermarkets can satisfy the needs and wants of its customers. [6]

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- (c) Analyse **one** role played by consumers in business activity. [2]

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9. (a) Identify **one** organisation in Wales that gives careers advice and guidance.

[1]

Examiner  
only

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In 2024 the tourism sector and the healthcare sector were two of the largest employers of people in Wales.

- (b) Identify **one** career opportunity in:

- (i) the tourism sector

[1]

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- (ii) the healthcare sector.

[1]

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- (c) Outline how the changing workplace will impact the skills needed by employers in the future.

[4]

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10. Amara produces wood blanket boxes from her garage.

Her fixed costs are £4000 per year.

She sells the blanket boxes for £200 each.

In 2024, Amara sold 55 blanket boxes.

The variable cost per blanket box is £120.



- (a) State what is meant by break-even.

[1]

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- (b) Calculate the break-even point for the blanket boxes.

[1]

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- (c) Explain how using break-even can help Amara make business decisions.

[2]

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11. Starbucks, a multinational chain of coffeehouses, began in 1971 in Seattle, USA. In 1998 it opened its first coffeehouse in the UK. It now has over 35 000 coffeehouses in over 80 countries and over 1200 coffeehouses in the UK including 51 in Wales.

Examiner  
only

Starbucks is very popular with a wide range of customers attracted to its quality coffee, varied flavours and relaxing and welcoming atmosphere. Employment opportunities with Starbucks include baristas (preparing and serving coffee), supervisors, store managers and regional managers.

- (a) Describe **two** reasons why a business would wish to become a multinational business. [4]

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- (b) State and explain **two** positive impacts of Starbucks opening coffeehouses in Wales. [4]

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- (c) State and explain **two** negative impacts of Starbucks opening coffeehouses in Wales.

[4]

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SAMPLE

12. Active Fitness is a gym located in Wrexham. It is owned by Fiona and operated as a sole trader business. Fiona, a qualified fitness instructor, started the business 3 years ago. She previously worked for a well-known national gym. Fiona invested £100 000 of her own money to start the business.

Fiona is hard-working and works very long hours. She believes it is worth it because she is passionate about encouraging people of all ages and abilities to get fit and improve their health and wellbeing.

Fiona has developed an excellent reputation in the local area for offering a high-quality gym with friendly and supportive experiences for a wide range of different customers.

Demand for the gym has increased and the gym is often full, with all the fitness equipment being used most of the time. Fiona has also had to employ more fitness trainers to keep up with the growing demand for personal (one-to-one) classes and popular activities such as bootcamp classes, box fit classes and body tone classes. Fiona is also aware that she needs to update the gym equipment to make sure she has the latest fitness technology available to her customers.

Fiona previously worked with Tomas, an experienced personal trainer. Tomas would like to go into business with Fiona, creating a new private limited company. Tomas has offered to invest £100 000 to become an equal shareholder. Fiona is unsure whether she should accept the offer from Tomas.

- (a) Explain why Fiona became an entrepreneur.

[2]

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- (b) Advise Fiona if she should accept the offer from Tomas and become a private limited company.

[8]

Examiner  
only

END OF QUESTIONS

Question number	<p style="text-align: center;"><b>Additional page, if required.</b> <b>Write the question number(s) in the left-hand margin.</b></p>

Examiner only

## **MARK SCHEME**

### **Guidance for examiners**

#### **Generic marking principles**

- Marks awarded are always whole marks (not half marks, or other fractions).
- Answers should only be judged on the quality of spelling, punctuation and grammar when these features are specifically assessed by the question as indicated by the mark scheme. The meaning, however, should be unambiguous.
- Marks should be awarded using the full range of marks defined in the mark scheme for the question (however; the use of the full mark range may be limited according to the quality of the candidate responses seen).
- Marks awarded are based solely on the requirements as defined in the mark scheme. Marks should not be awarded with grade thresholds or grade descriptors in mind.

#### **Positive marking**

It should be remembered that candidates are writing under examination conditions and credit should be given for what the candidate writes, rather than adopting the approach of penalising candidates for any omissions. It should be possible for a very good response to achieve full marks and a very poor one to achieve zero marks. Marks should not be deducted for a less than perfect answer if it satisfies the criteria of the mark scheme.

For questions that are objective or points-based, the mark scheme should be applied precisely. Marks should be awarded as indicated and no further subdivision made.

Mark schemes often list points which may be included in candidates' answers. The list is not exhaustive. The inclusion of '*Credit any other valid response.*' (or similar instruction) within mark schemes allows for the possible variation in candidates' responses. Credit should be given according to the accuracy and relevance of candidates' answers.

Appropriate terminology is reflected in exemplar responses in mark schemes. However, unless there is a specific requirement within a question, candidates may be awarded marks where the answer is accurate but expressed in their own words.

#### **Banded mark schemes**

For band marked questions mark schemes are in two parts; the indicative content and the assessment grid.

The indicative content suggests the range of points and issues which may be included in candidates' answers. It can be used to assess the quality of the candidate's response. As noted above, indicative content is not intended to be exhaustive and candidates do not have to include all the indicative content to reach the highest level of the mark scheme.

However, to reach the highest level of the mark scheme a candidate must meet the requirements of the highest mark band. Where a response is not creditworthy, that is, it contains nothing of any significance to the mark scheme, or where no response has been provided, no marks should be awarded.

The marking of banded mark questions should always be positive. This means that, for each candidate's response, marks are accumulated for the demonstration of relevant skills, knowledge and understanding: they are not deducted from a maximum on the basis of errors or omissions.

Examiners should first read and annotate the candidate's answer to pick out the evidence that is being assessed in that question. The mark scheme can then be applied. This is done as a two-stage process.

### **Stage 1 – Deciding on the band**

Beginning at the lowest band, examiners should look at the candidate's answer and check whether it matches the descriptors for that band. If the descriptors at the lowest band are satisfied, examiners should move up to the next band and repeat this process for each band until the descriptors most closely matches the work.

### **Stage 2 – Deciding on the mark**

Having determined the appropriate band, deciding on the mark within a band will be made on the basis of a 'best fit' procedure, weaknesses in some areas being compensated for by strengths in others.

Examiners should use the full range of marks available to them. Marking should be positive, rewarding achievement rather than penalising failure or omissions. The awarding of marks must be directly related to the marking criteria, and all responses must be marked according to the banded levels provided for each question.

Standardising material that has already been awarded a mark will be provided during standardising and this should be used as a reference material when assessing work. Examiners are reminded of the need to revisit the standardising material as they apply the mark scheme in order to confirm that the band and the mark allocated is appropriate to the work submitted.

This mark scheme instructs examiners to look for and reward valid alternatives where indicative content is suggested for an answer. This is not a checklist for expected content in an answer, or set out as a 'model answer', as responses must be marked in the banded levels of response provided for each question. Where a candidate provides a response that contains aspects or approaches not included in the indicative content, examiners should use their professional judgement to determine the validity of the response in light of the task and reward as directed by the bands. Candidates are free to choose any approach that is relevant to the set task. Candidates can (and will most likely) incorporate ideas other than those mentioned in the mark scheme.

Question	Answer	AO1	AO2	AO3	Total Mark
1.	Identify which <b>one</b> of the following is a business aim.  Award <b>one</b> mark for: • Increasing market share	1			1

Question	Answer	AO1	AO2	AO3	Total Mark
2.	Identify which <b>one</b> of the following is a stage of the supply chain.  Award <b>one</b> mark for: • Logistics	1			1

Question	Answer	AO1	AO2	AO3	Total Mark
3.	Identify which <b>one</b> of the following statements best describes a benefit corporation (B Corp).  Award <b>one</b> mark for: • A business that aims to meet high social and environmental standards	1			1

Question	Answer	AO1	AO2	AO3	Total Mark
4.	<p>(a) Outline the role of the public sector.</p> <p>Award <b>one</b> mark for a basic outline of the public sector, for example:</p> <ul style="list-style-type: none"> <li>• Organisations that exist to provide a service to the public.</li> </ul> <p>Award <b>two</b> marks for a more developed outline of the public sector, for example:</p> <ul style="list-style-type: none"> <li>• The public sector consists of government run organisations that exist to provide a product or service to citizens. Money raised in taxes are used to run these organisations.</li> </ul> <p>Credit any other valid response.</p>	2			2
	<p>(b) Give <b>one</b> example of a public sector organisation.</p> <p>Award <b>one</b> mark for a public sector organisation, up to a maximum of <b>one</b> mark:</p> <ul style="list-style-type: none"> <li>• army</li> <li>• hospitals/NHS</li> <li>• police force</li> <li>• state run schools.</li> </ul> <p>Credit any other valid response.</p>	1			1

Question	Answer	AO1	AO2	AO3	Total Mark
5.	<p>(a) Identify <b>two</b> factors influencing the location of a business.</p> <p>Award <b>one</b> mark for each factor, up to a maximum of <b>two</b> marks:</p> <ul style="list-style-type: none"> <li>• costs</li> <li>• infrastructure</li> <li>• labour supply</li> <li>• proximity to market</li> <li>• proximity to supplies/materials.</li> </ul> <p>Credit any other valid response.</p>	2			2
	<p>(b) Describe the impact of remote working on business location.</p> <p>Award <b>one</b> mark for a basic description of the impact of remote working on business location, for example:</p> <ul style="list-style-type: none"> <li>• Flexibility/reduction in operational costs</li> <li>• Can access a wider pool of talent.</li> </ul> <p>Award <b>two</b> marks for a more developed description of the impact of remote working on business location, for example:</p> <ul style="list-style-type: none"> <li>• Reduced operational costs as businesses will not need the office space. The business will need high speed internet and connection to hold online meetings/share information.</li> </ul> <p>Credit any other valid response.</p>	2			2

Question	Answer	AO1	AO2	AO3	Total Mark
6.	<p>(a) Outline what is meant by the term 'circular economy'.</p> <p>Award <b>one</b> mark for a basic outline of the circular economy, for example:</p> <ul style="list-style-type: none"> <li>• A model where materials are recycled and waste is reduced.</li> </ul> <p>Award <b>two</b> marks for a more developed outline of the circular economy, for example:</p> <ul style="list-style-type: none"> <li>• A model or system of sustainability, where existing materials are recycled, repaired and reused and so the life cycle of products are extended.</li> </ul> <p>Credit any other valid response.</p>	2			2
	<p>(b) Assess the importance of the circular economy to businesses and the environment.</p> <p>Award <b>one</b> mark for a basic assessment of the importance of the circular economy to businesses, for example:</p> <ul style="list-style-type: none"> <li>• Can improve business reputation.</li> </ul> <p>Award <b>two</b> marks for a more developed assessment of the importance of the circular economy to businesses, for example:</p> <ul style="list-style-type: none"> <li>• Can improve the brand image of the business as consumers now value brands that have a strong environmental commitment.</li> </ul> <p>Award <b>one</b> mark for a basic assessment of the importance of circular economy to the environment, for example:</p> <ul style="list-style-type: none"> <li>• Reduces waste/use of raw materials.</li> </ul> <p>Award <b>two</b> marks for a more developed assessment of the importance of the circular economy to the environment, for example:</p> <ul style="list-style-type: none"> <li>• Positive impact on greenhouse gases and global warming as not using raw materials therefore, less reliance of natural resources.</li> </ul>		4	4	

Question	Answer	AO1	AO2	AO3	Total Mark															
7.	<p>A cafe sold the following products last week:</p> <table border="1"> <thead> <tr> <th>Products</th><th>Quantity sold</th><th>Price per item</th></tr> </thead> <tbody> <tr> <td>Hot meals</td><td>420</td><td>£6</td></tr> <tr> <td>Sandwiches</td><td>265</td><td>£3</td></tr> <tr> <td>Drinks</td><td>500</td><td>£2</td></tr> <tr> <td>Cakes</td><td>300</td><td>£3</td></tr> </tbody> </table> <p>Calculate the total revenue for the week.</p> <p>Award <b>one</b> mark for: £5215</p>	Products	Quantity sold	Price per item	Hot meals	420	£6	Sandwiches	265	£3	Drinks	500	£2	Cakes	300	£3		1		1
Products	Quantity sold	Price per item																		
Hot meals	420	£6																		
Sandwiches	265	£3																		
Drinks	500	£2																		
Cakes	300	£3																		

Question	Answer	AO1	AO2	AO3	Total Mark
8.	National supermarkets such as Tesco and Asda have a range of different types of consumers who buy their products. Satisfying the needs and wants of these consumers in a competitive retail environment is important to the success of these supermarkets.				
(a)	<p>Describe what is meant by the competitive environment.</p> <p>Award <b>one</b> mark for a basic description of the competitive environment, for example:</p> <ul style="list-style-type: none"> <li>An environment where businesses have to compete with each other.</li> </ul> <p>Award <b>two</b> marks for a more developed description of the competitive environment, for example:</p> <ul style="list-style-type: none"> <li>Businesses have to compete with others by using a variety of marketing strategies to deliver better value to its competitors. This could be a pricing strategy such as a buy one get one free (BOGOF) offer.</li> </ul> <p>Credit any other valid response.</p>	2			2
(b)	Explain how supermarkets can satisfy the needs and wants of its customers.				

### Indicative Content

Answers may refer to the following:

- Supermarkets such as Tesco/Asda carry out primary and secondary research to identify needs and wants of its customers. They will ensure these products are made and are available for customers to buy.
- Providing the basic products needed to satisfy customers' needs at low prices, such as milk, bread etc.
- Providing premium or branded products which satisfy customers' wants, such as iPhone and Ben & Jerry's ice cream.
- Create high quality products at competitive and affordable prices.
- Can include offers such as BOGOF or 3 for 2 so that customers are satisfied and are offered better value for products. This can create loyal customers.
- Offer a variety of products and services from a value to a luxury range so that customers can purchase products and services under one roof.
- Offering excellent customer service in store, such as excellent refund policies and loyalty schemes so customers are rewarded and feel valued.
- Customers are able to buy products instore, online, or through an app so that it is convenient for their customers.

Credit any other valid response.

Band	AO2
3	<p style="text-align: center;"><b>5-6 marks</b></p> <p>A very good explanation which demonstrates:</p> <ul style="list-style-type: none"> <li>knowledge and understanding of needs and wants that is applied to the context of supermarkets</li> <li>effective explanation of how supermarkets can satisfy the needs and wants of customers.</li> </ul>
2	<p style="text-align: center;"><b>3-4 marks</b></p> <p>A good explanation which demonstrates:</p> <ul style="list-style-type: none"> <li>some knowledge and understanding of needs and/or wants that is partially applied to the context of supermarkets</li> <li>some explanation of how supermarkets can satisfy the needs and/or wants of customers.</li> </ul>
1	<p style="text-align: center;"><b>1-2 marks</b></p> <p>A basic explanation which demonstrates:</p> <ul style="list-style-type: none"> <li>minimal knowledge of needs and/or wants</li> <li>brief explanation of how supermarkets can satisfy the needs or wants of customers.</li> </ul>
0	<p style="text-align: center;"><b>0 marks</b></p> <p>No response attempted or nothing worthy of credit.</p>

Question	Answer	AO1	AO2	AO3	Total Mark
8. (c)	<p>Analyse <b>one</b> role played by consumers in business activity.</p> <p>Award <b>one</b> mark for a basic analysis of the role of consumers in the retail sector, for example:</p> <ul style="list-style-type: none"> <li>Consumers create demand for business, without this demand a business will be unable to sell its goods and therefore make no profit.</li> </ul> <p>Award <b>two</b> marks for a more developed analysis of the role of consumers in the retail sector, for example:</p> <ul style="list-style-type: none"> <li>Consumers create demand for business. If a business is unable to get consumers to buy its products then it will struggle to make regular sales revenue and this could result in the business making a loss and possibly having to close down as it will not be able to earn enough revenue to cover its costs.</li> </ul> <p>Credit any other valid response.</p>			2	2

Question	Answer	AO1	AO2	AO3	Total Mark
9.	<p>(a) Identify <b>one</b> organisation in Wales that gives careers advice and guidance.</p> <p>Award <b>one</b> mark for an organisation in Wales that gives careers advice and guidance, up to a maximum of <b>one</b> mark:</p> <ul style="list-style-type: none"> <li>• Careers Wales</li> <li>• Job Centre</li> <li>• National Careers Service</li> <li>• UCAS</li> </ul> <p>Credit any other valid response.</p> <p>In 2024 the tourism sector and the healthcare sector were two of the largest employers of people in Wales</p>	1			1
	<p>(b) Identify <b>one</b> career opportunity in:</p> <p>(i) the tourism sector</p> <p>Award <b>one</b> mark for a career opportunity in the tourism sector, up to a maximum of <b>one</b> mark:</p> <ul style="list-style-type: none"> <li>• hotel manager</li> <li>• tour guide</li> <li>• travel agent.</li> </ul> <p>Credit any other valid response.</p>	1			1
	<p>(ii) the healthcare sector.</p> <p>Award <b>one</b> mark for a career opportunity in the healthcare sector, up to a maximum of <b>one</b> mark:</p> <ul style="list-style-type: none"> <li>• doctor</li> <li>• GP</li> <li>• midwife</li> <li>• nurse</li> <li>• paramedic.</li> </ul> <p>Credit any other valid response.</p>	1			1

(c)	<p>Outline how the changing workplace will impact the skills needed by employers in the future.</p> <p>Award <b>one</b> mark for a limited outline, for example:</p> <ul style="list-style-type: none"> <li>• Employees will need to have more IT skills.</li> </ul> <p>Award <b>two</b> marks for a basic outline, for example:</p> <ul style="list-style-type: none"> <li>• As more people are working from home, they will need more IT skills to remotely access their work.</li> </ul> <p>Award <b>three</b> marks for a more developed outline, for example:</p> <ul style="list-style-type: none"> <li>• As more people are working from home, or remotely, they will need to develop their IT skills and their organisational skills, to complete their jobs successfully.</li> </ul> <p>Award <b>four</b> marks for a fully developed outline, for example:</p> <ul style="list-style-type: none"> <li>• As more people are working from home, or remotely, they will need developed IT skills in order to work IT equipment. They will also need to develop more problem solving skills as they will not have others around them to help solve IT problems. Employees will not be directly supervised so will have to take more responsibility to complete their workload.</li> </ul>	4			4
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Question	Answer	AO1	AO2	AO3	Total Mark
10.	<p>Amara produces wood blanket boxes from her garage.</p> <p>Her fixed costs are £4000 per year.</p> <p>She sells the blanket boxes for £200 each.</p> <p>In 2024, Amara sold 55 blanket boxes.</p> <p>The variable cost per blanket box is £120.</p> 				
(a)	<p>State what is meant by break-even.</p> <p>Award <b>one</b> mark for:</p> <ul style="list-style-type: none"> <li>• It is when total revenue equals total cost.</li> </ul> <p>Credit any other valid response.</p>	1			1
(b)	<p>Calculate the break-even point for the blanket boxes.</p> <p>Award <b>one</b> mark for:</p> <ul style="list-style-type: none"> <li>• 50 blanket boxes/units</li> </ul>		1		1
(c)	<p>Explain how using break-even can help Amara make business decisions.</p> <p>Award <b>one</b> mark for a basic explanation of how using break-even can help Amara make business decisions, for example:</p> <ul style="list-style-type: none"> <li>• Break-even will enable Amara to calculate how many blanket boxes she will need to produce and sell to cover her costs.</li> </ul> <p>Award <b>two</b> marks for a more developed explanation of how using break-even can help Amara make business decisions, for example:</p> <ul style="list-style-type: none"> <li>• Amara will know how many blanket boxes she will need to sell before she makes a profit. She will be able to make decisions such as increasing the price of her blanket boxes if her total costs rise to ensure she breaks even.</li> </ul> <p>Credit any other valid response.</p>		2		2

Question	Answer	AO1	AO2	AO3	Total Mark
11.	<p>Starbucks, a multinational chain of coffeehouses, began in 1971 in Seattle, USA. In 1998 it opened its first coffeehouse in the UK. It now has over 35 000 coffeehouses in over 80 countries and over 1200 coffeehouses in the UK including 51 in Wales.</p> <p>Starbucks is very popular with a wide range of customers attracted to its quality coffee, varied flavours and relaxing and welcoming atmosphere. Employment opportunities with Starbucks include baristas (preparing and serving coffee), supervisors, store managers and regional managers.</p>				
	<p>(a) Describe <b>two</b> reasons why a business would wish to become a multinational business.</p> <p>Award <b>one</b> mark for a basic reason for why a business would wish to become a multinational business, up to <b>two</b> marks, for example:</p> <ul style="list-style-type: none"> <li>• a business could reduce its production costs</li> <li>• a business could increase its sales revenue.</li> </ul> <p>Award <b>two</b> marks for a more developed reason for why a business would wish to become a multinational business, up to <b>four</b> marks, for example:</p> <ul style="list-style-type: none"> <li>• a business could reduce its production costs by using a manufacturer in a different country that could make its products at lower costs</li> <li>• a business could increase its sales revenue as an international market will have more customers who may wish to buy the business' products.</li> </ul> <p>Credit any other valid response.</p>	4			4
	<p>(b) State and explain <b>two</b> positive impacts of Starbucks opening coffeehouses in Wales.</p> <p>Award <b>one</b> mark for stating a positive impact of Starbucks opening coffeehouses in Wales, up to a maximum of <b>two</b> marks:</p> <ul style="list-style-type: none"> <li>• Employment opportunities</li> <li>• Customers have increased choice or varieties of coffees to choose from.</li> </ul> <p>Credit any other valid response.</p> <p>Award <b>one</b> mark for explaining a positive impact of Starbucks opening coffeehouses in Wales, up to a maximum of <b>two</b> marks:</p> <ul style="list-style-type: none"> <li>• There will be a reduction in unemployment and increase in economic growth due to creation of new jobs for wide range of ages and skills.</li> <li>• There will be increased customer satisfaction as customers can purchase a wide range of high quality coffees and food.</li> </ul> <p>Credit any other valid response.</p>	2	2		4

(c)	<p>State and explain <b>two</b> negative impacts of Starbucks opening coffeehouses in Wales.</p> <p>Award <b>one</b> mark for stating a negative impact of Starbucks opening coffeehouses in Wales, up to a maximum of <b>two</b> marks:</p> <ul style="list-style-type: none"> <li>• smaller coffee shops will lose customers</li> <li>• profits not staying in Wales</li> </ul> <p>Credit any other valid response.</p> <p>Award <b>one</b> mark for explaining a negative impact of Starbucks opening coffeehouses in Wales, up to a maximum of <b>two</b> marks:</p> <ul style="list-style-type: none"> <li>• Smaller, local coffee shops will not be able to compete with the range of products and branding Starbucks offers and may close down.</li> <li>• Profits made by Starbucks may go back to its headquarters in the US rather than being invested in Wales and contributing to the UK economy.</li> </ul> <p>Credit any other valid response.</p>	2	2		4
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Question	Answer	AO1	AO2	AO3	Total Mark
12.	<p>Active Fitness is a gym located in Wrexham. It is owned by Fiona and operated as a sole trader business. Fiona, a qualified fitness instructor, started the business 3 years ago. She previously worked for a well-known national gym. Fiona invested £100 000 of her own money to start the business.</p> <p>Fiona is hard-working and works very long hours. She believes it is worth it because she is passionate about encouraging people of all ages and abilities to get fit and improve their health and wellbeing.</p> <p>Fiona has developed an excellent reputation in the local area for offering a high-quality gym with friendly and supportive experiences for a wide range of different customers.</p> <p>Demand for the gym has increased and the gym is often full, with all the fitness equipment being used most of the time. Fiona has also had to employ more fitness trainers to keep up with the growing demand for personal (one-to-one) classes and popular activities such as bootcamp classes, box fit classes and body tone classes. Fiona is also aware that she needs to update the gym equipment to make sure she has the latest fitness technology available to her customers.</p> <p>Fiona previously worked with Tomas, an experienced personal trainer. Tomas would like to go into business with Fiona, creating a new private limited company. Tomas has offered to invest £100 000 to become an equal shareholder. Fiona is unsure whether she should accept the offer from Tomas.</p>				
(a)	<p>Explain why Fiona became an entrepreneur.</p> <p>Award <b>one</b> mark for a basic explanation of why Fiona became an entrepreneur, for example:</p> <ul style="list-style-type: none"> <li>• Fiona became an entrepreneur to earn a living from something she is passionate about.</li> </ul> <p>Award <b>two</b> marks for a more developed explanation of why Fiona became an entrepreneur, for example:</p> <ul style="list-style-type: none"> <li>• Fiona will be able to earn a much higher income as an entrepreneur than working for a well-known gym, as she will receive all the profits.</li> </ul> <p>Credit any other valid response.</p>		2		2

	(b) Advise Fiona if she should accept the offer from Tomas and become a private limited company.
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### Indicative Content

Answers may refer to the following:

- Fiona will have more capital so she will be able to invest in new fitness equipment.
- The extra capital can be used to expand the gym and offer more fitness classes.
- Fiona may not need to employ more staff as Tomas is an experienced trainer.
- Fiona will have limited liability.
- They can share ideas and workload and work on areas that suit their expertise.
- Fiona has known Tomas for a long time and can trust him. The risk is shared.
- Fiona will lose her complete control of the business.
- The profits now have to be shared and could cause disagreements.
- As a private limited company Fiona will have to publish her accounts.
- The legal process takes time and costs money to set up.

Credit any other valid response.

Band	AO2	AO3
4	<p style="text-align: center;"><b>4 marks</b></p> <p>An excellent response which demonstrates:</p> <ul style="list-style-type: none"> <li>• highly detailed knowledge and understanding that is applied to Fiona and whether she should accept the offer from Tomas and become a private limited company</li> <li>• interpretation of evidence that is accurate.</li> </ul>	<p style="text-align: center;"><b>4 marks</b></p> <p>An excellent response which demonstrates:</p> <ul style="list-style-type: none"> <li>• highly effective evaluation</li> <li>• a well-developed and balanced evaluation</li> <li>• well-reasoned and supported judgements</li> <li>• clear and supported advice.</li> </ul>
3	<p style="text-align: center;"><b>3 marks</b></p> <p>A good response which demonstrates:</p> <ul style="list-style-type: none"> <li>• detailed knowledge and understanding that is applied to Fiona and whether she should accept the offer from Tomas and become a private limited company</li> <li>• interpretation of evidence that is mostly accurate.</li> </ul>	<p style="text-align: center;"><b>3 marks</b></p> <p>A good response which demonstrates:</p> <ul style="list-style-type: none"> <li>• effective evaluation</li> <li>• developed and mostly balanced evaluation</li> <li>• reasoned and supported judgements</li> <li>• clear advice.</li> </ul>
2	<p style="text-align: center;"><b>2 marks</b></p> <p>A basic response which demonstrates:</p> <ul style="list-style-type: none"> <li>• knowledge and understanding that is partially applied to Fiona and whether she should accept the offer from Tomas and become a private limited company</li> <li>• interpretation of evidence has some inaccuracies.</li> </ul>	<p style="text-align: center;"><b>2 marks</b></p> <p>A basic response which demonstrates:</p> <ul style="list-style-type: none"> <li>• evaluation that offers some judgements</li> <li>• an unbalanced or one-sided evaluation</li> <li>• an attempt to support judgements</li> <li>• brief advice.</li> </ul>

<b>1</b>	<b>1 mark</b> A limited response which demonstrates: <ul style="list-style-type: none"><li>• knowledge and understanding that shows little application to Fiona and whether she should accept the offer from Tomas and become a private limited company</li><li>• interpretation of evidence is minimal and has inaccuracies.</li></ul>	<b>1 mark</b> A limited response which demonstrates: <ul style="list-style-type: none"><li>• minimal evaluation</li><li>• a one-sided evaluation</li><li>• unsupported or superficial evaluation</li><li>• brief or no advice.</li></ul>
<b>0</b>	<b>0 marks</b> No response attempted or nothing worthy of credit.	

SAMPLE

## Mapping of questions to specification content and assessment objectives: Unit 1

Question	Mark allocation																Total Marks	AO1 Marks	AO2 Marks	AO3 Marks									
	Topic and Section																												
	1.1.1	1.1.2	1.1.3	1.1.4	1.1.5	1.1.6	1.1.7	1.2.1	1.2.2	1.3.1	1.3.2	1.3.3	1.4.1	1.4.2	1.4.3	1.4.4	1.5.1	1.5.2	1.5.3	1.6.1	1.6.2	1.7.1	1.7.2	1.7.3	1.8.1	1.8.2			
1				1																					1	1			
2																									1	1			
3																									1	1			
4	(a)	2																							2	2			
	(b)	1																							1	1			
5	(a)																								2	2			
	(b)																								2	2			
6	(a)																								2	2			
	(b)																								4				4
7																									1		1	1	
8	(a)	2																							2	2			
	(b)	6																							6		6		
	(c)																								2			2	
9	(a)																								1	1			
	(b)	i																							1	1			
	ii																								1	1			
	(c)																								4	4			
10	(a)																								1	1			

	(b)																				1			1	
	(c)																			2			2		
<b>11</b>	(a)																			2			4		
	(b)																			4			4		
	(c)																			4			2		
<b>12</b>	(a)	2																		2			2		
	(b)																			8			4		
Total marks																			<b>60</b>	<b>30</b>	<b>20</b>	<b>10</b>			