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. If additional space is required, you should use the lined page(s) at the end of this booklet. The question number(s) must be clearly shown.
- 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.
- The quality of your written communication will be assessed in questions marked with an asterisk (*).
- This document consists of 16 pages. Any blank pages are indicated.
Text 1

Brenda Flynn Ltd (BF Ltd) sells expensive sports cars. It also services and repairs the cars which it has sold. It has branches in Birmingham (UK), New York (USA), Rome (Italy) and Sydney (Australia). Its head office is also located in Birmingham (UK).

BF Ltd has a high reputation for its good quality customer service.

1 Refer to Text 1.

(a) Tick (✓) the name given to BF Ltd's organisational structure.

- Flat
- Geographical
- Matrix

(b) Describe the organisational structure which you identified in part (a).

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[1]

[2]
Text 2

*BF Ltd* uses a number of different forms of communication. Some of these are:

- telephone calls to potential customers
- promotional emails to existing customers
- a letter enclosing a contract of employment which is sent to a new member of staff
- the *Brenda Flynn Ltd* Annual General Meeting
- a notice to staff detailing vacancies
- a weekly video-conference meeting between the branch managers
- the *BF Ltd* in-house newsletter.

2 Refer to Text 2.

(a) Choose two forms of written communication from the list above and explain how each is likely to be used by *BF Ltd*.

Choice 1 .......................................................  
Explanation .............................................................................................................................  
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...............................................................................................................................................  
...............................................................................................................................................  

Choice 2 .......................................................  
Explanation .............................................................................................................................  
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(b) Identify one advantage and one disadvantage to *BF Ltd* of using written communication.

Advantage .............................................................................................................................  
...............................................................................................................................................  

Disadvantage .........................................................................................................................  
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[6]
Text 3

Xavier Windsor is a finance assistant at the Birmingham branch of BF Ltd. Xavier uses certain financial documents. Some of these are:

- purchase order
- invoice
- statement of account
- remittance advice slip.

Xavier also prepares the Birmingham branch profit and loss statement for the branch manager.

3 Refer to Text 3.

(a) The following is part of an invoice for promotional materials purchased by the marketing functional area of the Birmingham branch of BF Ltd.

Complete the unshaded boxes on the invoice below. The first row on the invoice has been completed for you.

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Reference</th>
<th>Description</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>F456</td>
<td>Flyer (200 in each pack)</td>
<td>13 50</td>
<td>67 50</td>
</tr>
<tr>
<td>6</td>
<td>P643</td>
<td>Poster (100 in each pack)</td>
<td>12 50</td>
<td></td>
</tr>
<tr>
<td>400</td>
<td>P450</td>
<td>Pens</td>
<td>00 10</td>
<td></td>
</tr>
<tr>
<td>300</td>
<td>M657</td>
<td>Model Cars</td>
<td>10 00</td>
<td></td>
</tr>
</tbody>
</table>

Sub Total

VAT @20%

Total

[6]
(b)* Evaluate the consequences for BF Ltd if financial documents are **not** checked for accuracy.
(c) Draw a line linking each document to its correct purpose. You must draw three lines.

<table>
<thead>
<tr>
<th>Document</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Order</td>
<td>Identifies the invoices which are being paid.</td>
</tr>
<tr>
<td>Remittance Advice Slip</td>
<td>Reduces the amount owed due to the return of damaged goods.</td>
</tr>
<tr>
<td>Statement of Account</td>
<td>Shows what one business wants to buy from another business.</td>
</tr>
<tr>
<td></td>
<td>Lists the transactions between one business and another business.</td>
</tr>
</tbody>
</table>

(d) Xavier Windsor, finance assistant, has been asked to create the Profit and Loss Statement for the Birmingham branch of BF Ltd for the month ending 30 April 2016.

Using the figures below, complete the unshaded boxes in the Profit and Loss Statement for the Birmingham branch of BF Ltd for the month ending 30 April 2016.

- Sales of cars £350 000
- Wages £30 000
- Revenue from servicing and repairs £60 000
- Other costs £25 000

Profit and Loss Statement for the Birmingham branch of Brenda Flynn Ltd
30 April 2016

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
</tr>
<tr>
<td>Total Sales</td>
<td></td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>£230 000</td>
</tr>
<tr>
<td>Gross Profit</td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Net Profit/Loss</td>
<td></td>
</tr>
</tbody>
</table>
(e) Xavier Windsor was given the wrong figures for the sales of cars. It should have been £100,000 more than the original figure.

(i) What would be the effect of this increase in sales on gross profit and net profit?
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This error would also change the figures in BF Ltd's balance sheet.

(ii) Explain how this change to BF Ltd's balance sheet will affect the business.
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Text 4

Brian Flynn, the Branch Manager, has asked the customer service functional area of the Birmingham branch of BF Ltd to find out what customers feel about the quality of the branch’s customer service.

The following data was collected.

<table>
<thead>
<tr>
<th>Type of customer service</th>
<th>Poor (%)</th>
<th>Satisfactory (%)</th>
<th>Good (%)</th>
<th>Excellent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Follow up call after the sale of the car</td>
<td>10</td>
<td>10</td>
<td>30</td>
<td>50</td>
</tr>
<tr>
<td>One year guarantee</td>
<td>0</td>
<td>0</td>
<td>10</td>
<td>90</td>
</tr>
<tr>
<td>Additional five year guarantee</td>
<td>80</td>
<td>10</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Servicing and repairs</td>
<td>40</td>
<td>40</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Online service booking</td>
<td>95</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

4 Refer to Text 4.

(a) Suggest one method of primary (field) market research which BF Ltd could have used to obtain the customers' views on the quality of the Birmingham branch’s customer service. Explain one advantage and one disadvantage to BF Ltd of using the suggested method.

Method of primary (field) market research ..............................................................................

Advantage ..................................................................................................................................

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Disadvantage ............................................................................................................................

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(b)* Create an email to be sent to Brian Flynn which evaluates the quality of the customer service provided by the Birmingham branch of BF Ltd. Recommend and justify ways in which the Birmingham branch of BF Ltd could improve the quality of its customer service.

You will need to use the customer service data in Text 4. Add an appropriate subject to the email.

Use the email format on the opposite page to write the email. You may use the space below to draft your email. You will not receive marks for the draft. [8]
The marketing and sales functional area of BF Ltd has been asked to research the most effective ways of promoting the sales of cars at BF Ltd.

5 Refer to Text 5.

(a) Recommend and justify the most effective way of promoting the sales of cars at BF Ltd.
(b) Complete the following sentence by using three of the words from the list below. Use each word only once.

advertisements        mislead        packaging        offend

The Advertising Standards Authority guidelines ensure that all ...................................
do not ..................................., cause harm or ................................... .

(c) Explain how the Trade Descriptions Act would impact on BF Ltd.

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...................................................................................................................................................[2]
Text 6

Beatrice Goldsmith is the Administration and ICT Assistant at BF Ltd. She has been asked to review and update the following procedures:

- Emergency procedures information
- Procedures for greeting visitors/customers.

6 Refer to Text 6.

(a) Identify five items which Beatrice Goldsmith should include on BF Ltd’s emergency procedures information sheet.

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

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

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

4 ................................................................................................................................................

5 ................................................................................................................................................

(b) Recommend and justify a suitable procedure for greeting visitors/customers at BF Ltd.

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If additional space is required, you should use the following lined page(s). The question number(s) must be clearly shown in the margin(s).

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