

**Tuesday 22 January 2013 – Afternoon**

**AS GCE BUSINESS STUDIES**

**F292/01 Business Functions**

Candidates answer on the Question Paper.

**OCR supplied materials:**

- Clean copy Case Study

**Other materials required:**

- A calculator may be used

**Duration: 2 hours**

**MODIFIED LANGUAGE**



Candidate  
forename

Candidate  
surname

Centre number

Candidate number

**INSTRUCTIONS TO CANDIDATES**

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer **all** the questions. You should not need to spend more than 30 minutes on Section A.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- Do **not** write in the bar codes.

**INFORMATION FOR CANDIDATES**

- The number of marks is given in brackets [ ] at the end of each question or part question.
- The total number of marks for this paper is **90**.
- Your Quality of Written Communication will be assessed in questions marked with an asterisk (\*).
- This document consists of **20** pages. Any blank pages are indicated.



**A calculator may  
be used for this  
paper**

## Section A

Answer **all** questions.

Question 1 does **not** relate to the HHL case study.

- 1 (a) State **two** possible benefits to a firm if it grows in size.

1 .....

2 ..... [2]

- (b) Identify **two** methods used for investment appraisal.

1 .....

2 ..... [2]

- (c) 'Place' is one of the four Ps of the marketing mix.  
State what is meant by the term 'place'.

.....

.....

.....

..... [2]

- (d) The table below shows incomplete budgeting data for a coffee shop. Complete the missing data in the unshaded boxes. [4]

	Forecast (£)	Actual (£)	Variance (£)	Favourable/Adverse
Sales revenue	6000	5820		Adverse
Labour costs	4000		210	Favourable
Rent paid	1000	1100	100	
Other costs		640	40	Adverse

- (e) Explain **two** advantages to a business of having a narrow span of control.

Advantage 1 .....

.....

.....

.....

Advantage 2 .....

.....

.....

.....

[4]

- (f) Outline **one** advantage and **one** disadvantage to a firm of using benchmarking to improve quality.

Advantage .....

.....

.....

.....

Disadvantage .....

.....

.....

.....

[4]

**Section B**

Answer **all** questions.

Questions 2–5 are based on the HHL case study. Your answers should make specific reference to the issues facing HHL.

- 2 (a)** Nicole Lau has been told that 108 new customers were gained during the promotional pricing campaign in Yorkshire (**see Table 3**).

Calculate the price elasticity of demand for the Yorkshire region.

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**[4]**

[illegible]





- 3** With reference to **Tables 4 and 5**, assess what HHL's different stakeholders can learn about the business from the accounts. **[16]**

This image shows a full page of a worksheet designed for handwriting practice. It features 20 evenly spaced, horizontal dashed lines across the entire width of the page. The background is plain white, and there are no margins, text, or other markings present.





- 4 Evaluate how the trends in labour turnover across all of HHL's depots may affect the future success of the company. [16]

[illegible]





**5\*** Evaluate the extent to which lean production techniques may increase efficiency at HHL. **[20]**

[illegible]



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