AQA Level 3 Applied General in Business

Financial Planning and Analysis Unit 1, specification section A01 (Business Planning, Legal Structures & Financing the Enterprise)

**Your name**

**Year 11 Transition work**

In January you will sit an exam in Financial Planning and Analysis, it is vital that you are able to **use business terms correctly** and provide **analysis in context** of case study material. Read the following case study carefully and then answer the questions below. The work will be collected in by your teacher in the first week in September.

Case Study DAA Ltd

Since leaving the RAF, Debbie has worked as a helicopter pilot for a company that provides helicopter flights for leisure and business purposes. Debbie is establishing a private limited company to provide helicopter flights (DAA Ltd). She needs £2 million to provide her start-up capital and to buy a helicopter.

Debbie has no entrepreneurial experience but her father is a highly successful and wealthy businessman. She accepted an investment of £500 000 from her father Alan, despite her desire to be independent. She has invested a further £460 000 of the £2 million into the business. Her father knows entrepreneurs who would be interested in investing in the business.

**Answer all of the following questions. Please make sure you number them clearly and attach this sheet with your name in the box.**

**Section A:**

You can use the internet, E.G. <https://www.tutor2u.net/business> where there are plenty of resources. Make sure you write an explanation you understand.

1. What is a business plan? )
2. What is an entrepreneur?
3. What is start-up capital?
4. What is meant by the term profit?
5. What is a Private Limited Company (LTD)?
6. What is a Public Limited Company (PLC)?
7. What is share capital?
8. What is a Bank loan?
9. What is Public Liability Insurance?
10. What is meant by the term stakeholder?

Answer the following questions by using the case study to demonstrate your knowledge in context.

1. Why do you think Debbie has decided to set up a private limited company?
2. What enterprising skills might Debbie need to be successful in business?
3. If Debbie borrowed £40,000 from a bank over 10 years at a simple interest rate of 7%. Calculate what her monthly payments would be and the total paid back to the bank.

**Section B:**

Here is an example of an exam questions, you should develop chains of analysis by the use of connectives such as **because, leading to and therefore** (BLT). Make your point and then develop it by using these type of connectives**.**

1. *Analyse the benefits to Debbie of starting up as a private limited company (9 marks)*