



**ADVANCED GCE**  
**BUSINESS STUDIES**  
 Accounting

**F294**

Candidates answer on the Question Paper

**OCR Supplied Materials:**

- Resource Booklet

**Other Materials Required:**

- Graph paper may be needed
- Calculators may be used

**Monday 25 January 2010**  
**Afternoon**  
**Duration: 2 hours**



\* OCR / 1 2 8 1 4 \*

Candidate Forename		Candidate Surname	
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Centre Number							Candidate Number				
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**INSTRUCTIONS TO CANDIDATES**

- Write your name clearly in capital letters, your Centre Number and Candidate Number in the boxes above.
- Use black ink. Pencil may be used for graphs and diagrams only.
- The information required to answer questions 1–6 is contained within the Resource Booklet.
- Read each question carefully and make sure that you know what you have to do before starting your answer.
- Answer **all** the questions.
- Do **not** write in the bar codes.
- Write your answer to each question in the space provided; however additional paper may be used if necessary.

**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 answers to questions labelled with an asterisk (\*).
- This document consists of **12** pages. Any blank pages are indicated.

**A calculator may be used for this paper**

Answer **all** questions.

- 1 (a) In 2007 The Coffee Exchange Ltd's (TCE) gross profit margin was 63.8% and its net profit margin was 11.9%. Using the information in Table 1, calculate these ratios for TCE for the year ended 31 December 2008.

(i) Gross profit margin

.....  
.....

Answer: ..... [2]

(ii) Net profit margin

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Answer: ..... [2]





**4\*** With reference to Table 2 and other relevant factors, evaluate the usefulness of break-even analysis in helping Katie to decide whether to introduce the lunch service.

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- 5\* To what extent can accounting concepts assist Katie in establishing whether The Coffee Exchange (TCE) and Café on the Prom (COTP) are valued at realistic selling prices?

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