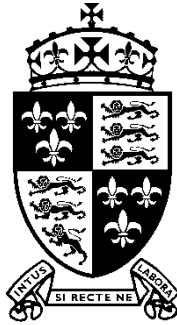


Surname:	First Name:
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Current School:



SHREWSBURY SCHOOL

SIXTH FORM ENTRANCE EXAMINATION 2021

ECONOMICS (Time: 1 Hour)

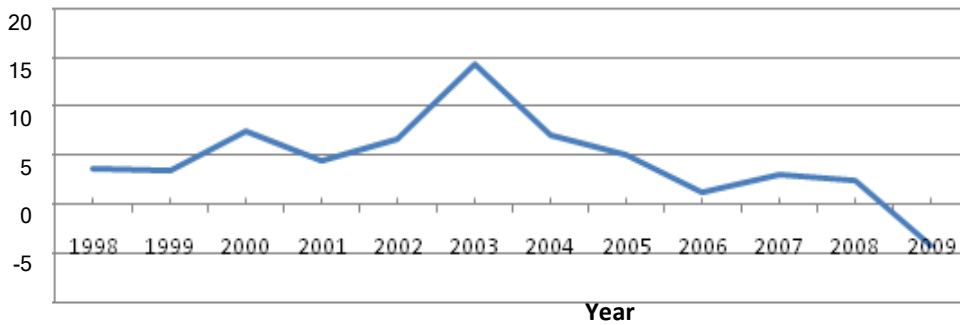
Instructions to candidates:

- Answer all questions, writing your answers in the spaces provided.
- The number of marks for each question is shown in square brackets: [].
- Total marks: 50
- You can use a calculator in this examination.
- **Relevant working must be shown in order to gain high marks.**

Short Questions [30 marks]

Question 1: Oil Prices

Oil Prices (% change)



a) In which year were oil prices at their highest? [2]

.....

b) What happened to oil prices from 2003-2006? Explain your answer. [3]

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.....

c) What happened to oil prices between 2008 and 2009? Explain your answer. [3]

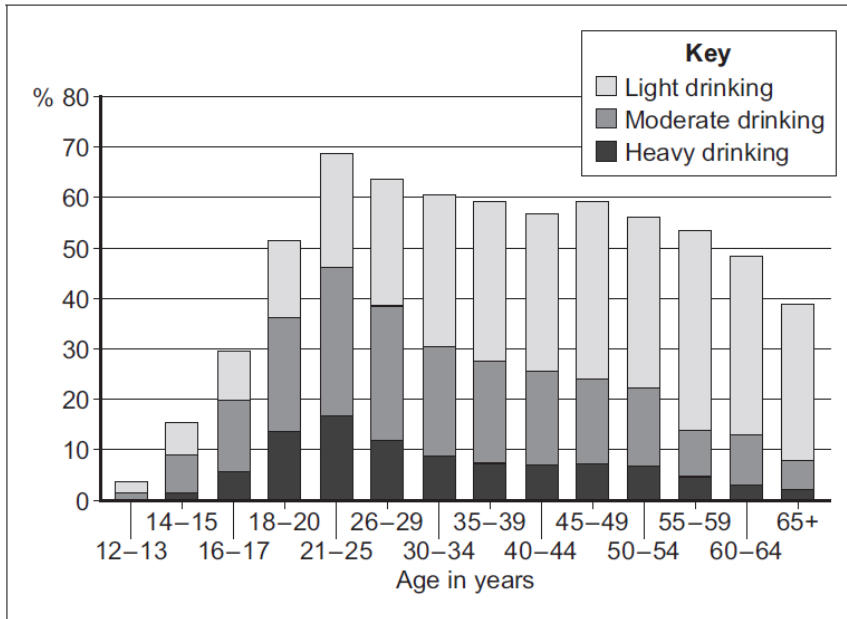
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Question 2

Jane runs her own business. She has a loan from the bank of £50,000. Over the past 12 months, she has paid £9,000 for materials and £18,000 in wages to a worker whom she employs. She runs the business from premises which her parents own. These premises could be rented out for £10,000 a year if she wasn't occupying them. She also has £40,000 worth of her own funds tied up in the business. Jane is also a trained teacher and at present works exactly half of her time in a school earning £20,000. She could work full time as a teacher (earning £40,000 a year) if she didn't run the business. The current rate of interest (cost of borrowing) is 5%. The total revenue of her business over the past 12 months was £60,000.

Question 3: Markets for Alcoholic Drinks

Fig 2 Percentage of different age groups consuming alcoholic drinks, 2016



Source: official statistics

b) Using fig 2 and **referring to the data** explain two significant points of comparison between the alcohol consumption of the different age groups shown. [4+4]

Significant comparison 1:

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Significant comparison 2:

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