Cambridge International AS & A Level

Cambridge Assessment International Education
Cambridge International Advanced Subsidiary and Advanced Level

CANDIDATE NAME

CENTRE NUMBER | | | | | |

CANDIDATE NUMBER | | | | |

0467544367

BUSINESS **9609/33**

Paper 3 Case Study **May/June 2019**

3 hours

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your centre number, candidate number and name in the spaces at the top of this page. If you need additional answer paper ask the invigilator for a continuation booklet.
Write in dark blue or black pen.
You may use an HB pencil for any diagrams, graphs or rough working.
Do not use staples, paper clips, glue or correction fluid.
DO **NOT** WRITE IN ANY BARCODES.

Section A
Answer **all** questions.
Section B
Answer **one** question.
You are advised to spend no more than 40 minutes on Section B.

Refer to the Insert for the case study for this Paper.

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.

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Section A

Answer **all** questions in this section.

1 Analyse the risks to AC of the economic forecasts in Appendix 2.

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[10]

2 **(a)** Refer to the table in Appendix 1. Calculate the:

(i) current capacity utilisation at Factory S

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(ii) contribution from each kg of chocolate powder sold from Factory S.

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(b) Refer to your results in **2(a)** and other information. Recommend whether AC should close Factory N. Justify your recommendation.

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[12]

3 Evaluate the importance of the ethical 'fair trade' principle to the success of the marketing strategy for AC's chocolate powder.

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4 **(a)** Refer to Appendix 1. Calculate the impact of a 15% increase in the price of raw materials for Factory S on its operating profit margin in 2019, assuming revenue and all other cost data remains the same.

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(b) Refer to Table 1 and lines (37–43). Calculate AC's gearing ratio that would result from the project to expand Factory S.

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(c) Refer to your results from **4(a)** and other information. Evaluate whether the Lukwesa family should convert the business into a public limited company.

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[12]

5 Evaluate the possible impact on AC of more flexible employment contracts.

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[16]

Section B

Answer **one** question from this section.

6 Discuss the usefulness of strategic choice techniques for the directors of AC, as they decide between Option A and Option B.

7 Assume AC's directors choose Option A. Evaluate the importance of business planning to the successful implementation of this strategy.

Write the question number here: .....

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[20]

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