



GCSE EXAMINERS' REPORTS

APPLIED BUSINESS

JANUARY 2019

Grade boundary information for this subject is available on the WJEC public website at:
<https://www.wjecservices.co.uk/MarkToUMS/default.aspx?l=en>

Online results analysis

WJEC provides information to examination centres via the WJEC secure website. This is restricted to centre staff only. Access is granted to centre staff by the Examinations Officer at the centre.

Annual Statistical Report

The annual Statistical Report (issued in the second half of the Autumn Term) gives overall outcomes of all examinations administered by WJEC.

Unit	Page
BUSINESS FINANCE AND DECISION MAKING I	1

APPLIED BUSINESS

General Certificate of Secondary Education

January 2019

BUSINESS FINANCE AND DECISION MAKING I

General Comments

This was the final paper of the GCSE Applied Business qualification and was taken by only twenty-one candidates. The both the question type and format would have been familiar to all candidates, consequently, the paper was accessible to all. All the candidates were resitting the paper and some did well but a significant number had clearly undertaken little or no revision and performed accordingly.

As stated in previous reports, candidates must ensure that their responses are in the same context as the given business scenarios, particularly in the questions regarding methods of payment and computer software. General answers are insufficient as responses need to be specific to the question asked. Many candidates also lost marks because they did not understand the purpose of each document of transaction. It is essential that they understand why different documents are produced by a business.

- Q.1
- (a) In this question which asked for transaction documents to be placed in the correct spaces, many candidates obtained the six marks on offer. However, some did not know the difference between the Delivery Note and the Goods Received Note nor the Remittance Advice Note and the Receipt.
 - (b) Most candidates achieve full marks for completing the Purchase Order. A few candidates could not calculate the delivery date.
 - (c) Candidates who attempted the question were able to identify two possible consequences of filling in the Purchases Order incorrectly.
 - (d) Candidates have become more aware of the pitfalls of filling in a Credit Note and only a few fell into the trap of calculating on the basis that all eight items had been returned. Some had problems calculating the VAT.
 - (e) A significant number of candidates confused a Remittance Advice Note with a Receipt. A Remittance Advice Note is not a record of payment. It is sent with the payment to let the seller know who the payment is from and what is being paid for. It, therefore, cannot be a proof of payment as the buyer no longer has the document.
 - (f) Few candidates attempted to correct the Statement of Account but those who did were able to obtain all the marks available.
 - (g) Most candidates were able to note some advantages and disadvantages of most methods of payment but many lost marks as they did not answer in the correct context. The question specifically asked for answers from the point of view of the seller, *On the Wall*, but a significant number of candidates ignored this.
 - (h) Some candidates seemed to be unfamiliar with the term 'business document' and lost marks as they could not correctly name one. Candidates also wrote about methods of payment and generally about computer programs. Consequently, as they had not answered the question, they gained very few marks. However, many candidates did perform well.

- Q.2 (a) This question asked candidates to complete a Profit and Loss Account and was answered well by those candidates who attempted it, most obtaining full marks.
- (b) As candidates are frequently asked to calculate the Gross and Net Profit percentages, this question posed few problems for many candidates. As is often the case, some candidates struggled with percentages. The Own Figure Rule was used when marking this question.
- (c) Candidates struggled to provide a full answer as to why the Gross Profit Percentage had changed, few picking up on the rise in the costs of sales. Candidates provided better answers for the change in the Net Profit Percentage.
- (d) Very few candidates were able to correctly classify the Fixed Assets, Current Assets and Liabilities given in the question. Cat cages and Cash in Bank were the only two items that candidates were confident about.
- (e) Few candidates were able to complete the Balance Sheet correctly. Many had not fully read the scenario at the start of the question and many did not seem to know that Total Net Assets are always equal to Closing Capital.
- (f) As in most recent papers, candidates had few problems with the calculation of the Debtor Collection Period and the Creditor Payment Period.
- (g) The candidates who attempted this question were usually able to obtain the marks on offer for stating the change in the ratios. However, only a few candidates showed any real understanding of the effects of these changes on the **business and whether the business would be likely to obtain a loan.**
- Q.3 (a) Only a few candidates were able to correctly define the term 'Budget'. Many gave an advantage of preparing a budget as a definition.
- (b) Most candidates who attempted the question were able to give at least two advantages of preparing a Budget.
- (c) Candidates had trouble deciding whether Rates, Display Cabinets and Replacement Stock were Fixed or Variable Costs and, consequently, lost marks.
- (d) Those candidates who attempted to complete the formula and to calculate the number of sales required to break even invariably achieved full marks.
- (e) Most candidates who attempted to complete the table on Costs and Revenue achieved full marks.
- (f) This question asked that candidates evaluated the usefulness of a spreadsheet program in producing a break-even chart. Candidates in the main, however, gave generic answers on spreadsheet programs with little or no reference to the question.



WJEC
245 Western Avenue
Cardiff CF5 2YX
Tel No 029 2026 5000
Fax 029 2057 5994
E-mail: exams@wjec.co.uk
website: www.wjec.co.uk