



Rewarding Learning

ADVANCED SUBSIDIARY (AS)
General Certificate of Education
2024

Centre Number

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Candidate Number

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Business Studies

Assessment Unit AS 1

assessing

Introduction to Business

MV18

[SBU11]

FRIDAY 17 MAY, MORNING

Time

1 hour 30 minutes, plus your additional time allowance.

Instructions to Candidates

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

You must answer the questions in the spaces provided.

Do not write on blank pages.

Complete in black ink only.

Information for Candidates

The total mark for this paper is 80.

Quality of written communication will be assessed in Question 1 parts (c) and (d) and Question 2 parts (c) and (d).

Quantitative skills will be assessed in Question 1(b)(ii).

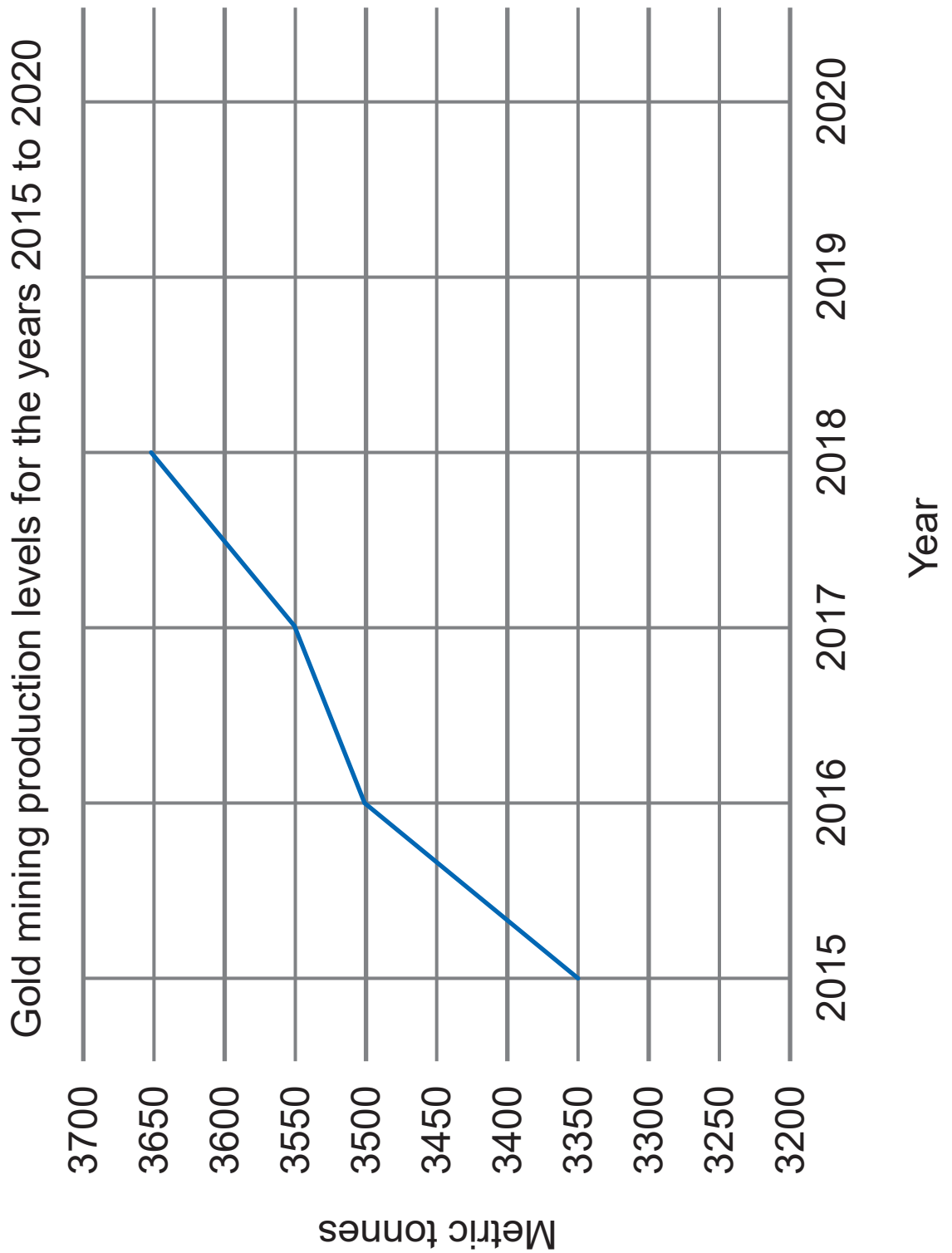
Figures in brackets printed at the end of each question indicate the marks awarded to each question or part question.

Any workings should be clearly shown since marks may be awarded for partially correct solutions. This paper is accompanied by a Case Study Booklet.

Advice to Candidates

You are advised to take account of the marks for each part question in allocating the available examination time.

(ii) Complete the graph below, using the data provided in **Table 2**. [2 marks]



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(Questions continue overleaf)

Sources

Table 2.....Data adapted from Mined gold supply still not keeping up with demand by Rik Mills, 20 April 2021.
© The Northern Miner Group

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Question Number	Marks
1(a)	
1(b)	
1(c)	
1(d)	
2(a)	
2(b)	
2(c)	
2(d)	
Total Marks	

Examiner Number

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Case Study Booklet

Case Study 1

Read the following information and answer **Questions 1(a) to (d)** in the answer booklet.

Dalradian Gold Limited (Dalradian)

Dalradian is a private limited company whose primary focus is the development of its mine, situated at the edge of the Sperrin Mountains in Co. Tyrone. Dalradian's directors and shareholders believe that the mine holds the most promising underdeveloped gold, silver and copper deposits in the world, valued at £30 billion.

Dalradian has spent £130 million to date preparing the Sperrin site and has submitted a planning application to the local council to mine underground for the gold, silver and copper deposits.

The prospect of mining has received a mixed reaction within the local community, with some welcoming the promise of jobs and investment, while others fear pollution and contamination of air, land and water.

The main influences on the worldwide demand for gold arises from the following factors shown in **Table 1** opposite.

Table 1 Factors affecting the demand for gold

Factor	Explanation
Tastes and fashion	Jewellery is the primary physical use of gold and represents the largest source of annual demand for gold.
Complementary goods	Gold is also required for the manufacture of computers, smart telephones and televisions.
Income	As disposable income in the UK decreases, less gold will be demanded.

Table 2 outlines approximate global gold mining production levels, in metric tonnes, for the years 2015 to 2020.

Table 2 Global gold production for the years 2015 to 2020

	2015	2016	2017	2018	2019	2020
	Approximate metric tonnes of gold mined					
Gold mine production	3350	3500	3550	3650	3600	3500

Innovation plays a critical role in Dalradian's gold mining processes. The following innovative methods are employed by Dalradian:

- Digital technology, such as Wi-Fi and optical fibre, has transformed mining. This new IT technology has provided Dalradian with real-time information on employees, equipment and ongoing operations.
- Dalradian aims to operate a carbon-neutral mine, achieved through the use of conveyor belts to transport materials, instead of trucks, and the addition of biodiesel and electric vehicles to its fleet, to reduce carbon emissions.
- Dalradian meets all rigorous legal environmental regulations with the construction of a water treatment facility and an innovative water protection system, which enables water to be treated to strict environmental quality standards in order to protect groundwater and local rivers.

Dalradian will need to raise substantial amounts of capital to continue mining, especially if the planning permission is granted. One immediate solution for Dalradian to acquire additional capital is to consider changing ownership to a public limited company, for example Dalradian Gold plc. As a public limited company, Dalradian Gold plc's shares will be sold on the stock exchange, exposing the company to the possibility of a takeover.

The additional cost of official procedures in setting up a public limited company are very expensive, but are required to ensure that Dalradian Gold plc complies fully with UK company laws.

Sources

"Source 1: Adapted from 'How much is a life worth?': Northern Irish community split over gold-mining plans by Rory Carroll and Severin Carrell. 25 July 2020 © Guardian News & Media Limited

Source 2: Adapted from Dalradian Issues Third Responsible Business Report. 08 November 2022 © Dalradian Gold

Source 3: Adapted from Mining - a hi-tech sector focused on continuous improvement. 22 December 2020 © Dalradian Gold

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Turn over for Case Study 2

Case Study 2

Read the following information and answer **Questions 2(a) to (d)** in the answer booklet.

North West Youth Club Ltd (NWYC)

NWYC operates from a purpose-built youth facility located in a large housing estate in Londonderry/Derry. The youth club is registered as a charity with the Charities Commission in Northern Ireland. The club is primarily funded by the Education Authority, but financial grants are also received from Derry City and Strabane District Council, Big Lottery Fund and other donors.

Annual staff appraisals at NWYC are carried out between managers and staff. As part of the appraisal process, managers seek to review the requirements of the job in conjunction with the needs of the individual staff member. The key features of staff appraisals are to:

- review work completed in the previous year;
- plan ahead for future work;
- plan and prioritise specific tasks;
- support staff in their roles;
- receive feedback about their workload and to identify training and development needs.

It is the NWYC manager’s responsibility to facilitate training and identify suitable training methods, such as:

- on-the-job training through job shadowing and secondments;
- continuing professional development (CPD) through one-to-one coaching, mentoring and professional career counselling;
- off-the-job training through attending conferences, such as a Health and Safety course costing £400.

These training methods will help employees update their knowledge and acquire new skills, enabling them to do their jobs more effectively.

The management of NWYC considers Maslow’s Hierarchy of Needs theory as a technique to motivate employees to aim for higher personal aspirations. **Table 1** below shows how the Youth Club meets the needs of the employees.

Table 1 Maslow’s Hierarchy of Needs

Need	Application
Physiological	In 2021, North West Youth Club Ltd moved into its new £3 million building. NWYC offers a safe working environment, proper lighting throughout, clean facilities, proper airflow and constant heat.
Security	The Youth Club values everyone’s ideas. The Club management treats staff with respect and employees are allowed the freedom to take risks. Employees are not criticised or humiliated.

NWYC employs 20 full-time workers, 30 part-time youth support workers and a team of 25 volunteers.

The management team at NWYC uses interviews as a method of selection to appoint the most suitable applicant for the job. This means that they can assess a candidate's experience and ability to perform the role. They can assess if the candidate will fit in with the rest of the employees and assess if the candidate has the communication and social skills required for the job.

All members of the interview panel are trained to conduct interviews and are responsible for ensuring that bias does not occur. The panel ensures that there is consistency and fairness of questioning and equal opportunity for applicants to highlight their knowledge, skills and abilities.

End

Source © Principal Examiner

This is the end of the Case Study Booklet

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