



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

CANDIDATE
NAME

CENTRE
NUMBER

--	--	--	--	--

CANDIDATE
NUMBER

--	--	--	--



BUSINESS STUDIES

0450/21

Paper 2

October/November 2010

1 hour 45 minutes

Candidates answer on the Question Paper.

Additional Materials: Insert

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 Examiner's Use	
1	
2	
3	
4	
5	
Total	

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



- 1 (a) (i) What is meant by the term 'fixed costs'? Give **two** examples of fixed costs for the hotel.

Meaning of 'fixed costs':

.....

.....

.....

Example 1:

.....

Example 2:

..... [4]

- (ii) What is meant by the term 'variable costs'? Give **two** examples of variable costs for the hotel.

Meaning of 'variable costs':

.....

.....

.....

Example 1:

.....

Example 2:

..... [4]

- 2 (a) Communication is important in any business. Identify and explain **four** different communication methods the hotel could use.

For
Examiner's
Use

Method 1:

Explanation:

.....

.....

Method 2:

Explanation:

.....

.....

Method 3:

Explanation:

.....

.....

Method 4:

Explanation:

.....

.....[8]

(b) Using the information in Appendix 2 and other information in the case, suggest **four** ways the organisation chart could be changed to make the business more efficient. Justify why you think efficiency will be increased.

For
Examiner's
Use

Way 1:

.....

Explanation:

.....

.....

.....

Way 2:

.....

Explanation:

.....

.....

.....

Way 3:

.....

Explanation:

.....

.....

.....

Way 4:

.....

Explanation:

.....

.....

.....

[12]

3 (a) Explain **two** advantages and **two** disadvantages to Jenn and Kiang of the business being a partnership.

Advantage 1:

Explanation:

.....

Advantage 2:

Explanation:

.....

Disadvantage 1:

Explanation:

.....

Disadvantage 2:

Explanation:

.....

.....[8]

- 4 (a) Identify and explain **two** reasons why providing a quality service in the restaurant is important to the Dream Hotel.

For
Examiner's
Use

Reason 1:

.....

Explanation:

.....

.....

.....

.....

.....

Reason 2:

.....

Explanation:

.....

.....

.....

.....

.....[8]

- 5 (a) Identify and explain **two** ways the Dream Hotel could use the Internet to help increase the number of guests staying at the hotel.

Way 1:

.....

Explanation:

.....

.....

.....

.....

.....

Way 2:

.....

Explanation:

.....

.....

.....

.....

.....

[8]

BLANK PAGE

Permission to reproduce items where third-party owned material protected by copyright is included has been sought and cleared where possible. Every reasonable effort has been made by the publisher (UCLES) to trace copyright holders, but if any items requiring clearance have unwittingly been included, the publisher will be pleased to make amends at the earliest possible opportunity.

University of Cambridge International Examinations is part of the Cambridge Assessment Group. Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.