




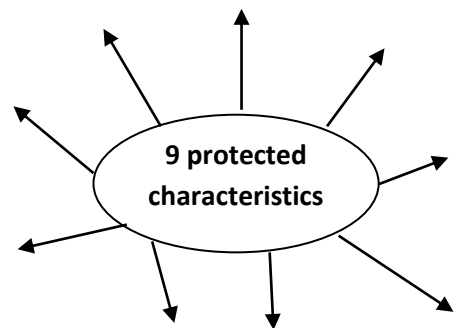


If the exchange rate between the Pound and the Euro/Dollar is...	What is the price in Pounds? 
£1.00 = \$3.00 	
£1.00 = \$0.75 	
£1.00 = €1.50 	
£1.00 = €1.00 	

What is Consumer Price Index used to measure?  
 What is the number of people claiming Job Seekers Allowance used to measure?

Underline the appropriate effect

If unemployment is falling, this will	increase costs	increase revenue
If consumer incomes are rising, this will	increase costs	increase revenue
If inflation is rising, this will	increase costs	increase revenue
If interest rates are rising, this will	increase costs	increase revenue
Raised corporation tax rates will	increase costs	increase revenue
A weaker pound, for an exporter, will	increase costs	increase revenue
A weaker pound, for an importer, will	increase costs	increase revenue



A contactless payment system costs £4,500. A business plans to borrow the money from their bank. They repay the loan over four years. Their monthly repayment is £115.15. Calculate the total interest the business will pay for this loan as a percentage of the total amount borrowed (2 d.p.).....%

**Stakeholders – for each of these identify likely objectives**

Shareholders – **To make money by being given a share of the profits of a company (called dividends)**

Employees –

Customers –

Managers –

Suppliers –

Local community –

Environmental pressure groups –

Trade unions –

Government –

	Impact on sales	Impact on costs	Impact on the marketing mix (4 Ps)
e-commerce – using the internet to sell	Should increase as customers can buy products 24 hours a day	A business might not have to have a physical shop so could reduce costs  Keeping up with the latest technology can be expensive	Place – can now sell in more places than before (ie online)  Price – can be lower if costs are lower
social media – online platforms such as facebook, twitter and youtube			
digital communication – txt messages, skype and email			
payment systems – such as credit & debit cards, apple pay and paypal			

### Lilith's adventure through the economic looking glass

“Lilith is a sole trader making and selling diamond encrusted phone covers. She is looking to expand her business but has no capital of her own. She decided to go to the bank and apply for a loan with the of England's base rate of \_\_\_\_\_ currently at 0.5% it seemed like a good time to borrow. The bank, however, refused to offer her a \_\_\_\_\_-interest loan and so this made her have second thoughts about borrowing money.

The diamonds that she uses come from Spain - recently the Sterling had been rising in value against the Euro. This meant \_\_\_\_\_ news for Lilith's profits.

Lilith had been reading the newspaper this week which suggested that the level of \_\_\_\_\_ activity had been falling recently. Lilith was conscience that this might cause people's incomes to fall which would affect her \_\_\_\_\_.

If her sales were to be affected this way, it would likely reduce the amount of tax she pays - this would affect the \_\_\_\_\_.

It would also likely mean she makes fewer orders of \_\_\_\_\_ in the future - this would affect her \_\_\_\_\_.

Lilith, as an \_\_\_\_\_, would also be affected as the amount of profit she makes will fall too.

<b>Interest</b>	<b>Fixed</b>	<b>Sales</b>	<b>Economic</b>
<b>Good</b>	<b>Owner</b>	<b>Bank</b>	<b>Raw materials</b>
	<b>Government</b>		<b>Suppliers</b>