



## Welcome to A Level Business at Thomas Adams!

### Why do transition work?

Preparation is crucial for studying A levels. A levels require you to be an independent learner. Although you have fewer subjects, A levels require different study skills and the volume of work is greater due to the increased demand of depth and detail. The exercises in this booklet will ensure that you are ready for the exciting challenges of becoming an A level student in September.

### The basics and expectations

*Hopefully you have chosen Business as you have an interest in a subject which affects your everyday lives.*

**The basics:** Business is all around you every day, it isn't hard to see how it has affected you and will affect your future. Take Brexit for example, do you view that as a positive or a negative?

#### Task 1:

You are going to learn a lot of new vocabulary over the next two years, so here are the core concepts that we would like you to find out about.

Find and learn the definitions of these top 10 business terms using the website <https://www.tutor2u.net/business>.

You may use examples if it helps to illustrate your point.

Knowing your key terms is very important. *You will have key term tests regularly.*

Easy Key Terms	Challenging Key Terms
Revenue (define, formula)	Inflation
Profit (define, formula)	Interest rates
Variable costs (define, formula)	Opportunity Cost
Contribution per unit (formula)	Boston Matrix
Break even (define, formula)	Lean Production
Private limited company (LTD)	Labour turnover (define, formula)
Public limited company (PLC)	Capacity utilisation (define, formula)
Unlimited liability	ROCE (define, formula)
Limited liability	Current Ratio (define, formula)
Exchange rate	Price Elasticity of Demand
Profit margin	

### The expectations

Business is a subject that continues to change, it is a forward looking subject. It is a subject that requires writing in context. You cannot rely only on a text book. To be successful you will need to show:

1. *Awareness of business in the real world via media news sources*
2. *An ability to conduct independent research*
3. *Show logical chains of argument. Don't jump steps, link them in your answers*

An important part of A Level Business is being able to apply your subject knowledge to different businesses in different situations.

### Task 2:

Find an article on a newsite online about a well-known business. Write a short summary of the business below.





### Task 4: Numeracy Skills

In A-Level Business you are required to have good numeracy skills. In assessments, you will be required to confidently calculate and interpret data.

Complete this range of exercises test your ability to be calculating percentage changes. *Bring in your answers for the first Business lesson.*

1. A business increases its selling price from £5 to £7. Calculate the percentage increase in price.
2. A business reduces its selling price from £12 to £7.50. Calculate the percentage decrease in price.
3. A business sells a product for £150 per unit. It decides to reduce the price by 20%. Calculate the new selling price per unit.
4. After reducing the price of a product, the quantity demanded of the product increased from 200 units per week to 260 units per week. Calculate the percentage increase in the quantity demanded.
5. A business increased the price of its products from £80 per unit to £110 per unit. After the price increase, the quantity demanded fell from 800 units per week to 700 units per week. Calculate the percentage increase in price and the percentage decrease in the quantity demanded.
6. A business employs 2,200 staff. 176 staff work at the Head Office of the business. Calculate the percentage of staff who work at Head Office.
7. This year a business estimates that it will sell 138,000 units, 15% more than last year. Calculate the estimated number of units sold last year.
8. In 2018, the total size of a market by value was £840,000, 5% higher than in 2017. The average selling price per unit in 2017 was £4. Calculate the total size of the market by volume in 2017.
9. In 2018, the size of a market by volume was 400,000 units. The market is expected to grow by 6% per year for the next 5 years. Calculate the expected market size by volume in 2019 and 2020.
10. In 2016, a business had sales revenue of £200,000. In 2017, their sales revenue increased to £240,000 and in 2018 it increased to £288,000. In 2019, the total size of the market by value of the market the business operates in is forecast to be £8,640,000. If the business achieves the same rate of sales growth in 2019 as it has previously, what will their market share be in 2019?