

# **OXFORD CAMBRIDGE AND RSA EXAMINATIONS**

**General Certificate of Secondary Education** 

#### **BUSINESS STUDIES A**

1951/8

Case Study Paper HIGHER TIER

Friday **26 MAY 2006** 

Afternoon

1 hour 30 minutes

Additional materials: Clean copy Case Study (1951/7 & 8 (CS))

TIME 1 hour 30 minutes

# **INSTRUCTIONS TO CANDIDATES**

Write your name, Centre number and candidate number in the spaces at the top of this page.

Answer all questions.

Write your answers in the spaces provided on the question paper.

The spaces should be sufficient for your answers but if you require more space, use the lined pages at the end of the booklet and number your answers carefully.

Make sure that all your answers relate to the pre-released case study material.

#### **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 when marking your answers to questions marked with an asterisk (\*).

FOR EXAMINER'S USE				
1				
2				
3				
4				
5				
TOTAL				

Registered Charity Number: 1066969

# Answer all questions

# MAKE SURE THAT ALL YOUR ANSWERS RELATE TO THE PRE-RELEASED CASE STUDY MATERIAL.

1

(a)	Explain why King & Khan (K&K) is classified as a tertiary business and <b>not</b> as a primary or secondary business.
(b)	Explain how Becky and James might use technology in their business to maintain a competitive edge and to achieve high quality service for their customers (see the case study lines 42–46).
	[6

-	what extent might each of the following affect King & Khan's business'? plain your answers.	
(i)	Competitors such as large firms of estate agents.	
		_
(ii)		[3]
		[3]

[Total mark: 21]

\_\_\_\_\_[3]

2 (a)\* Use the case study to answer the following question.

Becky and James have decided to start to sell French and Spanish properties at their Morley office from 2007. Before this happens, they may have to re-organise their business.

- Should they look for another partner?
- Should they change their business to a private limited company?
- Should they look at other ways of financing this expansion?

Discuss the arguments for and against these options. What course of action would you recommend? Give reasons for your recommendation.				
[10]	)+21			

QWC

(b)	Is the newspaper article given in Fig. 3 on page 5 of the case study a cause for concern for King & Khan? Give reasons for your answer.
	[3]
(c)	To what extent does consumer protection legislation affect the business decisions
	made by Becky and James? Give reasons for your answer.
	[4]
	[Total mark : 19

	maintain King & Khan's reputation for personal service and attention to detail.
	[3]
b)*	Becky and James need to improve their methods of advertising properties for sale to meet customer needs. Advise Becky and James on the <b>most</b> suitable advertising strategy for selling properties. Give reasons for your answer.

[Total mark: 17]

(c) Use the case study and Resource Sheet 4 to answer the following question.

Becky and James have asked you to draw up a short list of **three** candidates for the job of negotiator at the Tyegreen office.

Which **three** candidates do you think would be **most** suitable for the job? Give reasons for each of your choices.

1	
Reasons	
2	
Reasons	
3	
Reasons	
	[6]

1951/8 Jun06

(a)*	The Cordford office has been giving cause for concern for some time (lines 116–123).	L
	Suggest ways in which Becky and James might resolve these problems. Which do you consider to be the <b>most</b> effective? Give reasons for your answer.	
	[8+2]	Q

- **(b)** Among the properties King & Khan has sold this week are:
  - A new 4-bedroomed house at Oswald Park, Colston, for £480 000. King & Khan charged a 1.5% fee on the purchase price for its services.
  - A period mid-terraced house in the High Street area of Morley for £84 000. King & Khan charged a 3% fee on the purchase price for its services.

Calculate the total fees earned from these two sales. Show your working.	
	[5]

Use the case study and Resource Sheet 5 to answer the following question.

(c)	Discuss performa	whether of King	or not g & Kha	Becky an in 20	and 05.	James	should	be	pleased	with	the	overall
												[8]

[Total mark: 23]

5

question.
Becky and James have received an offer from a well-known firm of estate agents to buy their business for £1.5m.
Analyse the possible advantages and disadvantages to Becky and James of this offer.
Recommend a suitable course of action, mentioning any additional information Becky and James may require to make a more informed decision. Give reasons for your recommendation.
[10]

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