

## **BUSINESS AND MANAGEMENT**

Time allowed: 1.5 hours (90 minutes)

**Answer THREE questions – ONE from each Section**

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### **SECTION A - Answer ONE question from this section**

1. Financial statements show the true profit and the value of the company. Discuss this statement.  
**(34 marks)**
2. If the Cash Flow statement is so informative, why bother producing an Income Statement?  
Discuss.  
**(34 marks)**

### **SECTION B - Answer ONE question from this section**

3. Discuss the reasons why control of the rate of inflation is often considered to be the focus of economic policy.  
**(33 marks)**
4. Discuss the concept of economic growth, exploring its costs, benefits, current and future challenges.  
**(33 marks)**
5. In terms of international trade explain how absolute advantage and comparative advantage differ.  
**(33 marks)**

### **SECTION C - Answer ONE question from this section**

6. Discuss whether climate change presents an opportunity or threat to businesses in the current business environment.  
**(33 marks)**
7. Explain the importance of competition for business and the consumer. **(33 marks)**
8. Explain the process of how a business can market a new product.  
**(33 marks)**

