

**Thursday 19 January 2012 – Morning**

**AS GCE BUSINESS STUDIES**

**F292/01 Business Functions**

Candidates answer on the Question Paper.

**OCR supplied materials:**

- Clean copy Case Study

**Other materials required:**

- A calculator may be used

**Duration: 2 hours**



Candidate forename		Candidate surname	
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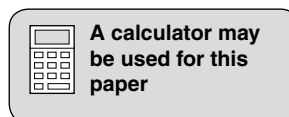
Centre number						Candidate number				
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**INSTRUCTIONS TO CANDIDATES**

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer **all** the questions. You should not need to spend more than 30 minutes on Section A.
- 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).
- 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**.
- Your Quality of Written Communication will be assessed in questions marked 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.



**Section A**

Answer **all** questions.

Question 1 does **not** relate to the SYL case study.

1 (a) Define the term 'total quality management (TQM)'.

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

(b) State **two** factors that will affect the overall market growth by volume of a firm's product.

1 .....  
2 ..... [2]

(c) On a firm's balance sheet, how are 'Net Current Assets' calculated?

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

(d)

Output	Fixed Costs	Variable Costs	Total Costs
0			£10,000
5,000		£20,000	
10,000		£40,000	

Using the table above, calculate each of the following:

(i) the fixed costs.

..... [1]

(ii) the total costs at an output of 5,000.

..... [1]

(iii) the average total cost at an output of 5,000.

..... [1]

(iv) the marginal cost per unit when output increases from 5,000 to 10,000 units.

..... [1]

(e) Explain **one** advantage and **one** disadvantage to a firm of operating below 100% capacity utilisation.

Advantage .....

.....  
 .....  
 .....

Disadvantage .....

.....  
 .....  
 ..... [4]

(f) Outline **two** methods of financially motivating a workforce.

1 .....

.....

.....

.....

2 .....

.....

.....

..... [4]

**Section A Total [18]**

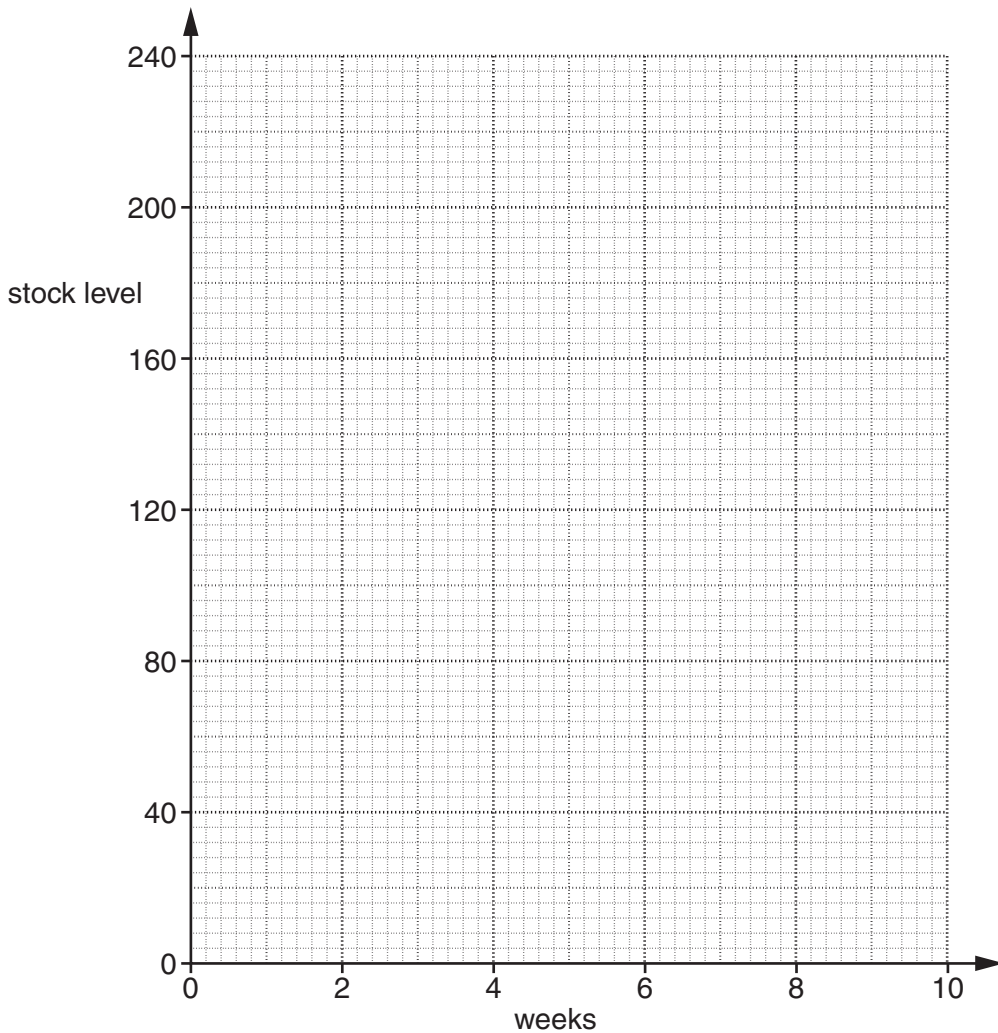
**Section B**

Answer **all** questions.

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

- 2 (a) (i) The average weekly sales for black silk cummerbunds is 20.  
Assume that at the beginning, stock levels are at their maximum.

Complete the stock-control diagram for **ten** weeks.



[3]

- (ii) State the re-order level.

Re-order level = ..... [1]



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..... [20]

**Section B Total [72]**

**Paper Total [90]**

**19**  
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