Sample Assessment Materials (Onscreen tests)

BTEC Firsts in Business
Unit 2: Finance for Business

We've created a sample assessment so you can familiarise yourself with the format and style of content used in onscreen tests for **BTEC Firsts in Business**.

NEXT STEPS

- **Take the sample test**
  You can **take this sample test in a live online environment here**.

- **Familiarise yourself with the screens**
  Or you can **browse through screenshots** of the individual questions in this document to familiarise yourself with the onscreen format.

  You can link through to the **live test** from any page.

NEXT ➡

| Time | Help | Review | Flag | Previous | Next | Exhibit | Translation | Quit | Status |
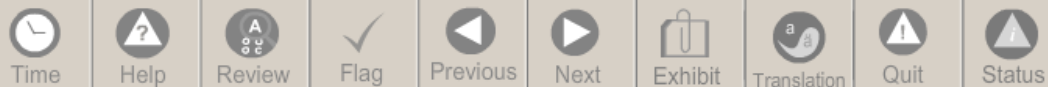
Edexcel BTEC Level 1/Level 2
First Award in Business
Unit 2: Finance for Business

BTEC

Sample Assessment Materials (SAMs)

Information for candidates

This is a sample assessment.
It allows you to familiarise yourself with the onscreen assessment.
The assessment is **1 hour** in duration and has **50 marks**.
The number of marks for each question part is shown in brackets e.g. (2)

You are provided with the following tools on every screen:

Onscreen calculator

Accessibility panel
This allows you to magnify the screen and apply a range of colour filters.

Onscreen notepad
This is for rough notes only. It will **not** be marked.

OK

ALWAYS LEARNING

PEARSON

BACK

NEXT

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

Which **one** of these is revenue for a bicycle shop?   (1)

Click on **one** of the boxes.

Advertising bicycles ☐

Taking out a business loan ☐

Bicycle sales ☐

Staff wages ☐

190
BIKES & PARTS

OPEN

BACK   NEXT

Ella and Mark have rented a small factory for their printing business.
They will be offering printing services to other businesses, including providing leaflets and posters.

Give **two** examples of variable costs the printing business may have. (2)

Type your answers in the boxes.

Example 1:

Example 2:

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

Roger is opening a new cafe. Here are some of his costs.

Which of these are **start-up costs** and which are **running costs**? (2)

Click to show whether each statement is a start-up cost or a running cost.

	Start-up costs	Running costs
Buying tables and chairs	☐	☐
Paying staff wages	☐	☐
Advertising the opening of the cafe	☐	☐
Heating the cafe	☐	☐

BACK

NEXT

Melissa plans to start selling cosmetics online. She has estimated the following monthly costs if she sells 500 items:

- A variable cost of £10 for each item she sells
- Total fixed costs of £4000

(a) Complete the table using this information. **(2)**

Type your answers in the table. The total costs will be calculated automatically.

	500 items sold
Variable costs	£
Fixed costs	£
Total costs	£

(b) What would the fixed cost be if Melissa sold 1000 items? **(1)**

Type your answer in the box.

A small business manufactures and sells keyrings.
Each keyring retails for £2.50

The business sold 50 000 keyrings last year.

Calculate the total revenue for the business.   (2)

Type your answer in the box.

£ [   ]

You may use the working box to show your calculations.

$\frac{x}{y}$

°

x^2

$\sqrt{}$

+

-

x

÷

Images © 2011 Immrchris/Shutterstock.

Question Number 5

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

Abdul is running an apprenticeship programme and has recently recruited two new trainees. The trainees are learning about how businesses plan for, and measure, success.

One of the trainees asks about budgeting and budgetary control.

(a) Outline the difference between budgeting and budgetary control. **(2)**

Type your answer in the box.

The other trainee is working with Abdul to complete financial statements and asks a question about trading accounts.

(b) Explain **one** advantage to the business of completing a trading account. **(2)**

Type your answer in the box.

Time | Help | Review | Flag | Previous | Next | Exhibit | Translation | Quit | Status

A Managing Director is analysing data for her business. She uses this break-even chart.
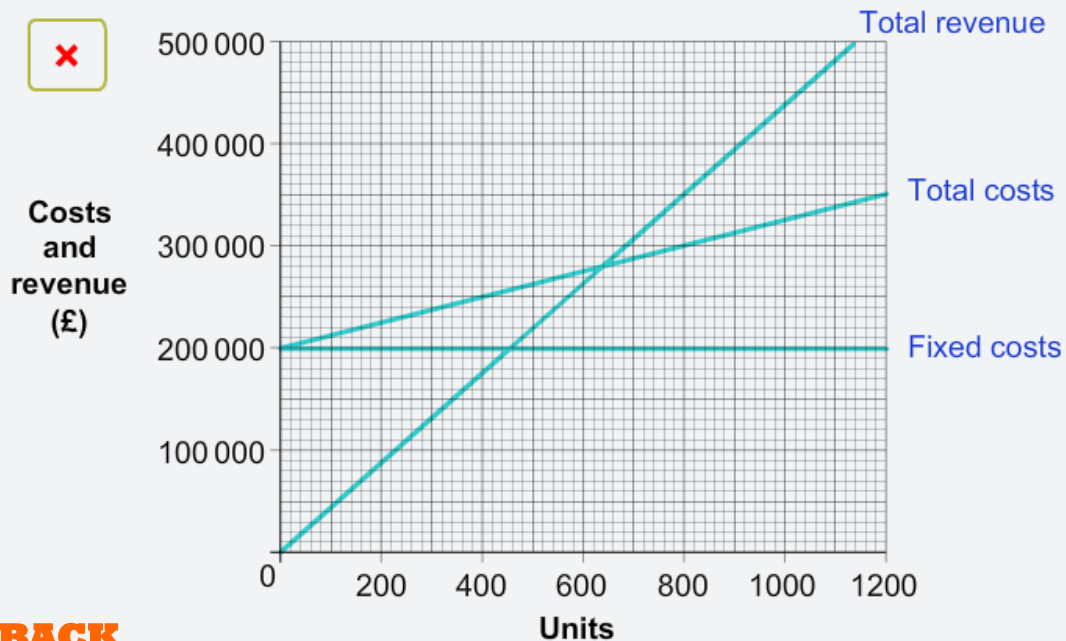
(a) Define the term breakeven. (1)

Type your answer in the box.

(b) Identify the break-even point on the chart. (1)

Drag the **X** onto the chart to show the break-even point.

✗

Total revenue
Total costs
Fixed costs

Costs and revenue (£)

500 000
400 000
300 000
200 000
100 000
0

0   200   400   600   800   1000   1200

Units

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

The owner of a business is completing a cash flow forecast and wants to identify the cash inflows for the business.

Which **two** of these are cash inflows?   (2)

Click on the **two** correct cash inflows.

Telephone bill

Monthly rent
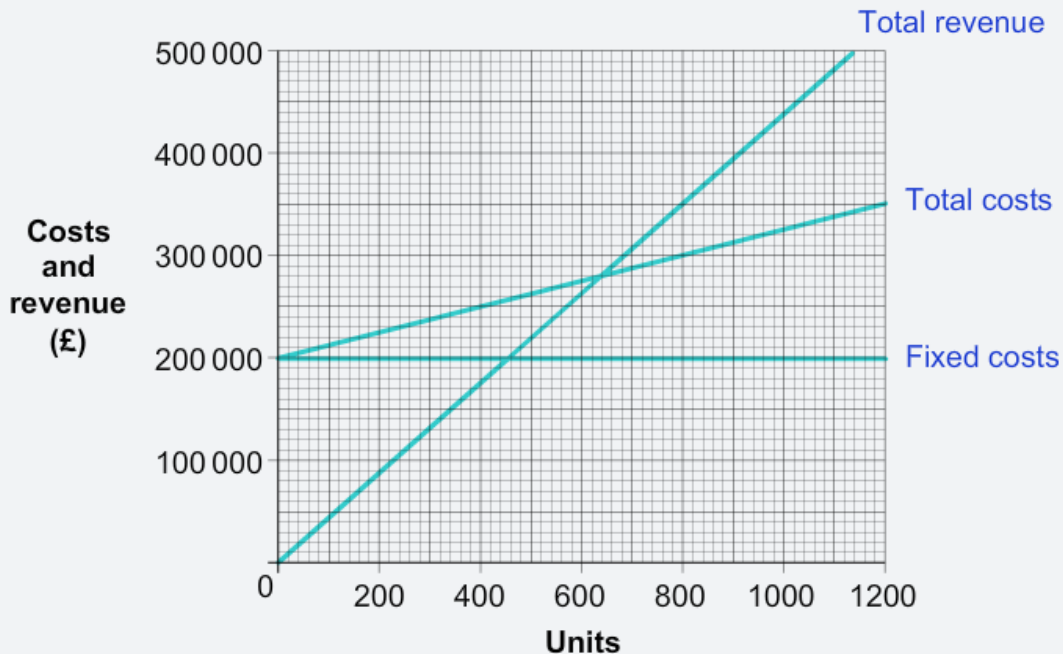
Sales income

Staff wages

Share capital

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

Here is a break-even chart for a business.

(a) Identify the area of profit on the chart.   (1)

Click on the chart to highlight the area of profit.

(b) What is the total revenue if the business sells 800 units?   (1)

Type your answer in the box.

£ [   ]

| Time | Help | Review | Flag | Previous | Next | Exhibit | Translation | Quit | Status |

Rowan is the owner of a small cafe.
She has produced the following cash flow forecast for her cafe, for three months.

2012	September (£)	October (£)	November (£)
Total Receipts	8500	9250	9000
Total Payments	7210	8450	8855
Net Cash flow	1290	800	145
Opening Balance	450	1740	2540
Closing Balance	1740	2540	2685

Rowan realises that she has forgotten to include a payment of £3500 for new equipment for the cafe.
This payment will be made in October.

Using this information, update the cash flow forecast for the cafe.   (3)

Type your answers in the table.

2012	September (£)	October (£)	November (£)
Total Receipts	8500		
Total Payments	7210		
Net Cash flow	1290		
Opening Balance	450	1740	
Closing Balance	1740		

BACK

NEXT

| Time | Help | Review | Flag | Previous | Next | Exhibit | Translation | Quit | Status |

A business produces the following cash flow forecast for three months.

2013	January (£)	February (£)	March (£)
Total Receipts	12 000	12 500	11 500
Total Payments	9850	19 400	10 600
Net Inflow/Outflow	2150	(6900)	900
Opening Balance	1250	3400	(3500)
Closing Balance	3400	(3500)	(2600)

(a) Using the information in the cash flow forecast, recommend **one** action
the business can take to manage its finances for these three months. **(1)**

Type your answer in the box.

(b) Explain how the action will benefit the business. **(2)**

Type your answer in the box.

| Time | Help | Review | Flag | Previous | Next | Exhibit | Translation | Quit | Status |

A business manufactures televisions. The table shows their predicted figures for the next year.

	£
Selling price per television	1000
Variable cost per television	800
Fixed costs	12 000

The formula to calculate breakeven is:

$$\text{Breakeven} = \frac{\text{fixed costs}}{\text{selling price per unit} - \text{variable costs per unit}}$$

How many televisions would the business need to sell to break even? (1)

Type your answer in the box.

[   ] televisions

You may use the working box to show your calculations.

$\frac{x}{y}$
°
x^2
$\sqrt{}$
+
−
x
÷

Time Help Review Flag Previous Next Exhibit Translation Quit Status

Give the formula used to calculate profit. (1)

Drag the correct tiles to the boxes.

Revenue	Number of sales	Inflows
Fixed costs	Variable costs	Expenditure

Profit = ⬚ – ⬚

Time | Help | Review | Flag | Previous | Next | Exhibit | Translation | Quit | Status

A trainee manager is learning about the cost of sales for a manufacturing business.

Which **one** of these is a cost of sales for the manufacturing business?   (1)

Click on the correct image.

Building a new factory to manufacture products

Employing people to sell the products

Buying raw materials

Buying delivery vehicles

Images © 2011 Shutterstock.

Question Number   14

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

Sian wants to complete her statement of financial position (balance sheet).
She needs to identify which items are assets.

Which **two** of these are assets?   (2)

Click on the **two** correct assets.

Money owed to suppliers

Equipment

Bank loan

Customers who owe money

Overdraft

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

The figures in the table are from an income statement (profit and loss account) for 2011.

Sales of products	£350 000
Rent	£50 000
Cost of sales	£270 000
Staff wages	£120 000
Telephone bill	£5000

The net profit for the business above is (£95 000) for the year.

Explain **two** ways in which the business can improve its net profit for 2012. (4)

Type your answer in the box.

The following items are to be entered into the income statement (profit and loss account) for a garden centre.

Income from sales
£68 500

Cost of sales
£33 750

Wages and salaries
£12 750

Vehicle leasing
£8500

Using this information, complete the income statement. (3)

Type your answers in the table.
To help you some information has already been entered.

	£	£
Cost of sales		
Gross profit		
Expenses		
Net profit		

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

Sasha runs a small printing business, which has just completed its first year in business.

This is an extract from the statement of financial position (balance sheet) for the printing business as at 31 December 2011.

	£	£
Fixed Assets		
Motor Vehicle		3000
Current Assets		
Stock	600	
Trade Receivables	3500	
Cash	200	
	4300	
Current Liabilities		
Trade Payables	200	
Overdraft	900	
Working Capital		
(Net current assets)		3200

Using the extract explain **two** short-term actions the business could take to improve its position. (4)

Type your answer in the box.

Time	Help	Review	Flag	Previous	Next	Exhibit	Translation	Quit	Status

Parul is planning to set up a new business making handmade jewellery and needs to plan for a successful first year.

Discuss the use of planning tools such as breakeven analysis in managing the success of her first year in business.

(8)

BTEC

You have answered   0   questions out of a total of   19

To check your answers and return to the test click on the Review button.

If your time has expired you cannot return to the test.

If you wish to end the test, please click on the Continue button.

[Review]   [Continue]

ALWAYS LEARNING

PEARSON

BTEC

Thank you for taking this test.

Please quietly notify the invigilator that you have finished.

OK

ALWAYS LEARNING

PEARSON