## AQA

Please write clearly in block capitals.

Centre number


Candidate number


Surname
Forename(s) $\qquad$
Candidate signature $\qquad$
AS

## BUSINESS

## Paper 2 Business 2

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

## Materials

For this paper you must have:

- the insert (enclosed)
- a calculator.


## Instructions

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


## Information

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

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


## Answer all questions.

Read the source in the insert booklet.

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

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02 The budgeted profit for Rana Fashion in 2018 was $£ 2946000$. Using the data below, calculate the profit variance for Rana Fashion in 2018. State whether it is adverse or favourable.

|  | Actual |
| :--- | :---: |
| Sales revenue | $£ 5600000$ |
| Costs: |  |
| Inventory | $£ 2300000$ |
| Warehousing | $£ 200000$ |
| Distribution | $£ 126000$ |
| IT | $£ 170000$ |
| Other | $£ 180000$ |

Workings $\qquad$
$\qquad$
$\qquad$
Budgeted profit variance $\qquad$
Adverse/favourable?

| 0 | 3 | $E x p l a i n ~ h o w ~ R a n a ~ F a s h i o n ' s ~ o w n e r s h i p ~ s t r u c t u r e ~ h e l p s ~ t h e ~ b u s i n e s s ~ t o ~ a c h i e v e ~ i t s ~$ |
| :--- | :--- | :--- | objectives.

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## Turn over for the next question

| $\mathbf{0}$ | $\mathbf{4}$ | Rana Fashion outsources its distribution function. |
| :--- | :--- | :--- | Analyse two reasons why.

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| $\mathbf{0}$ | $\mathbf{5}$ | Claudia is considering delegating more to her warehouse manager. |
| :--- | :--- | :--- | Analyse two benefits of this to Rana Fashion.

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06 How useful do you think the data provided in Figures 1, 2 and $\mathbf{3}$ might be to Claudia when predicting future sales? Justify your answer.
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| 0 | 7 | Rana Fashion's financial adviser has suggested two solutions to the company's cash flow |
| :--- | :--- | :--- | problems. Make a justified recommendation as to which solution Claudia should choose. [16 marks]

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| 0 | 8 | 'For any retailer to make a profit in the future it will need to be operating only online.' |
| :--- | :--- | :--- | Do you agree? Justify your view.

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