



# Cambridge International AS & A Level

**BUSINESS**

**9609/22**

Paper 2 Business Concepts 2

**May/June 2026**

**MARK SCHEME**

Maximum Mark: 60

**Published**

This mark scheme contains the instructions and marking guidance that our examiners used to mark candidate responses for this component.

Before they start marking, examiners complete a standardisation process. They review a range of candidate responses and discuss the mark scheme in detail to agree which answers can and cannot be accepted. Examiners award marks where it is clear that candidate responses have met the requirements of the mark scheme. These requirements may vary between different components or different versions of the same component, depending on the exact requirements of the question and the candidate responses seen during the standardisation process.

Sometimes, our mark schemes may allow marks to be awarded to responses which contain elements that are factually incorrect or for content not covered by the syllabus. We do this in response to the demands of a specific question to support candidates and make sure that our assessments are fair. However, these allowances should not be used as a guide for teaching and learning.

We cannot discuss the mark scheme with schools, and we recommend that schools read the mark scheme together with the assessment material and the Principal Examiner Report for Teachers.

This document consists of **38** printed pages.

**General marking principles**

All examiners must apply these marking principles when marking candidate responses.

|   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Examiners must award marks for each response in line with: <ul style="list-style-type: none"> <li>the specific <b>content</b> defined in the mark scheme</li> <li>the specific <b>skills</b> defined in the mark scheme or in the level descriptions</li> <li>the <b>standard of response</b> required as exemplified by the standardisation scripts.</li> </ul>                                                                                                                                                                                                                                                                                    |
| 2 | Examiners must award <b>whole marks</b> (not half marks, or other fractions).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3 | Examiners must award marks <b>positively</b> . This means that: <ul style="list-style-type: none"> <li>marks are not deducted for errors or omissions</li> <li>marks are awarded for correct/valid answers as defined in the mark scheme and also for <b>other valid answers</b> which go beyond the scope of the syllabus and mark scheme referring to your team leader as appropriate</li> <li>the quality of spelling, punctuation and grammar are judged <b>only</b> when the mark scheme indicates that these features are <b>specifically assessed</b> in the question. However, the meaning of all responses must be unambiguous.</li> </ul> |
| 4 | Examiners must <b>consistently</b> apply the requirements of the mark scheme and any rules for what to do when candidates have not followed instructions correctly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 5 | Examiners must use the <b>full range of marks</b> defined in the mark scheme, unless limited by the quality of the candidate responses seen.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 6 | Examiners must award marks according to the mark scheme and <b>must not</b> award marks with grade thresholds or grade descriptions in mind.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

**Social Sciences-Specific Marking Principles  
(for point-based marking)****1 Components using point-based marking:**

- Point marking is often used to reward knowledge, understanding and application of skills. We give credit where the candidate's answer shows relevant knowledge, understanding and application of skills in answering the question. We do not give credit where the answer shows confusion.

From this it follows that we:

- a** DO credit answers which are worded differently from the mark scheme if they clearly convey the same meaning (unless the mark scheme requires a specific term)
- b** DO credit alternative answers/examples which are not written in the mark scheme if they are correct
- c** DO credit answers where candidates give more than one correct answer in one prompt/numbered/scaffolded space where extended writing is required rather than list-type answers. For example, questions that require  $n$  reasons (e.g. State two reasons ...).
- d** DO NOT credit answers simply for using a 'key term' unless that is all that is required. (Check for evidence it is understood and not used wrongly.)
- e** DO NOT credit answers which are obviously self-contradicting or trying to cover all possibilities
- f** DO NOT give further credit for what is effectively repetition of a correct point already credited unless the language itself is being tested. This applies equally to 'mirror statements' (i.e. polluted/not polluted).
- g** DO NOT require spellings to be correct, unless this is part of the test. However spellings of syllabus terms must allow for clear and unambiguous separation from other syllabus terms with which they may be confused (e.g. corrasion/corrosion)

**2 Presentation of mark scheme:**

- Slashes (/) or the word 'or' separate alternative ways of making the same point.
- Semi colons (;) bullet points (•) or figures in brackets (1) separate different points.
- Content in the answer column in brackets is for examiner information/context to clarify the marking but is not required to earn the mark (except Accounting syllabuses where they indicate negative numbers).

**3 Calculation questions:**

- The mark scheme will show the steps in the most likely correct method(s), the mark for each step, the correct answer(s) and the mark for each answer
- If working/explanation is considered essential for full credit, this will be indicated in the question paper and in the mark scheme. In all other instances, the correct answer to a calculation should be given full credit, even if no supporting working is shown.
- Where the candidate uses a valid method which is not covered by the mark scheme, award equivalent marks for reaching equivalent stages.
- Where an answer makes use of a candidate's own incorrect figure from previous working, the 'own figure rule' applies: full marks will be given if a correct and complete method is used. Further guidance will be included in the mark scheme where necessary and any exceptions to this general principle will be noted.

**4 Annotation:**

- For point marking, ticks can be used to indicate correct answers and crosses can be used to indicate wrong answers. There is no direct relationship between ticks and marks. Ticks have no defined meaning for levels of response marking.
- For levels of response marking, the level awarded should be annotated on the script.
- Other annotations will be used by examiners as agreed during standardisation, and the meaning will be understood by all examiners who marked that paper.

**Annotations guidance for centres**

Examiners use a system of annotations as a shorthand for communicating their marking decisions to one another. Examiners are trained during the standardisation process on how and when to use annotations. The purpose of annotations is to inform the standardisation and monitoring processes and guide the supervising examiners when they are checking the work of examiners within their team. The meaning of annotations and how they are used is specific to each component and is understood by all examiners who mark the component.

We publish annotations in our mark schemes to help centres understand the annotations they may see on copies of scripts. Note that there may not be a direct correlation between the number of annotations on a script and the mark awarded. Similarly, the use of an annotation may not be an indication of the quality of the response.

The annotations listed below were available to examiners marking this component in this series.

**Annotations**

| Annotation                                                                          | Meaning                                                                              |
|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
|    | For objective points that are right or wrong.                                        |
|    | For objective points that are wrong.                                                 |
|    | When there is a misunderstanding in a response.                                      |
|  | When the candidate has attempted something, but the mark/skill has not been awarded. |
| Highlighter<br>Or<br>Underline                                                      | To highlight a point or section of an answer that justifies the mark/annotation.     |
|  | When the candidate has attempted something, and the mark/skill has been awarded.     |
| On page<br>comment                                                                  | To communicate with the supervisor.                                                  |
|  | When the context has not been used.                                                  |

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| Annotation  | Meaning                                                                                              |
|-------------|------------------------------------------------------------------------------------------------------|
| <b>SEEN</b> | To show a page/section has been seen/read.                                                           |
| <b>NAQ</b>  | When the response is not focussed on answering the question.                                         |
| <b>REP</b>  | The repetition of a previous point in a response <b>or</b> candidate is copying the case study/data. |
| <b>OFR</b>  | The own figure rule applies – acts as a mark/tick.                                                   |
| <b>K</b>    | When AO1 has been awarded. Number of Ks should match the mark awarded.                               |
| <b>APP</b>  | When AO2 has been awarded. Number of APPs should match the mark awarded.                             |
| <b>AN</b>   | When AO3 at Level 1 has been awarded.                                                                |
| <b>DEV</b>  | When AO3 at Level 2 has been awarded.                                                                |
| <b>EVAL</b> | When AO4 at Level 1 has been awarded.                                                                |
| <b>E</b>    | When AO4 at Level 2 has been awarded.                                                                |
| <b>EE</b>   | When AO4 at Level 3 has been awarded.                                                                |

**Guidance on using levels-based marking**

Marking of work should be positive, rewarding achievement where possible, but clearly differentiating across the whole range of marks, where appropriate.

The examiner should look at the work and then make a judgement about which level statement is the best fit. In practice, work does not always match one level statement precisely so a judgement may need to be made between two or more level statements.

Once a best-fit level statement has been identified, use the following guidance to decide on a specific mark:

- If the candidate's work **convincingly** meets the level statement, award the highest mark.
- If the candidate's work **adequately** meets the level statement, award the most appropriate mark in the middle of the range.
- If the candidate's work **just** meets the level statement, award the lowest mark.
- L1, L2 etc. must be clearly annotated on the response at the point where the level is achieved.

**Assessment objectives****AO1 Knowledge and understanding**

Demonstrate knowledge and understanding of business concepts, terms and theories.

**AO2 Application**

Apply knowledge and understanding of business concepts, terms and theories to problems and issues in a variety of familiar and unfamiliar business situations and contexts.

**AO3 Analysis**

Analyse business problems, issues and situations by:

- using appropriate methods and techniques to make sense of qualitative and quantitative business information
- searching for causes, impact and consequences
- distinguishing between factual evidence and opinion or value judgement
- drawing valid inferences and making valid generalisations.

**AO4 Evaluation**

Evaluate evidence in order to make reasoned judgements, present substantiated conclusions and, where appropriate, make recommendations for action and implementation.

**PREPARATION FOR MARKING**

- 1 Make sure that you have completed the relevant training and have access to the *RM Assessor Guide*.
- 2 Make sure that you have read and understand the question paper, which you can download from <https://support.rm.com/ca>
- 3 Log in to RM Assessor then mark and submit the required number of practice and standardisation scripts. You will need to mark the standardisation scripts to the required accuracy in order to be approved for marking live scripts. You may be asked to re-mark them, or to mark a second sample, if you do not meet the required accuracy on your first attempt.

**MARKING PROCESS**

- 1 Mark strictly to the FINAL mark scheme, applying the criteria consistently and the general marking principles outlined on the previous page.
- 2 If you are in doubt about applying the mark scheme, consult your Team Leader.
- 3 Mark at a steady rate through the marking period. Do not rush, and do not leave too much until the end. If you anticipate a problem in meeting the deadline, contact your Team Leader immediately and the Examiners' Helpdesk.
- 4 Examiners will prepare a brief report on the performance of candidates to send to their Team Leader via email by the end of the marking period. The Examiner should note strengths seen in answers and common errors or weaknesses. Constructive comments on the question paper, mark scheme or procedures are also appreciated.

**MARKING SPECIFICS****Crossed out work**

- 1 **All of a candidate's answers, *crossed out* or not, *optional* or not, must be marked.**
- 2 The only response not to be marked is one that has been crossed out and replaced by another response for that exact same question.
- 3 Consequently, if a candidate has crossed out their response to an optional question and gone on to answer a different optional question then both attempts must be marked. The higher mark will be awarded by the system according to the rubric.

**0 (zero) marks or NR (no response)**

- 1 Award **NR** if there is nothing at all written in answer to that question (often the case for optional questions).
- 2 Award **NR** if there is a comment which is not an attempt at the question (e.g. 'can't do it' or 'don't know' etc.)
- 3 Award **NR** if there is a symbol which is not an attempt at the question, such as a dash or question mark.
- 4 Award **0** (zero) if there is any attempt at the question which does not score marks. This includes copying the question onto an Answer Booklet.



| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                         | Marks    |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1(a)(i)  | <p><b>Identify <u>one</u> method of employee selection.</b></p> <p><b>Indicative content</b></p> <ul style="list-style-type: none"> <li>• curriculum vitae (CV)</li> <li>• résumé</li> <li>• application forms/letters</li> <li>• interviews</li> <li>• references / background checks</li> <li>• testing/screening</li> <li>• assessment centres.</li> </ul> <p><i>Only accept the above list – or specific examples of these methods</i></p> | <b>1</b> |

| Question                                                                                | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Marks                                     |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------|--|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|---|
| 1(a)(ii)                                                                                | <p><b>Explain the term <i>public sector</i>.</b></p> <table><tr><th>AO1 Knowledge and understanding<br/>1 mark</th><th>AO2 Application<br/>2 marks</th></tr><tr><td></td><td><b>2 marks</b><br/>Developed application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>1 mark</b><br/>Knowledge of <b>one</b> relevant point is used to answer the question.</td><td><b>1 mark</b><br/>Limited application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>0 marks</b><br/>No creditable response.</td><td><b>0 marks</b><br/>No creditable response.</td></tr></table> <p>Responses may include:</p> <p><b>AO1 Knowledge and understanding</b><br/>Knowledge of the public sector <span style="border: 1px solid red; padding: 0 2px;">K</span> (max 1 mark), including:</p> <ul style="list-style-type: none"><li>The public sector are businesses that are <u>owned/controlled/run/funded by the government/state</u>.</li></ul> <p><b>No further marks can be gained without knowledge and understanding</b></p> <p><b>AO2 Application</b><br/><i>Limited application</i> <span style="border: 1px solid red; padding: 0 2px;">APP</span>.<br/><i>Developed application</i> <span style="border: 1px solid red; padding: 0 2px;">APP</span> + <span style="border: 1px solid red; padding: 0 2px;">APP</span>.<br/>Characteristics of a public sector business, such as:</p> <ul style="list-style-type: none"><li>Often paid for through taxation</li><li>Often not profit seeking organisations</li><li>Aims to meet a social need / provide ‘public goods’</li><li>Often provide merit goods</li><li>May be free (at point of need)</li><li>Example of a business often found in the public sector, such as police, defence, healthcare, NHS, BBC</li></ul> <p><i>Do not accept that PT is an example of a public sector business as this is REP from the data.</i></p> | AO1 Knowledge and understanding<br>1 mark | AO2 Application<br>2 marks |  | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context. | <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question. | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context. | <b>0 marks</b><br>No creditable response. | <b>0 marks</b><br>No creditable response. | 3 |
| AO1 Knowledge and understanding<br>1 mark                                               | AO2 Application<br>2 marks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
|                                                                                         | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
| <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question. | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
| <b>0 marks</b><br>No creditable response.                                               | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |

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| Question | Answer                                                                                                                                    |             |                                                                           | Marks |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------------------------------------------------------------|-------|
| 1(a)(ii) | Accept all valid responses.                                                                                                               |             |                                                                           |       |
|          | <b>Exemplar and annotations</b>                                                                                                           | <b>Mark</b> | <b>Rationale</b>                                                          |       |
|          | Government owned <input type="checkbox"/> to provide merit goods <input type="checkbox"/> , such as healthcare <input type="checkbox"/> . | 3           | Knowledge, a characteristic and an example.                               |       |
|          | Run by the state <input type="checkbox"/> . To provide public goods <input type="checkbox"/> for free <input type="checkbox"/> .          | 3           | Knowledge and two characteristics.                                        |       |
|          | A business that does not aim to make a profit <input type="checkbox"/> because it is owned by the government <input type="checkbox"/> .   | 2           | A characteristic and then knowledge.                                      |       |
|          | Owned by the government <input type="checkbox"/> and not privately owned.                                                                 | 1           | Knowledge – not being privately owned is too similar to government owned. |       |
|          | Provides public goods, such as the police and NHS.                                                                                        | 0           | No credit – there is no knowledge shown, so 0 marks.                      |       |

| Question | Answer                                                                                                                                                                                                                                                                                                                 |                                                                                                      | Marks    |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|----------|
| 1(b)(i)  | <b>Refer to Table 1.1 and other information. Calculate the number of female employees who left PT in 2025.</b>                                                                                                                                                                                                         |                                                                                                      | <b>3</b> |
|          | <p>Answer</p> <p>Labour turnover formula:<br/> <u>Employees who left</u><br/> Total number of employees <math>\times 100</math> = Labour turnover (1)</p> <p>40% of 20 000 employees = 8 000 total female employees (1)</p> <p>20% of 8 000 = 1 600 female employees left (1 OFR)</p> <p><b>Answer = 1 600 (3)</b></p> | <p>Guidance</p> <p>Award 3 marks for correct answer of 1 600 (with or without workings or units)</p> |          |

| Question | Answer                          |                                                                                                                                                                                                                                                   | Marks                                                                                                                                                                                                                                               |
|----------|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1(b)(i)  | <b>Exemplar and annotations</b> |                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                     |
|          | Marks                           |                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                     |
|          | 3 marks                         | Correct answer<br><b>1 600</b>                                                                                                                                                                                                                    | <b>Working and units do not matter.</b><br><b>One</b> ✓ next to correct answer to denote the three marks.                                                                                                                                           |
|          | 2 marks                         | Both of the following: <ul style="list-style-type: none"> <li>Correct formula</li> <li>Correct calculation of total number of female employees (8 000)</li> </ul> <b>OR</b><br>An incorrect answer with one mistake allowing OFR for final stage. | To award two marks, there must be <ul style="list-style-type: none"> <li>Two ✓ and a ✗</li> </ul> <b>OR</b> <ul style="list-style-type: none"> <li>One ✓ , one ✗ and one <span style="border: 1px solid red; padding: 0 2px;">OFR</span></li> </ul> |
|          | 1 mark                          | <b>One</b> of the following: <ul style="list-style-type: none"> <li>Correct formula</li> <li>Correct identification of numbers</li> <li>Correct calculation of total number of female employees (8 000)</li> </ul>                                | To award one mark, there must be: <ul style="list-style-type: none"> <li>One ✓ and two ✗</li> </ul>                                                                                                                                                 |
|          | 0 marks                         | No creditable content.                                                                                                                                                                                                                            | To award zero marks, there must be <ul style="list-style-type: none"> <li>One ✗</li> </ul>                                                                                                                                                          |

| Question                                                                                | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Marks                                     |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------|--|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|-----------|-----------------------------------------------------------------------------------|--------|-------------|-------------------------------------------------------------------------------------|--------|---------|--------------------------------------------------------------------------------|--------|---|
| 1(b)(ii)                                                                                | <p><b>Explain <u>one</u> reason why PT is important to the development of country A.</b></p> <table><tr><th>AO1 Knowledge and understanding<br/>1 mark</th><th>AO2 Application<br/>2 marks</th></tr><tr><td></td><td><b>2 marks</b><br/>Developed application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>1 mark</b><br/>Knowledge of <b>one</b> relevant point is used to answer the question.</td><td><b>1 mark</b><br/>Limited application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>0 marks</b><br/>No creditable response.</td><td><b>0 marks</b><br/>No creditable response.</td></tr></table> <table><tr><td>Knowledge</td><td>Knowledge of a reason why a business is important to the development of a country</td><td>1 mark</td></tr><tr><td>Explanation</td><td>Explanation of a reason why a business is important to the development of a country</td><td>1 mark</td></tr><tr><td>Context</td><td>Context linked to a reason why PT is important to the development of a country</td><td>1 mark</td></tr></table> <p>No marks can be awarded without knowledge.</p> <p>Responses may include:</p> <p><b>AO1 Knowledge and understanding</b></p> <p>Knowledge of a reason why a business may be important to the development of a country <span style="border: 1px solid red; padding: 0 2px;">K</span>, including:</p> <ul style="list-style-type: none"><li>• Provides employment / reduces unemployment</li><li>• Provides education/news/information</li><li>• May encourage intrapreneurship/entrepreneurship</li><li>• Training and development</li><li>• Contributes to tax revenue</li><li>• Improves economic growth/GDP</li></ul> <p>No further marks can be gained without knowledge and understanding</p> | AO1 Knowledge and understanding<br>1 mark | AO2 Application<br>2 marks |  | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context. | <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question. | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context. | <b>0 marks</b><br>No creditable response. | <b>0 marks</b><br>No creditable response. | Knowledge | Knowledge of a reason why a business is important to the development of a country | 1 mark | Explanation | Explanation of a reason why a business is important to the development of a country | 1 mark | Context | Context linked to a reason why PT is important to the development of a country | 1 mark | 3 |
| AO1 Knowledge and understanding<br>1 mark                                               | AO2 Application<br>2 marks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |
|                                                                                         | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |
| <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question. | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |
| <b>0 marks</b><br>No creditable response.                                               | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |
| Knowledge                                                                               | Knowledge of a reason why a business is important to the development of a country                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 1 mark                                    |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |
| Explanation                                                                             | Explanation of a reason why a business is important to the development of a country                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 1 mark                                    |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |
| Context                                                                                 | Context linked to a reason why PT is important to the development of a country                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1 mark                                    |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |           |                                                                                   |        |             |                                                                                     |        |         |                                                                                |        |   |

**PUBLISHED**

| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Marks |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 1(b)(ii) | <p><b>AO2 Application</b></p> <p>Explanation of a reason why a business may be important to the development of a country <span style="border: 1px solid red; padding: 0 2px;">APP</span> (max 1 mark), including:</p> <ul style="list-style-type: none"> <li>• Provides employment / reduces unemployment; by employing residents of country A and giving them an income.</li> <li>• Provides education/news: to inform the public / programmes which are not just for entertainment.</li> <li>• May encourage intrapreneurship/entrepreneurship: through its programming and also by training workers and skilling them.</li> <li>• Training and development; giving workers new skills that can be used in other industries (transferable skills)</li> <li>• Contributes to tax revenue: to pay for other public services.</li> <li>• Improves economic growth/GDP: by increasing AD</li> </ul> <p>Context linked to a reason why PT may be important to the development of country A <span style="border: 1px solid red; padding: 0 2px;">APP</span> (max 1 mark), including:</p> <ul style="list-style-type: none"> <li>• Public sector business</li> <li>• Broadcasts television programmes / streaming services.</li> <li>• Mission statement – to strengthen the welfare and cultural health of country A.</li> <li>• New law to improve diversity and equality</li> <li>• PT employs 20 000 people</li> <li>• Use of Table 1.1</li> <li>• Encouraging male employees to take parental leave</li> <li>• Offering free childcare for all employees with children under 5</li> <li>• Positive discrimination of female employees</li> <li>• Developing intrapreneurial skills.</li> </ul> |       |

| Question | Answer                                                                                                                                                                         |             |                                                                            | Marks |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------|-------|
| 1(b)(ii) | <b>Exemplar and annotations</b>                                                                                                                                                | <b>Mark</b> | <b>Rationale</b>                                                           |       |
|          | PT gives jobs to people <span>K</span> which provides them income <span>APP</span> and meets their mission statement to strengthen the welfare of country A <span>APP</span> . | 3           | A reason identified, explained and in context, so all 3 marks.             |       |
|          | PT is a public sector business <span>APP</span> which may help educate the population <span>K</span> through its programmes <span>APP</span> .                                 | 3           | Context followed by knowledge of a reason and its explanation.             |       |
|          | Pays tax <span>K</span> which can fund other public services <span>APP</span> .                                                                                                | 2           | Identification of a reason, with explanation, but no context.              |       |
|          | Encourages entrepreneurship <span>K</span> and intrapreneurship opportunities to the residents of country A.                                                                   | 1           | A reason, but not explained and no use of context (names are not content). |       |
|          | PT is a public sector business that plans to improve diversity and equality.                                                                                                   | 0           | No reason given.                                                           |       |
|          | Accept all valid responses.                                                                                                                                                    |             |                                                                            |       |



| Question | Answer                                                                                              |                                                                                                                                                                                                                            |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                     | Marks    |
|----------|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1(c)     | <b>Analyse <u>one</u> advantage and <u>one</u> disadvantage to PT of targeting the mass market.</b> |                                                                                                                                                                                                                            |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                     | <b>8</b> |
|          | <b>Level</b>                                                                                        | <b>AO1 Knowledge and understanding<br/>2 marks</b>                                                                                                                                                                         | <b>AO2 Application<br/>2 marks</b>                                                                                                                                                                           | <b>AO3 Analysis<br/>4 marks</b>                                                                                                                                                                                                                                                                                                     |          |
|          | <b>2</b>                                                                                            |                                                                                                                                                                                                                            |                                                                                                                                                                                                              | <b>3–4 marks<br/>Developed analysis</b> <ul style="list-style-type: none"> <li>Developed analysis that identifies connections between causes, impacts and/or consequences of <b>two</b> points.</li> <li>Developed analysis that identifies connections between causes, impacts and/or consequences of <b>one</b> point.</li> </ul> |          |
|          | <b>1</b>                                                                                            | <b>1–2 marks</b> <ul style="list-style-type: none"> <li>Knowledge of <b>two</b> relevant points is used to answer the question.</li> <li>Knowledge of <b>one</b> relevant point is used to answer the question.</li> </ul> | <b>1–2 marks</b> <ul style="list-style-type: none"> <li>Application of <b>two</b> relevant points to a business context.</li> <li>Application of <b>one</b> relevant point to a business context.</li> </ul> | <b>1–2 marks<br/>Limited analysis</b> <ul style="list-style-type: none"> <li>Limited analysis that identifies connections between causes, impacts and/or consequences of <b>two</b> points.</li> <li>Limited analysis that identifies connections between causes, impacts and/or consequences of <b>one</b> point.</li> </ul>       |          |
|          | <b>0</b>                                                                                            | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                  | <b>0 marks</b><br>No creditable response.                                                                                                                                                                    | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                                                                           |          |

| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Marks |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 1(c)     | <p><i>Annotate the advantage in the left-hand margin and the disadvantage in the right-hand margin</i></p> <p>Responses may include:</p> <p><b>AO1 Knowledge and understanding</b></p> <p>Identification of an advantage to a business of targeting a mass market <span style="border: 1px solid red; padding: 0 2px;">K</span>, including:</p> <ul style="list-style-type: none"> <li>• Large(r) number of customers</li> <li>• Standardised products / lower cost to produce</li> <li>• Opportunities for economies of scale</li> <li>• Less market research needed</li> <li>• Lower risk</li> </ul> <p>Identification of a disadvantage to a business of targeting a mass market <span style="border: 1px solid red; padding: 0 2px;">K</span>, including:</p> <ul style="list-style-type: none"> <li>• High level of competition</li> <li>• Need for more marketing</li> <li>• Difficult to establish a brand</li> <li>• Difficult to add value / prices may be lower</li> <li>• Lack of customisation</li> </ul> <p><b>AO2 Application</b></p> <p>Application to PT <span style="border: 1px solid red; padding: 0 2px;">APP</span>, including:</p> <ul style="list-style-type: none"> <li>• Public sector business</li> <li>• Broadcasts television programmes / streaming services.</li> <li>• Mission statement – to strengthen the welfare and cultural health of country A.</li> <li>• New law to improve diversity and equality</li> <li>• Use of Table 1.1</li> <li>• Encouraging male employees to take parental leave</li> <li>• Offering free childcare for all employees with children under 5</li> <li>• Positive discrimination of female employees</li> <li>• Developing intrapreneurial skills.</li> </ul> |       |

| Question                                                                         | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Marks                                                                                                                                                                                                      |                 |              |                                                                                |                                                                                                      |                                                                                                                                                                                          |                                                                                  |                                                                                                                                                         |                                                                                                                                                                                                            |  |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1(c)                                                                             | <p><b>AO3 Analysis</b></p> <p>Limited analysis of an advantage <span style="border: 1px solid red; padding: 0 2px;">AN</span> - developed analysis <span style="border: 1px solid red; padding: 0 2px;">DEV</span>, including:</p> <ul style="list-style-type: none"> <li>• Large(r) number of customers; higher sales revenue – higher profit.</li> <li>• Standardised products: lower cost to produce – higher profitability.</li> <li>• Opportunities for economies of scale – lower costs – higher profit</li> <li>• Less market research needed – can be spent elsewhere in the business – more growth in the future.</li> <li>• Lower risk: the business will be less susceptible to changes in parts of the market – more likely for business survival.</li> </ul> <p>Limited analysis of a disadvantage <span style="border: 1px solid red; padding: 0 2px;">AN</span> - developed analysis <span style="border: 1px solid red; padding: 0 2px;">DEV</span>, including:</p> <ul style="list-style-type: none"> <li>• High level of competition: increased costs of marketing to become well-known – decreased profitability.</li> <li>• Need for more marketing: need to market to the whole market which increases costs – reduce profit.</li> <li>• Difficult to establish a brand: reduced sales with an unknown brand – lower profit to reinvest.</li> <li>• Difficult to add value / prices may be lower: leading to lower revenue – lower profit.</li> </ul> <p><b>Exemplar and annotations</b></p> <table border="1"> <thead> <tr> <th>AO1 Knowledge</th><th>AO2 Application</th><th>AO3 Analysis</th></tr> </thead> <tbody> <tr> <td>More customers <span style="border: 1px solid red; padding: 0 2px;">K</span>,</td><td>For PT as a public sector business <span style="border: 1px solid red; padding: 0 2px;">APP</span>,</td><td>Which could lead to a more revenue <span style="border: 1px solid red; padding: 0 2px;">AN</span> and increased profit <span style="border: 1px solid red; padding: 0 2px;">DEV</span>.</td></tr> <tr> <td>More competition <span style="border: 1px solid red; padding: 0 2px;">K</span>.</td><td>Because it is competing with broadcasting and streaming services throughout country A <span style="border: 1px solid red; padding: 0 2px;">APP</span>,</td><td>Which may increase PT's marketing costs <span style="border: 1px solid red; padding: 0 2px;">AN</span> and therefore decrease its profit <span style="border: 1px solid red; padding: 0 2px;">DEV</span>.</td></tr> </tbody> </table> <p>Accept all valid responses.</p> | AO1 Knowledge                                                                                                                                                                                              | AO2 Application | AO3 Analysis | More customers <span style="border: 1px solid red; padding: 0 2px;">K</span> , | For PT as a public sector business <span style="border: 1px solid red; padding: 0 2px;">APP</span> , | Which could lead to a more revenue <span style="border: 1px solid red; padding: 0 2px;">AN</span> and increased profit <span style="border: 1px solid red; padding: 0 2px;">DEV</span> . | More competition <span style="border: 1px solid red; padding: 0 2px;">K</span> . | Because it is competing with broadcasting and streaming services throughout country A <span style="border: 1px solid red; padding: 0 2px;">APP</span> , | Which may increase PT's marketing costs <span style="border: 1px solid red; padding: 0 2px;">AN</span> and therefore decrease its profit <span style="border: 1px solid red; padding: 0 2px;">DEV</span> . |  |
| AO1 Knowledge                                                                    | AO2 Application                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | AO3 Analysis                                                                                                                                                                                               |                 |              |                                                                                |                                                                                                      |                                                                                                                                                                                          |                                                                                  |                                                                                                                                                         |                                                                                                                                                                                                            |  |
| More customers <span style="border: 1px solid red; padding: 0 2px;">K</span> ,   | For PT as a public sector business <span style="border: 1px solid red; padding: 0 2px;">APP</span> ,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Which could lead to a more revenue <span style="border: 1px solid red; padding: 0 2px;">AN</span> and increased profit <span style="border: 1px solid red; padding: 0 2px;">DEV</span> .                   |                 |              |                                                                                |                                                                                                      |                                                                                                                                                                                          |                                                                                  |                                                                                                                                                         |                                                                                                                                                                                                            |  |
| More competition <span style="border: 1px solid red; padding: 0 2px;">K</span> . | Because it is competing with broadcasting and streaming services throughout country A <span style="border: 1px solid red; padding: 0 2px;">APP</span> ,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Which may increase PT's marketing costs <span style="border: 1px solid red; padding: 0 2px;">AN</span> and therefore decrease its profit <span style="border: 1px solid red; padding: 0 2px;">DEV</span> . |                 |              |                                                                                |                                                                                                      |                                                                                                                                                                                          |                                                                                  |                                                                                                                                                         |                                                                                                                                                                                                            |  |

| Question | Answer                                                                                                                    |                                                                                                                       |                                                                                              |                                                                                                                      |                                                                                                                                                                                                                                                                                 | Marks     |
|----------|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 1(d)     | <b>Evaluate the most likely impact on PT of implementing its plan to improve diversity and equality in the workplace.</b> |                                                                                                                       |                                                                                              |                                                                                                                      |                                                                                                                                                                                                                                                                                 | <b>12</b> |
|          | <b>Level</b>                                                                                                              | <b>AO1 Knowledge and understanding<br/>2 marks</b>                                                                    | <b>AO2 Application<br/>2 marks</b>                                                           | <b>AO3 Analysis<br/>2 marks</b>                                                                                      | <b>AO4 Evaluation<br/>6 marks</b>                                                                                                                                                                                                                                               |           |
|          | <b>3</b>                                                                                                                  |                                                                                                                       |                                                                                              |                                                                                                                      | <b>5–6 marks</b><br><b>Developed evaluation in context</b> <ul style="list-style-type: none"> <li>A developed judgement/conclusion is made in the business context.</li> <li>Developed evaluative comments which balance some key arguments in the business context.</li> </ul> |           |
|          | <b>2</b>                                                                                                                  | <b>2 marks</b><br><b>Developed knowledge</b> of relevant key term(s) and/or factor(s) is used to answer the question. | <b>2 marks</b><br><b>Developed application</b> of relevant point(s) to the business context. | <b>2 marks</b><br><b>Developed analysis</b> that identifies connections between causes, impacts and/or consequences. | <b>3–4 marks</b><br><b>Developed evaluation</b> <ul style="list-style-type: none"> <li>A developed judgement/conclusion is made.</li> <li>Developed evaluative comments which balance some key arguments.</li> </ul>                                                            |           |
|          | <b>1</b>                                                                                                                  | <b>1 mark</b><br><b>Limited knowledge</b> of relevant key term(s) and/or factor(s) is used to answer the question.    | <b>1 mark</b><br><b>Limited application</b> of relevant point(s) to the business context.    | <b>1 mark</b><br><b>Limited analysis</b> that identifies connections between causes, impacts and/or consequences.    | <b>1–2 marks</b><br><b>Limited evaluation</b> <ul style="list-style-type: none"> <li>A judgement/conclusion is made with limited supporting comment/evidence.</li> <li>An attempt is made to balance the arguments.</li> </ul>                                                  |           |
|          | <b>0</b>                                                                                                                  | <b>0 marks</b><br>No creditable response.                                                                             | <b>0 marks</b><br>No creditable response.                                                    | <b>0 marks</b><br>No creditable response.                                                                            | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                       |           |

| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Marks |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 1(d)     | <p>Responses may include:</p> <p><b>AO1 Knowledge and understanding</b></p> <p>Knowledge of equality <span style="border: 1px solid red; padding: 0 2px;">K</span> (max 1 mark) including:<br/>           Equality refers to providing equal opportunities to <u>everyone</u> and <u>protecting people</u> from being <u>discriminated</u> against.</p> <p>Knowledge of diversity <span style="border: 1px solid red; padding: 0 2px;">K</span> (max 1 mark), including:<br/>           Diversity refers to recognising and respecting and valuing <u>differences</u> in people.</p> <p><i>Candidates must show knowledge of diversity <u>and</u> equality to be awarded both marks.<br/>           Knowledge can be implied – award K if candidate has some understanding of either term.</i></p> <p><b>AO2 Application</b></p> <p>Application to PT <span style="border: 1px solid red; padding: 0 2px;">APP</span>, including:</p> <ul style="list-style-type: none"> <li>• Public sector business</li> <li>• Broadcasts television programmes / streaming services.</li> <li>• Mission statement – to strengthen the welfare and cultural health of country A.</li> <li>• <u>New law</u> to improve diversity and equality</li> <li>• <u>PT has been criticised</u> for poor diversity and equality</li> <li>• Use of Table 1.1</li> <li>• Encouraging male employees to take parental leave</li> <li>• Offering free childcare for all employees with children under 5</li> <li>• Positive discrimination of female employees</li> <li>• Developing intrapreneurial skills.</li> </ul> <p><b>AO3 Analysis</b></p> <p>Limited analysis of the impact of improving diversity and equality <span style="border: 1px solid red; padding: 0 2px;">AN</span> – developed analysis <span style="border: 1px solid red; padding: 0 2px;">DEV</span>, including:</p> <ul style="list-style-type: none"> <li>• A larger pool of potential employees which leads to better employees are employed – increases productivity.</li> <li>• Adds different perspectives may lead to improved decision making – increases profitability.</li> <li>• May increase productivity – increased profit.</li> <li>• More innovation increases chances of finding a new, successful products – increases sales.</li> <li>• Increased retention / lower labour turnover - lower employment costs – increased profits.</li> <li>• More diverse ideas leading to improved marketing (better targeted) – increased sales.</li> <li>• Become an employer of choice - increased applications for positions – reduced recruitment costs.</li> <li>• Improved reputation – increased sales – increased profit.</li> </ul> |       |

| Question                                                                           | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Marks                                                                                                                                                                                                                              |                                             |                                                           |                                                 |                                                                                                                                                     |                                                                                                                                      |                                                                                    |                                                                                                                                                                                                                        |                                                                                                                                                                                                                                    |  |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1(d)                                                                               | <p><b>AO4 Evaluation</b></p> <p>Limited evaluation of the most likely impact on PT of implementing its plan to improve diversity and equality in the workplace <b>EVAL</b> – developed <b>E</b> – developed in context <b>EE</b>, including:</p> <ul style="list-style-type: none"> <li>• A judgement over the most likely impact on PT of implementing its plan to improve diversity and equality in the workplace.</li> <li>• What the impact may depend upon, such as; the ability of the directors to implement the plan, the take-up of parental leave by men, the take-up of childcare for all employees, the trust between the employees and PT etc.</li> <li>• Whether the positive impact(s) outweigh the negative impact(s).</li> <li>• How might the impacts differ in the short-term compared to the long-term.</li> <li>• How are the employees likely to react the plan.</li> </ul> <p>Accept all valid responses.</p> <p><b>Exemplars for awarding evaluation</b></p> <p><b>Evaluate the most likely impact on PT of implementing its plan to improve diversity and equality in the workplace.</b></p> <table border="1"> <thead> <tr> <th>L1 <b>EVAL</b> (limited supporting evidence)</th><th>L2 <b>E</b> (developed supporting evidence)</th><th>L3 <b>EE</b> (developed supporting evidence with context)</th></tr> </thead> <tbody> <tr> <td>The most likely impact is an increase in costs.</td><td>The most likely impact is an increase in costs because offering additional employees benefits will add to the employment costs of PT significantly.</td><td>The most likely impact is an increase in costs because offering free childcare will add to the employment costs of PT significantly.</td></tr> <tr> <td>The most likely impact depends upon the availability of suitable female employees.</td><td>The most likely impact depends upon the availability of suitable female employees. If country A has lots of women who want to be trained and work in these positions, then PT will find it easy to implement the plan.</td><td>The most likely impact depends upon the availability of suitable female employees. If country A has lots of women who want to be trained and work in higher managerial positions, then PT will find it easy to implement the plan.</td></tr> </tbody> </table> | L1 <b>EVAL</b> (limited supporting evidence)                                                                                                                                                                                       | L2 <b>E</b> (developed supporting evidence) | L3 <b>EE</b> (developed supporting evidence with context) | The most likely impact is an increase in costs. | The most likely impact is an increase in costs because offering additional employees benefits will add to the employment costs of PT significantly. | The most likely impact is an increase in costs because offering free childcare will add to the employment costs of PT significantly. | The most likely impact depends upon the availability of suitable female employees. | The most likely impact depends upon the availability of suitable female employees. If country A has lots of women who want to be trained and work in these positions, then PT will find it easy to implement the plan. | The most likely impact depends upon the availability of suitable female employees. If country A has lots of women who want to be trained and work in higher managerial positions, then PT will find it easy to implement the plan. |  |
| L1 <b>EVAL</b> (limited supporting evidence)                                       | L2 <b>E</b> (developed supporting evidence)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | L3 <b>EE</b> (developed supporting evidence with context)                                                                                                                                                                          |                                             |                                                           |                                                 |                                                                                                                                                     |                                                                                                                                      |                                                                                    |                                                                                                                                                                                                                        |                                                                                                                                                                                                                                    |  |
| The most likely impact is an increase in costs.                                    | The most likely impact is an increase in costs because offering additional employees benefits will add to the employment costs of PT significantly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The most likely impact is an increase in costs because offering free childcare will add to the employment costs of PT significantly.                                                                                               |                                             |                                                           |                                                 |                                                                                                                                                     |                                                                                                                                      |                                                                                    |                                                                                                                                                                                                                        |                                                                                                                                                                                                                                    |  |
| The most likely impact depends upon the availability of suitable female employees. | The most likely impact depends upon the availability of suitable female employees. If country A has lots of women who want to be trained and work in these positions, then PT will find it easy to implement the plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | The most likely impact depends upon the availability of suitable female employees. If country A has lots of women who want to be trained and work in higher managerial positions, then PT will find it easy to implement the plan. |                                             |                                                           |                                                 |                                                                                                                                                     |                                                                                                                                      |                                                                                    |                                                                                                                                                                                                                        |                                                                                                                                                                                                                                    |  |

**PUBLISHED**

| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Marks    |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 2(a)(i)  | <p><b>Identify <u>one</u> type of inventory for a business.</b></p> <p>Responses include:</p> <ul style="list-style-type: none"><li>• raw materials /components</li><li>• work in progress/process</li><li>• finished products</li><li>• maintenance repair and operations</li><li>• spare parts</li></ul> <p><i>Only accept <u>types</u> on the list above, not ways of managing inventory.<br/>Do not allow examples of types of inventory, eg flowers.</i></p> | <b>1</b> |

| Question                                                                                | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Marks                                     |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------|--|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|---|
| 2(a)(ii)                                                                                | <p><b>Explain the term <i>redundancy</i>.</b></p> <table><tr><th>AO1 Knowledge and understanding<br/>1 mark</th><th>AO2 Application<br/>2 marks</th></tr><tr><td></td><td><b>2 marks</b><br/>Developed application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>1 mark</b><br/>Knowledge of <b>one</b> relevant point is used to answer the question.</td><td><b>1 mark</b><br/>Limited application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>0 marks</b><br/>No creditable response.</td><td><b>0 marks</b><br/>No creditable response.</td></tr></table> <p>Responses may include:</p> <p><b>AO1 Knowledge and understanding</b><br/>Knowledge of redundancy <input type="checkbox"/> (max 1 mark), including:</p> <ul style="list-style-type: none"><li>Redundancy is when an employee's <u>role or job</u> is no longer needed/required.</li></ul> <p><b>No further marks can be gained without knowledge and understanding</b></p> <p><b>AO2 Application</b><br/><i>Limited application</i> <input type="checkbox"/><br/><i>Developed application</i> <input type="checkbox"/> + <input type="checkbox"/></p> <ul style="list-style-type: none"><li>Redundancy is a form of dismissal</li><li>May involve a payment (redundancy pay) based on wage/salary and time spent working at the business.</li><li>May lead to a business reducing its costs</li><li>May involve consultation with employer to move into a different job</li><li>May involve time off to find a new job</li><li>Must be selected for redundancy in a fair way (i.e. experience or capability to do job)</li><li>May not be selected because of age, gender, (dis)ability, or pregnancy.</li></ul> | AO1 Knowledge and understanding<br>1 mark | AO2 Application<br>2 marks |  | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context. | <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question. | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context. | <b>0 marks</b><br>No creditable response. | <b>0 marks</b><br>No creditable response. | 3 |
| AO1 Knowledge and understanding<br>1 mark                                               | AO2 Application<br>2 marks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
|                                                                                         | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
| <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question. | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |
| <b>0 marks</b><br>No creditable response.                                               | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                           |                            |  |                                                                                             |                                                                                         |                                                                                          |                                           |                                           |   |



| Question                                                                                                                                                                              | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Marks                                                                                                      |      |           |                                                                                                                                 |   |                                                         |                                                                                                                                                                                       |   |                                                                                                            |                                                                                                                               |   |                                                                                                          |                                                                                                                                        |   |                                                                        |                                                              |   |                                   |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------|-----------|---------------------------------------------------------------------------------------------------------------------------------|---|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|---|------------------------------------------------------------------------|--------------------------------------------------------------|---|-----------------------------------|--|
| 2(a)(ii)                                                                                                                                                                              | <ul style="list-style-type: none"> <li>Example or some other way of showing good understanding.</li> </ul> <p>Accept all valid responses.</p> <p><i>Do not accept Zorba being made redundant as an example of redundancy.</i></p> <table> <tr> <th>Exemplar and annotations</th><th>Mark</th><th>Rationale</th></tr> <tr> <td>When a job is no longer required <span>K</span>. And the worker is dismissed <span>APP</span> in a fair way <span>APP</span>.</td><td>3</td><td>Knowledge of redundancy, and two pieces of explanation.</td></tr> <tr> <td>A form of dismissal <span>APP</span> when a particular role is no longer required <span>K</span>, and the employee may be given redundancy pay to compensate them <span>APP</span>.</td><td>3</td><td>Dismissal is APP, which can be awarded as long as there is K in the answer. Redundancy pay is another APP.</td></tr> <tr> <td>A job no longer needs to be done <span>K</span> and the worker is dismissed <span>APP</span>, through no fault of their own.</td><td>2</td><td>Knowledge of redundancy and a point of explanation. No fault of their own is not a point of explanation.</td></tr> <tr> <td>It is not like being sacked, when an employee has done something wrong. It is when the job no longer needs to be done <span>K</span>.</td><td>1</td><td>Do not credit knowledge of other forms of dismissal – only redundancy.</td></tr> <tr> <td>When an employee is dismissed through no fault of their own.</td><td>0</td><td>Not an explanation of redundancy.</td></tr> </table> | Exemplar and annotations                                                                                   | Mark | Rationale | When a job is no longer required <span>K</span> . And the worker is dismissed <span>APP</span> in a fair way <span>APP</span> . | 3 | Knowledge of redundancy, and two pieces of explanation. | A form of dismissal <span>APP</span> when a particular role is no longer required <span>K</span> , and the employee may be given redundancy pay to compensate them <span>APP</span> . | 3 | Dismissal is APP, which can be awarded as long as there is K in the answer. Redundancy pay is another APP. | A job no longer needs to be done <span>K</span> and the worker is dismissed <span>APP</span> , through no fault of their own. | 2 | Knowledge of redundancy and a point of explanation. No fault of their own is not a point of explanation. | It is not like being sacked, when an employee has done something wrong. It is when the job no longer needs to be done <span>K</span> . | 1 | Do not credit knowledge of other forms of dismissal – only redundancy. | When an employee is dismissed through no fault of their own. | 0 | Not an explanation of redundancy. |  |
| Exemplar and annotations                                                                                                                                                              | Mark                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Rationale                                                                                                  |      |           |                                                                                                                                 |   |                                                         |                                                                                                                                                                                       |   |                                                                                                            |                                                                                                                               |   |                                                                                                          |                                                                                                                                        |   |                                                                        |                                                              |   |                                   |  |
| When a job is no longer required <span>K</span> . And the worker is dismissed <span>APP</span> in a fair way <span>APP</span> .                                                       | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Knowledge of redundancy, and two pieces of explanation.                                                    |      |           |                                                                                                                                 |   |                                                         |                                                                                                                                                                                       |   |                                                                                                            |                                                                                                                               |   |                                                                                                          |                                                                                                                                        |   |                                                                        |                                                              |   |                                   |  |
| A form of dismissal <span>APP</span> when a particular role is no longer required <span>K</span> , and the employee may be given redundancy pay to compensate them <span>APP</span> . | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Dismissal is APP, which can be awarded as long as there is K in the answer. Redundancy pay is another APP. |      |           |                                                                                                                                 |   |                                                         |                                                                                                                                                                                       |   |                                                                                                            |                                                                                                                               |   |                                                                                                          |                                                                                                                                        |   |                                                                        |                                                              |   |                                   |  |
| A job no longer needs to be done <span>K</span> and the worker is dismissed <span>APP</span> , through no fault of their own.                                                         | 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Knowledge of redundancy and a point of explanation. No fault of their own is not a point of explanation.   |      |           |                                                                                                                                 |   |                                                         |                                                                                                                                                                                       |   |                                                                                                            |                                                                                                                               |   |                                                                                                          |                                                                                                                                        |   |                                                                        |                                                              |   |                                   |  |
| It is not like being sacked, when an employee has done something wrong. It is when the job no longer needs to be done <span>K</span> .                                                | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Do not credit knowledge of other forms of dismissal – only redundancy.                                     |      |           |                                                                                                                                 |   |                                                         |                                                                                                                                                                                       |   |                                                                                                            |                                                                                                                               |   |                                                                                                          |                                                                                                                                        |   |                                                                        |                                                              |   |                                   |  |
| When an employee is dismissed through no fault of their own.                                                                                                                          | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Not an explanation of redundancy.                                                                          |      |           |                                                                                                                                 |   |                                                         |                                                                                                                                                                                       |   |                                                                                                            |                                                                                                                               |   |                                                                                                          |                                                                                                                                        |   |                                                                        |                                                              |   |                                   |  |

**PUBLISHED**

| Question                                                                                                                                                                                                                                                                                                                  | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Marks       |                                    |                                                                                                                                                                                                                                                                                                                           |                      |             |                                                                                |        |                      |        |                                                                                |   |
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| 2(b)(i)                                                                                                                                                                                                                                                                                                                   | <p><b>Refer to Table 2.1. Calculate Zorba’s capital expenditure when he set up ZF.</b></p> <p><i>Capital expenditure is the money a business spends to buy, maintain, or improve its non-current assets, such as buildings, vehicles, equipment, or land</i></p> <table><tr><th>Answer</th><th>Guidance</th></tr><tr><td><p>Knowledge of capital expenditure (1)</p><table><tr><th>Expenditure</th><th>Amount (\$)</th></tr><tr><td>Fixtures and fittings for the shop</td><td>10 000</td></tr><tr><td>Delivery vans (each)</td><td>20 000</td></tr></table><p>(1)</p><p>\$10 000 + \$20 000 = \$30 000 (1)</p><p><b>Answer = \$30 000</b></p></td><td><p>Award 3 marks for correct answer of \$30 000 (with or without \$ sign).</p></td></tr></table> | Answer      | Guidance                           | <p>Knowledge of capital expenditure (1)</p> <table><tr><th>Expenditure</th><th>Amount (\$)</th></tr><tr><td>Fixtures and fittings for the shop</td><td>10 000</td></tr><tr><td>Delivery vans (each)</td><td>20 000</td></tr></table> <p>(1)</p> <p>\$10 000 + \$20 000 = \$30 000 (1)</p> <p><b>Answer = \$30 000</b></p> | Expenditure          | Amount (\$) | Fixtures and fittings for the shop                                             | 10 000 | Delivery vans (each) | 20 000 | <p>Award 3 marks for correct answer of \$30 000 (with or without \$ sign).</p> | 3 |
| Answer                                                                                                                                                                                                                                                                                                                    | Guidance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             |                                    |                                                                                                                                                                                                                                                                                                                           |                      |             |                                                                                |        |                      |        |                                                                                |   |
| <p>Knowledge of capital expenditure (1)</p> <table><tr><th>Expenditure</th><th>Amount (\$)</th></tr><tr><td>Fixtures and fittings for the shop</td><td>10 000</td></tr><tr><td>Delivery vans (each)</td><td>20 000</td></tr></table> <p>(1)</p> <p>\$10 000 + \$20 000 = \$30 000 (1)</p> <p><b>Answer = \$30 000</b></p> | Expenditure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Amount (\$) | Fixtures and fittings for the shop | 10 000                                                                                                                                                                                                                                                                                                                    | Delivery vans (each) | 20 000      | <p>Award 3 marks for correct answer of \$30 000 (with or without \$ sign).</p> |        |                      |        |                                                                                |   |
| Expenditure                                                                                                                                                                                                                                                                                                               | Amount (\$)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |             |                                    |                                                                                                                                                                                                                                                                                                                           |                      |             |                                                                                |        |                      |        |                                                                                |   |
| Fixtures and fittings for the shop                                                                                                                                                                                                                                                                                        | 10 000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |             |                                    |                                                                                                                                                                                                                                                                                                                           |                      |             |                                                                                |        |                      |        |                                                                                |   |
| Delivery vans (each)                                                                                                                                                                                                                                                                                                      | 20 000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |             |                                    |                                                                                                                                                                                                                                                                                                                           |                      |             |                                                                                |        |                      |        |                                                                                |   |

| Question | Answer                          |                                                                                                                                                                                                                                                                                                                                                                                                | Marks                                                                                                                                                                                                                                                        |
|----------|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2(b)(i)  | <b>Exemplar and annotations</b> |                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                              |
|          | Marks                           |                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                              |
|          | 3 marks                         | Correct answer<br><b>\$30 000</b>                                                                                                                                                                                                                                                                                                                                                              | <b>Working and \$ does not matter.</b><br><b>Must be three</b> ✓ to denote the three marks.                                                                                                                                                                  |
|          | 2 marks                         | Both of the following:<br><ul style="list-style-type: none"> <li>• Correct knowledge of capital expenditure (explanation)</li> <li>• Correct identification of both capital expenditures</li> </ul> <b>OR</b><br><ul style="list-style-type: none"> <li>• An incorrect answer with both capital expenditures and <b>ONE</b> revenue expenditure, correctly added up for <b>OFR</b>.</li> </ul> | To award two marks, there must be<br><ul style="list-style-type: none"> <li>• Two ✓ and a ✗</li> </ul> <b>OR</b><br><ul style="list-style-type: none"> <li>• One ✓, one ✗ and one <span style="border: 1px solid red; padding: 0 2px;">OFR</span></li> </ul> |
|          | 1 mark                          | One of the following:<br><ul style="list-style-type: none"> <li>• Correct knowledge of capital expenditure (explanation)</li> <li>• Correct identification of both capital expenditures</li> </ul> <b>OR</b><br><ul style="list-style-type: none"> <li>• An incorrect answer with both capital expenditures and <b>TWO</b> revenue expenditure, correctly added up for <b>OFR</b>.</li> </ul>  | To award one mark, there must be:<br><ul style="list-style-type: none"> <li>• One ✓ and two ✗</li> <li>• Two ✗ and one <span style="border: 1px solid red; padding: 0 2px;">OFR</span></li> </ul>                                                            |
|          | 0 marks                         | No creditable content.                                                                                                                                                                                                                                                                                                                                                                         | To award zero marks, there must be<br><ul style="list-style-type: none"> <li>• One ✗</li> </ul>                                                                                                                                                              |

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| Question | Answer                                                   |             |                                                                                                                                                                | Marks |
|----------|----------------------------------------------------------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 2(b)(i)  | <b>Examples of incorrect responses</b>                   | <b>Mark</b> | <b>Rationale</b>                                                                                                                                               |       |
|          | $10\,000 + 5\,000 + 20\,000 = 35\,000$                   | 2           | Two capital expenditures have been identified with one revenue expenditure also included (one error). The answer is correct based on OFR.                      |       |
|          | $10\,000 + 3\,000 + 7\,000 + 20\,000 = 40\,000$          | 1           | The two capital expenditures have been identified. However, there are two revenue expenditures also included (two errors). The answer is correct based on OFR. |       |
|          | Spending on long-term assets.                            | 1           | Knowledge of capital expenditure shown.                                                                                                                        |       |
|          | $10\,000 + 5\,000 + 3\,000 + 7\,000 + 20\,000 = 45\,000$ | 0           | Although the two capital expenditures have been identified, there are three errors here (three revenue expenditures added), so this must be 0 marks.           |       |
|          | $10\,000 + 5\,000 = 15\,000$                             | 0           | Both capital expenditures have not been identified, and no knowledge of capital expenditure shown.                                                             |       |

| Question                                                                                                                                                           | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Marks  |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|---------------------------------------------------------------------------------------------|---------------------------------------------|--------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------|--------|
| 2(b)(ii)                                                                                                                                                           | <b>Explain <u>one</u> way that Zorba could manage his trade payables more effectively.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 3      |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|                                                                                                                                                                    | <table><tr><td><b>AO1 Knowledge and understanding</b><br/>1 mark</td><td><b>AO2 Application</b><br/>2 marks</td></tr><tr><td></td><td><b>2 marks</b><br/>Developed application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>1 mark</b><br/>Knowledge of <b>one</b> relevant point is used to answer the question.</td><td><b>1 mark</b><br/>Limited application of <b>one</b> relevant point to a business context.</td></tr><tr><td><b>0 marks</b><br/>No creditable response.</td><td><b>0 marks</b><br/>No creditable response.</td></tr></table> |        | <b>AO1 Knowledge and understanding</b><br>1 mark                                            | <b>AO2 Application</b><br>2 marks           |        | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context. | <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question. | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context. | <b>0 marks</b><br>No creditable response. | <b>0 marks</b><br>No creditable response.                |        |
|                                                                                                                                                                    | <b>AO1 Knowledge and understanding</b><br>1 mark                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |        | <b>AO2 Application</b><br>2 marks                                                           |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        | <b>2 marks</b><br>Developed application of <b>one</b> relevant point to a business context. |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|                                                                                                                                                                    | <b>1 mark</b><br>Knowledge of <b>one</b> relevant point is used to answer the question.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        | <b>1 mark</b><br>Limited application of <b>one</b> relevant point to a business context.    |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|                                                                                                                                                                    | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | <b>0 marks</b><br>No creditable response.                                                   |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|                                                                                                                                                                    | <i>Trade payables are short-term expenses incurred by businesses when they use products or services from a supplier. Also known as debtors.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|                                                                                                                                                                    | <table><tr><td>Knowledge</td><td>Knowledge of a way to manage trade payables</td><td>1 mark</td></tr><tr><td>Explanation</td><td>Explanation of a way to manage trade payables</td><td>1 mark</td></tr><tr><td>Context</td><td>Context linked to way for Zorba to manage trade payables</td><td>1 mark</td></tr></table>                                                                                                                                                                                                                                                        |        | Knowledge                                                                                   | Knowledge of a way to manage trade payables | 1 mark | Explanation                                                                                 | Explanation of a way to manage trade payables                                           | 1 mark                                                                                   | Context                                   | Context linked to way for Zorba to manage trade payables | 1 mark |
|                                                                                                                                                                    | Knowledge                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |        | Knowledge of a way to manage trade payables                                                 | 1 mark                                      |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
|                                                                                                                                                                    | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |        | Explanation of a way to manage trade payables                                               | 1 mark                                      |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
| Context                                                                                                                                                            | Context linked to way for Zorba to manage trade payables                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 1 mark |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
| <i>No marks can be awarded without knowledge.</i>                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
| Responses may include:                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
| <b>AO1 Knowledge and understanding</b>                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
| Knowledge of ways to manage trade payables (max 1 mark), including:                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |
| <ul style="list-style-type: none"><li>• Use a source of finance</li><li>• Refinance / use a different source of finance</li><li>• Delay / reduce payment</li></ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |        |                                                                                             |                                             |        |                                                                                             |                                                                                         |                                                                                          |                                           |                                                          |        |

| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Marks |
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| 2(b)(ii) | <ul style="list-style-type: none"> <li>Negotiate better terms</li> <li>Return items (get a refund)</li> <li>Sell item</li> <li>Budgeting/forecasting</li> </ul> <p><i>No further marks can be gained without knowledge and understanding</i></p> <p><b>AO2 Application</b></p> <p>Explanation of a way to manage trade payables <span style="border: 1px solid red; padding: 0 2px;">APP</span> (max 1 mark), including:</p> <ul style="list-style-type: none"> <li>Use a source of finance: such as an overdraft</li> <li>Refinance/ use a different source of finance: such as sale and leaseback</li> <li>Delay/reduce payment: to allow the business to sell inventory before having to pay for it.</li> <li>Negotiate better terms: if creditors are charging interest</li> <li>Return items (get a refund): but this might affect ZF's ability to operate.</li> <li>Sell item: may affect ability to operate / could use sale and leaseback.</li> <li>Budgeting/forecasting: to know when to best time to pay suppliers</li> </ul> <p>Context applied to ZF <span style="border: 1px solid red; padding: 0 2px;">APP</span> (max 1 mark), including:</p> <ul style="list-style-type: none"> <li>Zorba used all of his savings/redundancy to set up ZF</li> <li>Zorba wrote a business plan</li> <li>Use of specific contextual data from Table 2.1</li> <li>ZF opened at the start of January 2026 (new business)</li> <li>Changeable weather conditions – no guarantee of which flowers will be available</li> <li>ZF often forced to work over-capacity at time of high demand (allow any reasonable time of high demand)</li> <li>No working capital at the end of three months.</li> </ul> <p>Accept all valid responses.</p> |       |

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| Question | Answer                                                                                                                                                                     |             |                                                                                        | Marks |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------------|-------|
| 2(b)(ii) | <b>Exemplar and annotations</b>                                                                                                                                            | <b>Mark</b> | <b>Rationale</b>                                                                       |       |
|          | Ask suppliers for more time to pay <span>K</span> so that Zorba can sell the flowers before he has to pay for <span>APP</span> the \$7 000 of inventory <span>APP</span> . | 3           | A way identified, explained and in context, so all 3 marks.                            |       |
|          | Take out an overdraft <span>K</span> because he does not have any savings left <span>APP</span> .                                                                          | 2           | A way identified, and in context for ZF.                                               |       |
|          | Zorba could return some of the flowers to the supplier <span>K</span> but he may not have enough to sell <span>APP</span> .                                                | 2           | A way identified and explained.                                                        |       |
|          | Delay payment <span>K</span> so he can check the flowers for any damage                                                                                                    | 1           | A way identified – however the context has nothing to do with managing trade payables. |       |

| Question                                                                                        | Answer                                                                                                            |                                                                                                                                                                                                                            |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                     | Marks    |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 2(c)                                                                                            | <b>Analyse <u>one</u> benefit and <u>one</u> limitation to Zorba of using a business plan when setting up ZF.</b> |                                                                                                                                                                                                                            |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                     | <b>8</b> |
|                                                                                                 | <b>Level</b>                                                                                                      | <b>AO1 Knowledge and understanding<br/>2 marks</b>                                                                                                                                                                         | <b>AO2 Application<br/>2 marks</b>                                                                                                                                                                           | <b>AO3 Analysis<br/>4 marks</b>                                                                                                                                                                                                                                                                                                     |          |
|                                                                                                 | <b>2</b>                                                                                                          |                                                                                                                                                                                                                            |                                                                                                                                                                                                              | <b>3–4 marks<br/>Developed analysis</b> <ul style="list-style-type: none"> <li>Developed analysis that identifies connections between causes, impacts and/or consequences of <b>two</b> points.</li> <li>Developed analysis that identifies connections between causes, impacts and/or consequences of <b>one</b> point.</li> </ul> |          |
|                                                                                                 | <b>1</b>                                                                                                          | <b>1–2 marks</b> <ul style="list-style-type: none"> <li>Knowledge of <b>two</b> relevant points is used to answer the question.</li> <li>Knowledge of <b>one</b> relevant point is used to answer the question.</li> </ul> | <b>1–2 marks</b> <ul style="list-style-type: none"> <li>Application of <b>two</b> relevant points to a business context.</li> <li>Application of <b>one</b> relevant point to a business context.</li> </ul> | <b>1–2 marks<br/>Limited analysis</b> <ul style="list-style-type: none"> <li>Limited analysis that identifies connections between causes, impacts and/or consequences of <b>two</b> points.</li> <li>Limited analysis that identifies connections between causes, impacts and/or consequences of <b>one</b> point.</li> </ul>       |          |
|                                                                                                 | <b>0</b>                                                                                                          | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                  | <b>0 marks</b><br>No creditable response.                                                                                                                                                                    | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                                                                           |          |
| <i>Annotate the benefit in the left-hand margin and the limitation in the right-hand margin</i> |                                                                                                                   |                                                                                                                                                                                                                            |                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                     |          |



| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Marks |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 2(c)     | <p>Responses may include:</p> <p><b>AO1 Knowledge and understanding</b><br/> Knowledge of a benefit of using a business plan <span style="border: 1px solid red; padding: 0 2px;">K</span>, including:</p> <ul style="list-style-type: none"> <li>• To review ideas</li> <li>• To get an overview of the business</li> <li>• Reduces risk</li> <li>• Allows the owner to measure success</li> <li>• To gain finance</li> <li>• To set objectives</li> <li>• To quantify success</li> <li>• Helps to plan strategically</li> </ul> <p>Knowledge of a limitation of using a business plan <span style="border: 1px solid red; padding: 0 2px;">K</span>, including:</p> <ul style="list-style-type: none"> <li>• Uncertainty of the future</li> <li>• Lack of experience</li> <li>• Does not account for change</li> <li>• Does not take into account external influences</li> <li>• Does not guarantee success</li> <li>• Takes time and effort (costly)</li> <li>• May miss new opportunities</li> <li>• Too prescriptive</li> </ul> <p><b>AO2 Application</b><br/> Application to ZF <span style="border: 1px solid red; padding: 0 2px;">APP</span>, including:</p> <ul style="list-style-type: none"> <li>• Zorba used all of his savings/redundancy to set up ZF</li> <li>• ZF does not require any additional finance</li> <li>• Zorba wrote a business plan</li> <li>• Use of Table 2.1</li> <li>• ZF opened at the start of January 2026</li> <li>• Changeable weather conditions – no guarantee of which flowers will be available</li> <li>• ZF often forced to work over-capacity at time of high demand (allow any reasonable time of high demand)</li> <li>• Perishable (flowers) inventory – easily damaged</li> <li>• No working capital at the end of three months.</li> </ul> |       |

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| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Marks |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 2(c)     | <p><b>AO3 Analysis</b></p> <p>Limited analysis of a benefit of using a business plan <span style="border: 1px solid red; padding: 0 2px;">AN</span>, – developed analysis <span style="border: 1px solid red; padding: 0 2px;">DEV</span>, including:</p> <ul style="list-style-type: none"> <li>• To review ideas: allows the owner to see their ideas as a whole and make better business decisions – increase chances of success.</li> <li>• To get an overview of the business: to be able to plan better for the future and increase sales revenue – increasing profit.</li> <li>• Reduces risk: by identifying possible risks, ZF can make better decisions – increases profitability.</li> <li>• Allows the owner to measure success: gives specific quantitative and qualitative benchmarks for the owner to measure the success of the business – allows owners to decide whether to continuing investing or not.</li> <li>• To gain finance: most lenders require the owner to have planned for the future and therefore more likely to gain finance – increased chances of success.</li> <li>• To set objectives: better SMART objectives leading to better chance of success – more profit.</li> <li>• To quantify success: gives benchmarks for the owner to measure the success of the business – allows owners to decide whether to continuing investing or not.</li> </ul> <p>Limited analysis of a limitation of using a business plan <span style="border: 1px solid red; padding: 0 2px;">AN</span>, – developed analysis <span style="border: 1px solid red; padding: 0 2px;">DEV</span>, including:</p> <ul style="list-style-type: none"> <li>• Uncertainty of the future: a plan written at a certain point in time cannot cover every eventuality, making the plan useless – poor decision making in the future.</li> <li>• Lack of experience: the less established a business is, the less chance of a business plan being correct – unlikely to be successful.</li> <li>• Does not account for change: uncertain future events may affect sales – reduce profits.</li> <li>• Does not take into account external influences: changing factors outside of the business' control can mean the plan is out of date – poor decision making.</li> <li>• Does not guarantee success: some entrepreneurs assume a well-written plan ensures success, however it gives no guarantee and can lead to poor decision making – lower sales.</li> <li>• Takes time and effort: increases business costs – reduces profitability.</li> <li>• Costly: leading to an increase in operating costs – reduced profitability.</li> <li>• May miss new opportunities: reduces potential sales – lower profit.</li> </ul> <p>Accept all valid responses.</p> |       |

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| Question | Answer                                |                                                                             |                                                                                                                            | Marks |
|----------|---------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-------|
| 2(c)     | <b>Exemplar and annotations</b>       |                                                                             |                                                                                                                            |       |
|          | <b>AO1 Knowledge</b>                  | <b>AO2 Application</b>                                                      | <b>AO3 Analysis</b>                                                                                                        |       |
|          | To plan finances <span>K</span> ,     | Because Zorba has used all of his savings <span>APP</span> ,                | So he makes better business decisions <span>AN</span> leading to more profit <span>DEV</span> .                            |       |
|          | Circumstances change <span>K</span> . | Such as the weather affecting what flowers are available <span>APP</span> , | Which may mean he has planned for the wrong inventory <span>AN</span> and cannot fulfil customer orders <span>DEV</span> . |       |

| Question | Answer                                                                                     |                                                                                                                       |                                                                                              |                                                                                                                      |                                                                                                                                                                                                                                                                                 | Marks     |
|----------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 2(d)     | <b>Evaluate the importance of improved Supply Chain Management to ZF's future success.</b> |                                                                                                                       |                                                                                              |                                                                                                                      |                                                                                                                                                                                                                                                                                 | <b>12</b> |
|          | <b>Level</b>                                                                               | <b>AO1 Knowledge and understanding<br/>2 marks</b>                                                                    | <b>AO2 Application<br/>2 marks</b>                                                           | <b>AO3 Analysis<br/>2 marks</b>                                                                                      | <b>AO4 Evaluation<br/>6 marks</b>                                                                                                                                                                                                                                               |           |
|          | <b>3</b>                                                                                   |                                                                                                                       |                                                                                              |                                                                                                                      | <b>5–6 marks</b><br><b>Developed evaluation in context</b> <ul style="list-style-type: none"> <li>A developed judgement/conclusion is made in the business context.</li> <li>Developed evaluative comments which balance some key arguments in the business context.</li> </ul> |           |
|          | <b>2</b>                                                                                   | <b>2 marks</b><br><b>Developed knowledge</b> of relevant key term(s) and/or factor(s) is used to answer the question. | <b>2 marks</b><br><b>Developed application</b> of relevant point(s) to the business context. | <b>2 marks</b><br><b>Developed analysis</b> that identifies connections between causes, impacts and/or consequences. | <b>3–4 marks</b><br><b>Developed evaluation</b> <ul style="list-style-type: none"> <li>A developed judgement/conclusion is made.</li> <li>Developed evaluative comments which balance some key arguments.</li> </ul>                                                            |           |
|          | <b>1</b>                                                                                   | <b>1 mark</b><br><b>Limited knowledge</b> of relevant key term(s) and/or factor(s) is used to answer the question.    | <b>1 mark</b><br><b>Limited application</b> of relevant point(s) to the business context.    | <b>1 mark</b><br><b>Limited analysis</b> that identifies connections between causes, impacts and/or consequences.    | <b>1–2 marks</b><br><b>Limited evaluation</b> <ul style="list-style-type: none"> <li>A judgement/conclusion is made with limited supporting comment/evidence.</li> <li>An attempt is made to balance the arguments.</li> </ul>                                                  |           |
|          | <b>0</b>                                                                                   | <b>0 marks</b><br>No creditable response.                                                                             | <b>0 marks</b><br>No creditable response.                                                    | <b>0 marks</b><br>No creditable response.                                                                            | <b>0 marks</b><br>No creditable response.                                                                                                                                                                                                                                       |           |

| Question | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Marks |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 2(d)     | <p>Responses may include:</p> <p><b>AO1 Knowledge and understanding</b></p> <ul style="list-style-type: none"> <li>Knowledge of supply chain management <span style="border: 1px solid red; padding: 0 2px;">K</span> (max 2 marks), including: <ul style="list-style-type: none"> <li>The management and flow of products, services and data</li> <li>Sourcing and delivery of raw materials <b>to the business</b></li> <li>Organisation of the movement of inventory <b>within the business</b></li> <li>The sales and delivery of products <b>from the business</b> to the customer</li> </ul> </li> </ul> <p><b>AO2 Application</b></p> <p>Application to ZF <span style="border: 1px solid red; padding: 0 2px;">APP</span>, including:</p> <ul style="list-style-type: none"> <li>Zorba used all of his savings/redundancy to set up ZF</li> <li>Zorba wrote a business plan</li> <li>Use of Table 2.1</li> <li>ZF opened at the start of January 2026 / first three months trading</li> <li>Changeable weather conditions – no guarantee of which flowers will be available</li> <li>ZF often forced to work over-capacity at time of high demand (allow any reasonable time of high demand)</li> <li>Perishable (flowers) inventory – easily damaged</li> <li>No working capital at the end of three months.</li> </ul> <p><b>AO3 Analysis</b></p> <p>Limited analysis of the impact of supply chain management on a business <span style="border: 1px solid red; padding: 0 2px;">AN</span> – developed analysis <span style="border: 1px solid red; padding: 0 2px;">DEV</span>, including:</p> <ul style="list-style-type: none"> <li>Reduced cost of raw materials – increased profitability.</li> <li>Better relationships with suppliers which <u>lower costs</u> – increased profit.</li> <li>Quicker deliveries from suppliers / lower lead time – increased sales.</li> <li>More efficient movement of inventory within the business – builds a better reputation for the business.</li> <li>Less bottlenecks in production which <u>lower costs</u> – increased profit.</li> <li>Better communication with customers which <u>improves reputation</u> – increased revenue.</li> <li>Quicker deliveries to customers which <u>improves reputation</u> – increased sales.</li> <li>Use of best/cheapest suppliers which <u>lower costs of production</u> – increased profit.</li> </ul> |       |

| Question                                                                                          | Answer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Marks                                                                                                                                                                                                                                                                                             |                                                                                                  |                                                                                                                |                                                                                               |                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                   |                                                     |                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                   |  |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 2(d)                                                                                              | <p><b>AO4 Evaluation</b></p> <p>Limited evaluation of the importance of improved supply chain management to ZF's future success <span style="border: 1px solid red; padding: 0 2px;">EVAL</span> – developed <span style="border: 1px solid red; padding: 0 2px;">E</span> – developed in context <span style="border: 1px solid red; padding: 0 2px;">EE</span>, including:</p> <ul style="list-style-type: none"> <li>• A judgement over the <u>level of importance</u> to ZF of supply chain management to ZF's future success.</li> <li>• What the judgement might depend upon, including: relationship with suppliers/customers/ other stakeholders, objectives of the business, objectives of the owner, distance from suppliers/customers etc.</li> <li>• The level of importance compared with other aspects/functions of the business, such as marketing, HRM, operations, finance.</li> </ul> <p>Accept all valid responses.</p> <table border="1"> <tr> <th>L1 <span style="border: 1px solid red; padding: 0 2px;">EVAL</span> (limited supporting evidence)</th><th>L2 <span style="border: 1px solid red; padding: 0 2px;">E</span> (developed supporting evidence)</th><th>L3 <span style="border: 1px solid red; padding: 0 2px;">EE</span> (developed supporting evidence with context)</th></tr> <tr> <td>Supply Chain Management is vital to ZF's future success because of the nature of the product.</td><td>Supply Chain Management is vital to ZF's future success because of the nature of the product. Since the flowers have to be sold quickly it is vital that Zorba orders the right inventory and gets it to the right customers on time.</td><td>Supply Chain Management is vital to ZF's future success because of the nature of the product. Since the flowers have to be sold quickly because they are perishable it is vital that Zorba orders the right inventory and gets it to the right customers on time.</td></tr> <tr> <td>It depends on his relationship with ZF's suppliers.</td><td>It depends on his relationship with ZF's suppliers because if this is a good relationship, then improving his supply chain management is not important. However, if it is a bad relationship then it becomes very important to ZF's future success.</td><td>It depends on his relationship with ZF's suppliers because if this is a good relationship, then improving his supply chain management is not important. However, if it is a bad relationship then it becomes very important to ZF's future success especially due to his lack of working capital.</td></tr> </table> | L1 <span style="border: 1px solid red; padding: 0 2px;">EVAL</span> (limited supporting evidence)                                                                                                                                                                                                 | L2 <span style="border: 1px solid red; padding: 0 2px;">E</span> (developed supporting evidence) | L3 <span style="border: 1px solid red; padding: 0 2px;">EE</span> (developed supporting evidence with context) | Supply Chain Management is vital to ZF's future success because of the nature of the product. | Supply Chain Management is vital to ZF's future success because of the nature of the product. Since the flowers have to be sold quickly it is vital that Zorba orders the right inventory and gets it to the right customers on time. | Supply Chain Management is vital to ZF's future success because of the nature of the product. Since the flowers have to be sold quickly because they are perishable it is vital that Zorba orders the right inventory and gets it to the right customers on time. | It depends on his relationship with ZF's suppliers. | It depends on his relationship with ZF's suppliers because if this is a good relationship, then improving his supply chain management is not important. However, if it is a bad relationship then it becomes very important to ZF's future success. | It depends on his relationship with ZF's suppliers because if this is a good relationship, then improving his supply chain management is not important. However, if it is a bad relationship then it becomes very important to ZF's future success especially due to his lack of working capital. |  |
| L1 <span style="border: 1px solid red; padding: 0 2px;">EVAL</span> (limited supporting evidence) | L2 <span style="border: 1px solid red; padding: 0 2px;">E</span> (developed supporting evidence)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | L3 <span style="border: 1px solid red; padding: 0 2px;">EE</span> (developed supporting evidence with context)                                                                                                                                                                                    |                                                                                                  |                                                                                                                |                                                                                               |                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                   |                                                     |                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                   |  |
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| It depends on his relationship with ZF's suppliers.                                               | It depends on his relationship with ZF's suppliers because if this is a good relationship, then improving his supply chain management is not important. However, if it is a bad relationship then it becomes very important to ZF's future success.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | It depends on his relationship with ZF's suppliers because if this is a good relationship, then improving his supply chain management is not important. However, if it is a bad relationship then it becomes very important to ZF's future success especially due to his lack of working capital. |                                                                                                  |                                                                                                                |                                                                                               |                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                   |                                                     |                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                   |  |