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General Certificate of Education (A-level)
January 2013

Business Studies BUSS1

(Specification 2130)

Unit 1: Planning and Financing a Business

Report on the Examination

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General Comments

The case study concerned the setting-up of a coffee shop. Students showed an excellent understanding of this context and many drew on their own experiences in their answers. Although there were still a number of occasions when students merely narrated from the case study, there was a distinct improvement in the application of case materials to students' answers. There was also evidence of some excellent analytical skills, particularly where arguments were explained in the context of the business in the case study. However, there was still a tendency for analysis to be quite superficial in the longer questions, especially in question 2b.

Students found the calculation questions to be more challenging, possibly because they were based on marketing rather than financial concepts. There were relatively few direct calculation questions and the greater focus on extended writing did mean that time management skills were more important for this paper than recent BUSS1 papers.

Question One

(a) Most students earned some credit for defining 'bank overdraft'. Many definitions, however, did not provide a distinction between a bank overdraft and a bank loan. As in previous papers, a lack of precise vocabulary impaired many definitions.

(b) Many students provided an accurate formula but were unable to use the relevant data from the case study in order to achieve full marks. Common errors were choosing the wrong denominator and using Figure 1 rather than Figure 2, although the latter still enabled 2 of the 3 marks to be gained.

(c) Question 1(c) proved to be more accessible, but many students did not know how to calculate a percentage change with fewer than half of the responses earning full marks.

(d) There were some good responses, but a tendency to focus solely on Olivia's dislike of the call centre restricted the scope of some responses.

(e) This question proved to be challenging as students lacked understanding of the similarity in the rights of full-time and part-time workers. Those students who used the specific context of Olivia's use of staff generally performed well.

Question Two

(a) Answers to this question showed a distinct improvement in understanding of cash flow forecasting. Better answers developed their lines of argument in context, but there were still many examples of students identifying relevant elements from the case but failing to utilise them in order to analyse why cash flow forecasts are produced.

(b) This was the question that proved to be most popular with students, who showed excellent understanding of the issues of location. Virtually every student picked out relevant points and explained them in context, showing sound application. However, many answers were mainly a list of points with a brief commentary on each. Evaluation varied, with some students providing a very clear conclusion, whilst in other answers the judgement was not clearly linked to the evidence presented. There was limited evidence of ordering of the importance of arguments with the data often being used in a piecemeal manner, to present a set of pros and cons, rather than being manipulated in order to present an overview of the merits and demerits of each site. Many students who produced comprehensive examples of application and analysis then devoted too little time to evaluation. Better answers often contrasted the short-term and long-term situations in order to evaluate.

(c) Some students focused purely on the advantages and disadvantages of franchising. However, there were many students who built their responses around the concept of risk, leading to some very pertinent responses. Better students were able to assess the degree of risk rather than provide more generic commentary on whether risk existed.

Mark Ranges and Award of Grades

Grade boundaries and cumulative percentage grades are available on the Results statistics page of the AQA Website.