

3 (a) Explain **two** reasons why FF uses job production.

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 following **two** sources of finance which could be used for working capital when FF's new shop opens. Which would be the best source for Kathryn to use? Justify your answer.

- Bank overdraft
- Trade credit

Bank overdraft:

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Trade credit:

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Recommendation:

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[12]