

## UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS General Certificate of Education Ordinary Level

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CANDIDATE NAME						
CENTRE NUMBER				CANDIDATE NUMBER		

**BUSINESS STUDIES** 

7115/23

Paper 2

May/June 2010

1 hour 45 minutes

Candidates answer on the Question Paper.

Additional Materials:

Insert

## **READ THESE INSTRUCTIONS FIRST**

Write your Centre number, candidate number and name on all the work you hand in. Write in dark blue or black pen.

Do not use staples, paper clips, highlighters, glue or correction fluid.

DO NOT WRITE IN ANY BARCODES.

Answer all questions.

The Insert contains the case study.

The business described in this question paper is entirely fictitious.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [ ] at the end of each question or part question.

For Exam	iner's Use
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2	
(a) Bashir wants to continue to expand the business. Identify and explain <b>two</b> other Bashir might have for the business.	BAMB.
Aim 1:	Tige
	CO.
Explanation:	
Aim 2:	
Explanation:	
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(b)	To expand the business Bashir will need to raise finance. He is considering selling assets owned by the business, taking on a business partner or selling share forming a private limited company. Consider these <b>three</b> options for raising finance an recommend which one he should choose. Justify your choice.  Selling assets:	Bridge
	Selling assets:	COM
	Take on a partner:	
	Sell shares:	
	Recommendation:	

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		4	
2	(a)	4 Explain four reasons why employees at Bashir Baskets might want to be member trade union. Reason 1:	
		Reason 1:	1
			3
			/
		Reason 2:	
		Reason 3:	
		Reason 4:	
		[8]	

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	All	
)	Job description $ o$ job specification $ o$ advertisement $ o$ interviews	
	Job description → job specification → advertisement → interviews  Why are each of these stages of the recruitment and selection process important Bashir when choosing suitable employees? Justify your answer for each stage.  Job description:	Oride
	Job description:	COM
	Job specification:	
	Advertisement:	
	Interviews:	

3	(a)	Bashir could expand into the market for baskets of flowers for the home. He was carry out primary market research using questionnaires. Explain how he should out this research.
		[8]

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7	
Consider the <b>two</b> options for expanding Bashir's business outlined in the Recommend which one of the two options he should choose. Justify your choice appropriate calculations.  Option 1 (Baskets for the home):	Tio.
Option 1 (Baskets for the home):	Se.Co.
Online O (Dealesta for martening to)	
Option 2 (Baskets for restaurants):	
Recommendation:	

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4	(a)	Bashir Baskets is in the secondary sector but Bashir also uses many service businesses in the tertiary sector, such as insurance. Identify <b>four</b> other example tertiary sector businesses that Bashir might use and explain how each will help housiness.  Example 1:	hide
		Example 1:	COM
		Explanation:	
			_
		Example 2:	
		Explanation:	
		Example 3:	
		Explanation:	
		Example 4:	
		Explanation:	

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	9	
(b)	Suppose Bashir decided to start making flower baskets for the home. Explain methods of promotion that Bashir could use. Recommend which one you think would the best method to use. Justify your choice.  Method 1:	Bride
	Method 1:	Se. COV
		13
		`
	Method 2:	
	Method 3:	
	Recommendation:	

		10 A. D.
5	(a)	Bashir buys flowers from other countries. Explain how an appreciation in the extrate and the introduction of a tariff on imported flowers might affect his business.  Appreciation in the exchange rate:
		Appreciation in the exchange rate:
		Introduction of a tariff:
		[8]

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11 M. D.
Financial accounts are important to all businesses. Why are producing a castorecast, a profit and loss account and a break even chart important to the successinancial management of Bashir Baskets? Justify your answers.  Cash flow forecast:
Cash flow forecast:
Profit and loss account:
Break even chart:

12

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