

**GCSE (HIGHER TIER)
 BUSINESS STUDIES B**

Business Organisation
 Paper 2

WEDNESDAY 17 JANUARY 2007

H 2321/2

Morning

Time: 1 hour 15 minutes

Candidates answer on the question paper.
 No additional materials are required.



Candidate
 Name

Centre
 Number

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Candidate
 Number

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INSTRUCTIONS TO CANDIDATES

- Write your name, Centre Number and Candidate number in the boxes above.
- Answer **all** the questions.
- Use blue or black ink. Pencil may be used for graphs and diagrams only.
- Read each question carefully and make sure you know what you have to do before starting your answer.
- 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.
- Do **not** write in the bar code.
- Do **not** write outside the box bordering each page.

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 60.
- The quality of your written communication will be taken into account when marking your answer to the question labelled with an asterisk (*).
- You may use an approved calculator.

FOR EXAMINER'S USE	
Question 1	
Question 2	
Question 3	
Question 4	
Total	

This document consists of **9** printed pages and **3** lined pages.

1 Border Arts Ltd is a small company.

(a) Explain **one** advantage of a private limited company.

.....
.....
..... [2]

(b) Patrick Dias is the Marketing Manager. He has collected questionnaires from the customers of Border Arts Ltd giving their views on its products and services.

(i) Explain **one** reason why questionnaires would be a good way of collecting such information.

.....
.....
..... [2]

(ii) Patrick has presented the data from the questionnaires in a table. State **one** other method of data presentation he could have used. Explain why this method would be better than a table.

Method

Explanation

.....
.....
.....
.....
.....
..... [5]

(c) The information collected from the questionnaires shows that Border Arts Ltd is satisfying customer needs.

Explain what is meant by satisfying customer needs.

.....
.....
..... [2]

2 Pax plc is a large international company providing a new mobile phone network. It operates in the private sector.

(a) Explain what is meant by the private sector.

.....

 [2]

(b) Shaharah Maddison is the Finance Director of Pax plc. Fig. 1 below shows the revenue and cost figures for the new mobile phone network.

Revenue and cost figures of the new network in £ million					
Customers '000	100	200	300	400	500
Total Revenue £m	20	40	60	80	100
Fixed Costs £m	20	20	20	20	20
Variable Costs £m	20	30	40	50	100

Fig. 1

(i) Calculate the break-even number of customers for the new mobile phone network. Show your working.

.....

 [3]

(ii) Explain **one** reason why Pax plc wants to make a profit.

.....

 [2]

3 Sabrina Howard is an artist. She paints pictures of customers' pet animals.

(a) Sabrina's business operates in the tertiary sector. What is meant by the tertiary sector?

..... [1]

(b) Sabrina uses job production. Explain why this is a suitable method for painting the pictures.

.....
.....
..... [2]

(c) Sabrina has built up her business based on a quality product and quality assurance.

(i) Explain how quality might be affected by the continual expansion of Sabrina's business.

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..... [4]

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