

**ADVANCED SUBSIDIARY GCE**  
**BUSINESS STUDIES**  
Business Functions

**F292**

Candidates answer on the question paper.

**OCR supplied materials:**

- Clean copy case study

**Other materials required:**

- A calculator may be used

**Tuesday 24 May 2011**  
**Morning**

**Duration: 2 hours**



Candidate  
forename

Candidate  
surname

Centre number

Candidate number

**MODIFIED LANGUAGE**

**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. Pencil may be used for graphs and diagrams only.
- 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).
- Answer **all** the questions. You should not need to spend more than 30 minutes on Section A.
- 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**.
- The quality of your written communication will be taken into account in marking your answer to the question labelled with an asterisk (\*). Marks will be awarded for spelling, punctuation and grammar, use of appropriate form and style of writing, and for organising work clearly and coherently.
- 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 JKL case study.

- 1 (a) Define the term 'margin of safety'.

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.....

.....

..... [2]

- (b) Identify **two** styles of leadership.

1: .....

2: ..... [2]

- (c) State **two** marketing objectives.

1: .....

2: ..... [2]

- (d) A business is thinking about buying a new piece of machinery at a cost of £50,000. The machinery is expected to last for five years. The machinery is expected to produce annual net cash inflows as follows.

Year	Net cash inflow (£)
0	(50,000)
1	20,000
2	30,000
3	40,000
4	40,000
5	40,000

Calculate the Accounting Rate of Return (ARR) for the machinery.

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Answer: ..... [4]

(e) Outline **two** benefits to a firm of using cell production.

1: .....

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2: .....

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..... [4]

(f) Explain **one** advantage and **one** disadvantage to a business of having a high turnover of labour.

Advantage: .....

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.....

.....

Disadvantage: .....

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..... [4]

**Section A Total [18]**

**Turn over**

**Section B**

Answer **all** questions.

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

- 2 (a) (i)** Matthew Albie estimates that there are currently a total of 120,000 children in day nurseries in the Birmingham area. This figure represents JKL's target market.

Calculate JKL's market share.

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Answer: ..... [2]

- (ii)** The total cost of providing daycare for a child up to two years old at JKL is £200 per week.

Calculate the percentage mark-up on total cost for this service at JKL.

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Answer: ..... [2]







**3** Discuss how JKL may improve its cash-flow in the future.

[illegible]







- 4** Assess the possible impact on the motivation of the employees at the childcare centres of this proposal.

[illegible]





- 5\*** The NDNA's Quality Counts scheme is one example of a quality initiative (lines 123–127).

Evaluate how JKL could improve the quality of the services it provides.

This image shows a full page of a handwriting practice worksheet. It consists of approximately 20 horizontal rows. Each row is defined by two parallel dashed lines, creating a series of uniform gaps for letter height. The lines are evenly spaced across the entire page, providing a guide for consistent letter formation. There is no text or other markings on the page.



**[20]**

**Paper Total [90]**



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