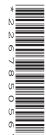




UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

CANDIDATE NAME		
CENTRE NUMBER	CANDIDATE NUMBER	



BUSINESS STUDIES

0450/23

Paper 2

October/November 2012

1 hour 45 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

Do not use staples, paper clips, highlighters, glue or correction fluid.

DO NOT WRITE IN ANY BARCODES.

Answer all questions.

The Insert contains the case study.

The businesses described in this question paper are entirely fictitious.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.

For Exam	iner's Use
1	
2	
3	
4	
5	
Total	

This document consists of 11 printed pages, 1 blank page and 1 Insert.



1	(a)	The brothers want Carefree Campsites to be profitable. Identify and explain two other possible objectives of the business.	For Examiner's Use
		Objective 1:	
		Explanation:	
		Objective 2:	
		Explanation:	
		[8]	

The brothers decided to form a partnership. They could have formed a private limited company. Consider the advantages and disadvantages of these two types of business organisation. Do you think the brothers were right to form a partnership? Justify your answer.
Partnership:
Private limited company:
Conclusion:
OUTIGIOSIOTI
[12]

For

2	(a)	Before starting their business, the brothers want to carry out primary market research. Identify and explain two different methods of primary market research they could use.
		Method 1:
		Explanation:
		Method 2:
		Explanation:
		[8]

	Consider why each of the following types of information is important for the brothers to think about before setting up Carefree Campsites.	
	Sales forecasts:	
	Costs of all the assets needed to start the business:	
•	A cash flow forecast:	

3	(a)	Litter (rubbish) is an example of an external cost which might result from the campsite. Identify two other possible external costs which might occur if the campsite is set up at site B. Explain why each of your examples is an external cost.
		External cost 1:
		Explanation:
		External cost 2:
		Explanation:
		[8]

For Examiner's Use

Consider the advantages and disadvantages of each of the three sites and recommend which location the brothers should choose. Justify your choice with calculations using the data in Appendix 1 and other information in the case.	Exar
Site A:	
Site B:	
Site C:	
Recommendation:	
[12]	

4	(a)	Governments often encourage foreign tourists to visit their country. Identify and explain two reasons why Governments might do this.	For Examiner's Use
		Reason 1:	
		Explanation:	
		Reason 2:	
		Explanation:	
		[8]	
		[0]	1

(b) Chris thinks they should lease caravans. They could then rent out these caravans on their campsite. James thinks they should borrow capital to buy the caravans. Harry thinks they should just let customers bring their own caravans. Consider the advantages and disadvantages for the business of each of these options. Recommend which option they should choose. Justify your choice. Lease caravans to rent to customers: Buy caravans to rent to customers: Customers bring their own caravans: Recommendation:

For Examiner's Use

5	(a)	Before the campsite can open the brothers will need to recruit workers. The first stage of the recruitment and selection process will be to produce a job description.
		Identify and explain four other stages of the recruitment and selection process the brothers will need to use.
		Stage:
		Explanation:
		Stage:
		Explanation:
		Stage:
		Explanation:
		Stage:
		Explanation:

For Examiner's Use

The Internet is very useful to businesses today. Consider three ways the Internet could be of benefit to Carefree Campsites. Justify why each way would be beneficial to Carefree Campsites.	Ex
Way 1:	
Way 2:	
Way O	
Way 3:	
[12]	

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