



Cambridge International AS & A Level

CANDIDATE
NAME

CENTRE
NUMBER

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CANDIDATE
NUMBER

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BUSINESS

9609/32

Paper 3 Case Study

February/March 2020

3 hours

You must answer on the question paper.

You will need: Insert (enclosed)

INSTRUCTIONS

- Section A: answer **all** questions.
- Section B: answer **one** question.
- Use a black or dark blue pen.
- Write your name, centre number and candidate number in the boxes at the top of the page.
- Write your answer to each question in the space provided.
- Do **not** use an erasable pen or correction fluid.
- Do **not** write on any bar codes.
- You may use an HB pencil for any diagrams, graphs or rough working.

INFORMATION

- The total mark for this paper is 100.
- The number of marks for each question or part question is shown in brackets [].
- The insert contains the case study.

This document has **20** pages. Blank pages are indicated.



Section A

1 Analyse the likely impact of changes in interest rates on FE.

[illegible]

4

- 2 (a)** Refer to lines 29–31. Calculate the forecast capacity utilisation for 2020 in FE's factory.

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..... [2]

- (b)** Refer to Table 1. Calculate the difference in unit cost of towers produced by expanding the factory or outsourcing.

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..... [3]

5

- (c)** Refer to your results from **2(a)** and **2(b)** and other information. Recommend to FE's directors whether to outsource production of the towers.

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This image shows a full page of white paper with horizontal dashed lines, typical of primary school writing paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

10

4 (a) Refer to Tables 2 and 3. Calculate for 2019:

(i) inventory turnover

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..... [2]

(ii) gearing

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..... [4]

(iii) current ratio.

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..... [3]

(b) Evaluate the usefulness of ratio analysis to FE's managers when making decisions.

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[illegible]

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Section B

Answer **one** question in this section.

- 6 Evaluate the usefulness of decision tree analysis to FE's Directors when making the strategic choice between options A and B.
- 7 Discuss the importance of FE's Directors developing a detailed corporate plan before implementing strategies for future growth.

Write the question number here:

[illegible]

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