Cambridge International AS & A Level

Cambridge International Examinations
Cambridge International Advanced Subsidiary and Advanced Level

CANDIDATE NAME

CENTRE NUMBER

CANDIDATE NUMBER

9432665834

BUSINESS **9609/31**

Paper 3 Case Study **May/June 2018**

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.

This document consists of **19** printed pages, **1** blank page and **1** Insert.

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Section A

Answer **all** questions in this section.

1 Analyse the advantages and disadvantages of PGP's privatisation for any **one** stakeholder group.

[10]

2 (a) Refer to Table 2. Calculate the difference between the annual cost of outsourcing the transport of fuel in country X and the existing annual cost of transport.

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(b) Using your result to **2(a)** and other relevant information, recommend to PGP's directors whether the transport of fuel should be outsourced in country X. Justify your recommendation.

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[12]

3 Discuss the likely advantages and disadvantages to PGP of the proposed delayering of its organisational structure.

[16]

4 Refer to Table 3.

(a) Calculate for PGP:

(i) price earnings ratio

.... [3]

(ii) dividend yield.

.... [3]

(b) Discuss **two** ways in which PGP could improve its accounting ratio results in future.

[Turn over

[12]

5 Evaluate the usefulness of the moving average method to forecast sales of oil and gas to PGP.

[16]

Section B

Answer **one** question in this section.

6 Evaluate the usefulness of any **two** techniques of strategic analysis to PGP's Board of Directors.

7 Discuss whether the techniques referred to in Appendix 1 are sufficient to allow the directors to make the strategic choice between Option A and Option B.

Write the question number here: ....

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