

71
Candidate Num

General Certificate of Secondary Education 2012

### **Business Studies**

Unit 2: Business Development
[GBS21]

**WEDNESDAY 30 MAY, MORNING** 



## TIME

1 hour 40 minutes.

#### **INSTRUCTIONS TO CANDIDATES**

Write your Centre Number and Candidate Number in the spaces provided at the top of this page.

Write your answers in the spaces provided in this question paper. There should be enough extra space for your answers. If you do require more space, you may complete your answers on the extra lined pages at the back of this book.

Answer all three questions.

#### **INFORMATION FOR CANDIDATES**

The total mark for this paper is 90.

Figures in brackets printed down the right-hand side of pages indicate the marks awarded to each question or part question. Quality of written communication will be assessed in questions **1(e)**, **2(e)**, and **2(f)**.

For Exa	
Question Number	Marks
1	
2	
3	

Total	
Marks	

1

# The Blue Waves Hotel is a large, four-star hotel situated in a seaside resort.

(a)	The Blue Waves Hotel uses internal recruitment methods whenever possible. Explain <b>one</b> advantage of internal recruitment for the <b>hotel</b> and <b>one</b> advantage of internal recruitment for the <b>employees</b> in the hotel.
	Advantage for the hotel
	Advantage for the employees
	[4]
(b)	The Blue Waves Hotel uses testing as its method of selection of some new employees. Explain <b>one</b> important advantage for the hotel of this method, and name <b>one</b> type of hotel employee for whom it would be suitable.
	Advantage for the hotel
	[2]
	Type of hotel employee [1]

C)	The Blue waves Hotel places great importance on start training.		Marks	
	Discuss <b>two</b> reasons why it is important for the hotel to have		Marks	Rem
	fully-trained employees.			
	1			
	2			
		F 43		
		[4]		
	Analysis three factors which sould affect the job actisfaction of the			
	Analyse <b>three</b> factors which could affect the job satisfaction of the			
	employees in The Blue Waves Hotel.			
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Marie and Michael are planning to open a shop to sell antique furniture. They plan to call the shop "2M".

(a)	The first step which Marie and Michael took was to develop a Business Plan. Explain <b>two</b> reasons why it is important for a business to have a Business Plan.
	1
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	[4]
(b)	Identify <b>two</b> components which Marie and Michael should include in their Business Plan.
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	2[2]
(c)	Marie and Michael hope that, eventually, 2M will grow internally/ organically. Explain the meaning of internal/organic growth.
	[2]

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Discuss <b>three</b> factors which could limit the growth of 2M.	Exami Marks	ner Only Remark
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(e)

Explain the meaning of e-commerce and analyse <b>three</b> disadvanth of the commerce might have for 2M.		
	[8]	

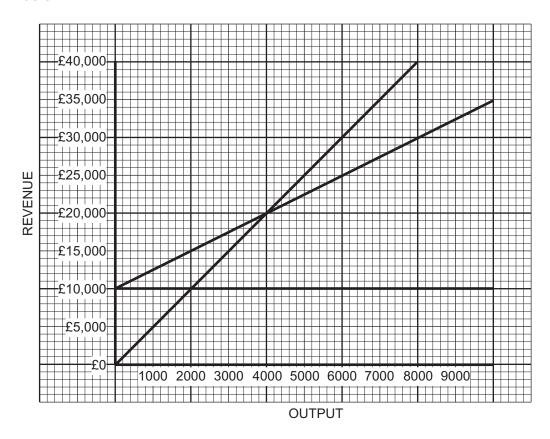
Office Essentials Ltd manufactures small office equipment.

One of its popular products is a desk calculator.

Examiner Only

Marks Remark

The breakeven chart for the company's best-selling calculator is shown below:



(a) Insert the following labels on the Breakeven Chart:

**Breakeven Point** 

**Fixed Costs** 

**Total Costs** 

**Total Sales** 

Area of Profit

Area of Loss

**(b)** Study the Breakeven Chart and state the figures for the following:

Output at breakeven point \_\_\_\_\_ [1]

Sales revenue at breakeven point \_\_\_\_\_ [1]

Fixed costs [1]

The output making a total sales revenue of £30,000 \_\_\_\_\_[1]

The sales revenue at an output of 8000 calculators \_\_\_\_\_[1]

The total costs of manufacturing 7000 calculators \_\_\_\_\_ [1]

[6]

(c)	The Breakeven Point may also be calculated using the following formula:	Examine Marks	er Only Remark
	Total Fixed Costs		
	Selling Price per Unit – Variable Cost per Unit		
	Use the formula to calculate the breakeven point for another calculator if its total fixed costs per week are £1,000, the selling price is £7 and the variable costs are £2. Calculations should be shown in the space below.		
	Breakeven Point [2]		
(d)	Explain the meaning of "Margin of Safety" and examine <b>two</b> reasons why a margin of safety is important to Office Essentials Ltd.		
	[6]		

	At the end of the year, the following figures were extracted from the Final Accounts of Office Essentials Ltd:	Examiner Only  Marks Remark
	Net Profit         £21,000           Sales         £105,000           Cost of Goods Sold         £60,000           Average Stock         £20,000	
(e)	Use the figures and the following formula to calculate the Net Profit Percentage for Office Essentials Ltd and show your calculations in the space provided:	
	Net Profit Percentage = $\frac{\text{Net Profit}}{\text{Sales}} \times 100$	
	Net Profit Percentage[2]	
(f)	Use the figures and the following formula to calculate the Stock Turnover Rate for Office Essentials Ltd and show your calculations in the space provided:	
	Stock Turnover Rate = Cost of Goods Sold Average Stock	
	Stock Turnover Rate [2]	

[6]	the year.	Essentials Ltd			
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