



**Cambridge International Examinations**  
Cambridge International General Certificate of Secondary Education

CANDIDATE NAME

CENTRE NUMBER 

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**BUSINESS STUDIES** **0450/22**  
Paper 2 **May/June 2016**  
**1 hour 30 minutes**

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.  
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.**

Answer **all** questions.  
The Insert contains the case study.  
The business described in this question paper is 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.  
The total number of marks for this paper is 80.

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The syllabus is approved for use in England, Wales and Northern Ireland as a Cambridge International Level 1/Level 2 Certificate.

This document consists of **9** printed pages, **3** blank pages and **1** insert.

- 1 (a) Identify and explain **two** possible reasons why Thao and Liang have set 'excellent customer service' as the main business objective.

Reason 1: .....

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Explanation: .....

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Reason 2: .....

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Explanation: .....

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..... [8]

(b) Consider the effects on FF of the following **three** legal controls which are being introduced next year. Which legal control do you think will have the biggest effect on FF? Justify your answer.

Health and safety training now required for all employees: .....

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Increase of 20% in the legal minimum wage: .....

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Protection from unfair dismissal now applies to employees who have been employed for only 6 months instead of 2 years:

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Conclusion: .....

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[12]

2 (a) Identify and explain **two** possible benefits to FF from changes in IT. See Appendix 1.

Benefit 1: .....

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Explanation: .....

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Benefit 2: .....

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Explanation: .....

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[8]



- 3 (a) Identify **four** stakeholder groups who would want to see FF's accounts and explain **why** each group would want to see them.

Stakeholder group 1: .....

Explanation: .....

.....

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Stakeholder group 2: .....

Explanation: .....

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Stakeholder group 3: .....

Explanation: .....

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Stakeholder group 4: .....

Explanation: .....

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.....[8]



- 4 (a) The Government has increased interest rates to reduce inflation. Identify and explain **two** ways an increase in interest rates might affect FF.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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..... [8]









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