

N5

National Qualifications

2025

Business Management

Thursday, 22 May

Instructions to Candidates

Candidates should enter their surname, forename(s), date of birth, Scottish candidate number and the name and level of the subject at the top of their first answer sheet.

Total marks — 90

SECTION 1 — 40 marks

Attempt BOTH questions

SECTION 2 — 50 marks

Attempt ALL questions.

You may use a calculator.

You must clearly identify the question number you are attempting on your answer sheet.

Marks are shown in square brackets at the end of each question or part question.

An **ow** in the margin indicates a new question.

An asterisk indicates information that differs in some respect to the information in the printed paper.

A tactile diagram is supplied separately for Question 4.

[Braille page 2] SECTION 1 — 40 marks

Attempt BOTH questions

Case Study 1

Canine Campus Pet Rescue and Food Bank is an animal charity and rehoming service based in Glasgow. A dedicated team of employees and volunteers promote animal welfare and transform the lives of unwanted and abandoned animals. The food bank provides vital donations of pet food, treats and bedding to help people struggling to look after their pets.

Employees and volunteers are trained to handle all kinds of animals. They also conduct thorough assessments to identify the needs of each rescued animal. Volunteers are a vital part of the charity helping with day-to-day tasks of caring for animals. They also help with paperwork, adoption follow-ups and fundraising. The charity specialises in the rehabilitation of dogs with health and behavioural issues that most other pet rescue charities would turn away.

Both animals and families are fully assessed before adoption to ensure a good match. Once a successful match is made, the family pays an adoption fee. If circumstances change and adopting **[Braille page 3]** families can no longer look after the animal, it must be returned to the charity rather than being sold on.

Exhibit 1: Extract of UK charitable donations

[In the table below, year is followed by: total amount donated (billions).]

2021: 10.7.
2022: 12.7.
2023: 13.9.

The following questions are based on case study 1. You will need to make use of knowledge and understanding you have gained while studying the course.

[Braille page 4]

ow 1. (a) (i) From the case study, identify the sector of economy Canine Campus operates in. [1 mark]

(ii) Describe the other 2 sectors of the economy. [4 marks]

(b) Discuss the methods of advertising that Canine Campus could use to increase awareness. [5 marks]

(c) (i) From Exhibit 1, identify the trend in UK donations. [1 mark]

(ii) Outline the possible effect of the trend identified in (c)(i) on Canine Campus. [1 mark]

(d) Explain the costs and benefits of training for Canine Campus. [4 marks]

(e) (i) From the case study, identify 2 stakeholders of Canine Campus. [2 marks]

(ii) Describe the influence of each of the stakeholders identified in (e)(i). [2 marks]

[Braille page 5] Case Study 2

Nelly McCabe Independent Fashion Boutique (Nelly's) is a women's fashion retailer based in the village of Muirhead on the outskirts of Glasgow. Both its shop and website showcase exciting fashionable womenswear brands and the latest trends.

Inventory is sourced from Britain and across Europe. Along with clothing, Nelly's sells a range of boots, shoes, handbags, accessories, homeware and gifts. In the front of the store there is also a small coffee shop which serves lunches, drinks and snacks.

The store offers customers a personal shopping experience while ensuring affordability and quality. The owner wants to discourage throwaway fashion, make unique fashion more accessible and promote quality British and European designs and manufacturing.

The owner believes that shopping for fashionable clothes can be a tricky experience and said 'you can either enjoy shopping or hate it, and I want to give people the opportunity to try our clothes on without feeling intimidated'. Feedback from customers is that Nelly's clothes are beautiful, high quality and reasonably **[Braille page 6]** priced.

Exhibit 1: Extract showing value of inventory held by Nelly's

[Table below shows Year followed by: value of inventory.]

Year 2: £2,550.

Year 1: £9,424.

Exhibit 2: Extract of Google reviews of Nelly's

5 stars rating 5 days ago

Absolutely love this shop. Fantastic selection of beautiful clothes. The staff are extremely polite and helpful. Would highly recommend to all to go in and have a look. Great service and beautiful clothes.

5 stars rating 6 days ago

Lots of lovely items, totally no pressure to make quick choices. Lovely assistant. I'll buy from here again.

The following questions are based on case study 2. You will need to make use of knowledge and understanding you have gained while studying the course.

[Braille page 7]

- ow 2. (a) (i) From the case study, identify 2 target markets of Nelly's. [2 marks]
- (ii) Justify the use of target marketing. [3 marks]
- (b) Outline 2 objectives of Nelly's. [2 marks]
- (c) Discuss possible reasons for Nelly's holding less inventory, as shown in Exhibit 1. [4 marks]
- (d) (i) Distinguish between trade credit and a bank overdraft. [1 mark]
- (ii) Describe other sources of finance that Nelly's could use. [3 marks]
- (e) From the case study, identify one good and one service. [2 marks]
- (f) Explain the benefits of customer reviews, as shown in Exhibit 2. [3 marks]

[Braille page 8] SECTION 2 — 50 marks

Attempt ALL questions

- ow 3. (a) (i) Identify a type of business organisation that has unlimited liability. [1 mark]
- (ii) Other than unlimited liability, describe the advantages and disadvantages of the type of organisation identified in (a)(i). [3 marks]
- (b) (i) Identify 2 examples of economic factors. [2 marks]
- (ii) Explain the influence of each of the examples identified in (b)(i). [2 marks]
- (c) Describe 2 internal factors of an organisation. [2 marks]
- ow 4. Refer to the diagram for Question 4.
- (a) From the diagram for Question 4, describe stage A. [2 marks]
- (b) (i) Identify pricing strategies that an organisation could use. [2 marks]
- (ii) Describe factors that could affect an organisation's choice of pricing strategy. [2 marks]
- (c) Describe 4 sales promotions an organisation could use. [4 marks]

[Braille page 9]

- ow 5. (a) Explain the costs and benefits of job production. [3 marks]
- (b) Describe the benefits of an organisation producing in an environmentally friendly way. [3 marks]
- (c) Outline factors that could affect an organisation's choice of supplier. [4 marks]

ow * 6. [In table below, Units is followed by: Fixed Costs (£); Variable Costs (£); Sales Revenue (£); Profit/Loss (£).]

5: 300; 15; 75; (240).

10: 300; A; 150; (180).

15: 300; 45; 225; (120).

20: 300; 60; B; (60).

25: 300; 75; 375; 0.

30: 300; 90; 450; C.

(a) (i) From the table above, calculate the missing figures A, B, C. [3 marks]

(ii) Identify the break-even point in units. [1 mark]

(b) (i) Name the financial document that calculates the profit for the year. [1 mark]

[Braille page 10] (ii) Outline one reason for each of the following:

- decrease in sales revenue
- increase in cost of sales
- decrease in profit for the year. [3 marks]

(c) Describe the use of technology in finance department. [2 marks]

ow 7. (a) Outline stages in the recruitment process. [4 marks]

(b) (i) Discuss the use of a piece rate payment system. [2 marks]

(ii) Describe 2 other payment systems. [2 marks]

(c) Describe the role of a trade union. [2 marks]

[END OF QUESTION PAPER]