Friday 7 June 2013 – Afternoon  
GCSE APPLIED BUSINESS  
A243/01 Working in Business

Candidates answer on the Question Paper.  
OCR supplied materials: None  
Other materials required: • A calculator may be used

Duration: 1 hour 30 minutes

INSTRUCTIONS TO CANDIDATES
• Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.  
• Use black ink. HB pencil may be used for graphs and diagrams only.  
• Answer all the questions.  
• Read each question carefully. Make sure you know what you have to do before starting your answer.  
• Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).  
• Do not write in the bar codes.

INFORMATION FOR CANDIDATES
• 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.  
• Your Quality ofWritten Communication will be assessed in questions marked with an asterisk (*).  
• This document consists of 20 pages. Any blank pages are indicated.
Text 1

Nemesis Newspaper Ltd publishes the Weekly Bugle which is a local newspaper in Cheswick. Below is the organisational structure of the business.

1 Refer to Text 1.

(a) Using the information on the organisational structure in Text 1, identify the correct job role by drawing a line to A, B and C.

Craig George
Finance Director

Megan Dunkley
Personal assistant to Rich Hike

4 Production Staff

Billy Bounce
Chief Executive Officer (CEO)
(b) (i) Which of the following is the correct name given to the type of organisational structure shown in Text 1?

Tick (✓) the correct box.

- Large
- Geographical
- Flat

(ii) State one advantage to a business of the type of organisational structure identified in your answer to part (b)(i).

........................................................................................................................................................................... [1]

(iii) State one disadvantage to a business of the type of organisational structure identified in your answer to part (b)(i).

........................................................................................................................................................................... [1]

(c) Identify two tasks which would be undertaken by Billy Bounce, the CEO of the Weekly Bugle.

1 ................................................................................................................................................

2 ................................................................................................................................................ [2]

(d) Billy Bounce has decided to create an administration functional area at Nemesis Newspaper Ltd.

Identify and describe two tasks which would be undertaken by staff within an administration functional area.

Task 1 .....................................................................................................................................................

Description ...........................................................................................................................................

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Task 2 .....................................................................................................................................................

Description ...........................................................................................................................................

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.......................................................................................................................................................... [4]
(e) Identify and explain one way in which each of the following functional areas at Nemesis Newspaper Ltd could help the Marketing and Sales functional area.

- **Finance functional area**
  Way ........................................................................................................................................
  Explanation ...............................................................................................................................
  ................................................................................................................................................
  ................................................................................................................................................
  ................................................................................................................................................

- **Production functional area**
  Way ........................................................................................................................................
  Explanation ...............................................................................................................................
  ................................................................................................................................................
  ................................................................................................................................................
  ................................................................................................................................................
2 Refer to Text 2.

(a) From the list below, select an advantage to Billy Bounce of having such a daily meeting with the directors. Tick (✓) one correct response.

<table>
<thead>
<tr>
<th>Advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is difficult to see the facial expressions of the people at the meeting</td>
</tr>
<tr>
<td>People at the meeting can ask questions if they are not certain about some of the decisions made</td>
</tr>
<tr>
<td>Decisions cannot be acted upon quickly</td>
</tr>
</tbody>
</table>

(b) From the list below, select a disadvantage to Billy Bounce of having such a daily meeting with the directors. Tick (✓) one correct response.

<table>
<thead>
<tr>
<th>Disadvantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minutes of the meeting can be taken</td>
</tr>
<tr>
<td>People at the meeting can ask questions if they are not certain about some of the decisions made</td>
</tr>
<tr>
<td>Meetings can last a long time and lose their focus</td>
</tr>
</tbody>
</table>

(c) Billy Bounce wonders whether he should send daily emails to the directors of the functional areas instead of having a meeting.

(i) Explain one advantage to the directors of receiving daily emails from Billy Bounce.

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-------------------------------------------------------------
-------------------------------------------------------------
-------------------------------------------------------------
-------------------------------------------------------------

[2]
(ii) Explain **two disadvantages** to the **directors** of receiving daily emails from Billy Bounce.

1 .................................................................................................................................................. 
 .................................................................................................................................................. 
 ..................................................................................................................................................
 ..................................................................................................................................................

2 ..................................................................................................................................................
 ..................................................................................................................................................
 ..................................................................................................................................................
 ..................................................................................................................................................

[4]
Text 3

Katie Killeen, one of the printing staff, is in charge of purchasing the ink which is used to print the *Weekly Bugle*. She knows that the following business documents are used when buying supplies for the company:

A Receipt  
B Cheque  
C Statement of Account  
D Delivery Note  
E Goods Received Note  
F Remittance Advice Note  
G Invoice  
H Purchase Order

3 Refer to Text 3.

(a) Complete the unshaded boxes in the table below by identifying the correct business document used in each of the following situations. One has been completed for you.

<table>
<thead>
<tr>
<th>Description of Documents</th>
<th>Name of Document</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Nemesis Newspaper Ltd</em> sends this document to a supplier when it needs to buy more printing ink.</td>
<td>Purchase Order (H)</td>
</tr>
<tr>
<td>The supplier sends this document to <em>Nemesis Newspaper Ltd</em> with the printing ink.</td>
<td></td>
</tr>
<tr>
<td>When the supplier wants payment this document is sent to <em>Nemesis Newspaper Ltd</em>.</td>
<td></td>
</tr>
<tr>
<td>At the end of the month the supplier sends this document which shows debit and credits to <em>Nemesis Newspaper Ltd</em>.</td>
<td></td>
</tr>
<tr>
<td><em>Nemesis Newspaper Ltd</em> sends this document to the supplier with the payment.</td>
<td></td>
</tr>
<tr>
<td>The supplier sends this document when <em>Nemesis Newspaper Ltd</em> has paid for the printing ink.</td>
<td></td>
</tr>
</tbody>
</table>

[5]
(b) Using the figures below, create a Profit and Loss Statement for Nemesis Newspaper Ltd for
the month ended 30 April 2013. Complete the unshaded boxes in the table below.

- Paper and ink for printing the Weekly Bugle £30000
- Sales 60000 copies a month at £1.00 per copy
- Salaries and wages £60000
- Advertising income £40000
- Other costs £15000

<table>
<thead>
<tr>
<th>Profit and Loss Statement for Nemesis Newspaper Ltd</th>
<th>for the month ended 30 April 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>£</td>
</tr>
<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Total revenue</td>
<td></td>
</tr>
<tr>
<td><strong>Cost of Sales</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Total expenses</td>
<td></td>
</tr>
<tr>
<td><strong>Net Profit/Loss</strong></td>
<td></td>
</tr>
</tbody>
</table>
(c) Complete the unshaded boxes in **Nemesis Newspaper Ltd’s** Balance Sheet as at 30 December 2012.

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>130,000</td>
<td></td>
</tr>
<tr>
<td>Printing Presses</td>
<td>30,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>45,000</td>
<td></td>
</tr>
<tr>
<td>Bank</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td><strong>Net Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financed by:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td>270,000</td>
<td></td>
</tr>
<tr>
<td>Net Profit/Loss</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(d)* The shareholders of **Nemesis Newspaper Ltd** want to invest in some new computerised printing presses which will cost £250,000.

Evaluate the likely impact of the Balance Sheet completed in **part (c)** on **Nemesis Newspaper Ltd’s** ability to obtain a loan from its bankers. [8]
Text 4

Hugh Wone, the Marketing and Sales Director, has been instructed by Billy Bounce, the CEO, to investigate ways of promoting the Weekly Bugle using sales promotions.

Nemesis Newspaper Ltd has decided to include a local events section in the Weekly Bugle.

4 Refer to Text 4.

(a) Describe three different methods of sales promotion which Hugh Wone and his marketing team might use in order to promote the Weekly Bugle.

Method 1 ...................................................................................................................................

Description ...................................................................................................................................
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Method 2 ...................................................................................................................................

Description ...................................................................................................................................
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Method 3 ...................................................................................................................................

Description ...................................................................................................................................
...................................................................................................................................................
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(b)* The directors of Nemesis Newspaper Ltd have decided to advertise the local events section of the newspaper. They are considering using the following methods:

- television
- radio
- the Weekly Bugle’s website.

Which of these methods would you recommend? Give reasons for your recommendation, explaining why the other two methods are not suitable. [8]
(c) All advertisements must meet the guidelines of the Advertising Standards Authority (ASA).

Explain how one of these guidelines might apply to any advertisements produced by the Weekly Bugle.

Guideline ...........................................................................................................................................

Explanation .......................................................................................................................................
Text 5

Bertie Lodge, the Customer Service Director, has received the following telephone message from Dervla Lombard, one of the *Weekly Bugle*’s customers. She is complaining about the poor spelling and grammar which is seen in the newspaper.

**Telephone Message**

Ms Dervla Lombard has rung to say that as a secondary school teacher of English, she is ashamed to use the *Weekly Bugle* in her classes as it often has many spelling mistakes and she cannot forgive the poor grammar and the use of slang terms.

She wants to know what are we going to do about it? Her address is 37 Roget Road, Collins, VP45 7HP.

5 Refer to Text 5.

(a) One of the tasks which Bertie Lodge, the Customer Service Director, has to deal with is complaints from customers.

Other than dealing with customer complaints, identify three methods of customer support which the Customer Service functional area could provide.

1 ................................................................................................................................................

2 ................................................................................................................................................

3 ................................................................................................................................................

[3]
(b) Identify and explain two possible consequences to the *Weekly Bugle* if complaints such as those made by Dervla Lombard are ignored.

Consequence 1 ........................................................................................................................................

Explanation ...........................................................................................................................................

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Consequence 2 ........................................................................................................................................

Explanation ...........................................................................................................................................

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(c)* Write a formal letter from Bertie Lodge to Dervla Lombard acknowledging her complaint and identifying how the Weekly Bugle intends to solve the problem. Use the information from the telephone message in Text 5 and today’s date.

Use the letterhead on the opposite page to write the letter. A second letterhead is provided on page 18 if required.

You may use the space below to draft your letter. You will not receive marks for the draft. [8]

Working space for draft letter:
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