



Oxford Cambridge and RSA

Thursday 7 June 2018 – 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



Candidate forename		Candidate surname	
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Centre number						Candidate number			
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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 barcodes.

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 of Written Communication will be assessed in questions marked with an asterisk (*).
- This document consists of **20** pages. Any blank pages are indicated.



A calculator may
be used for this
paper

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Text 1

Augustin Baby Clothes Ltd (ABC Ltd) makes clothing for babies aged from 0 to 3 years. It sells its baby clothing to high street retailers worldwide. The company has a hierarchical organisational structure.

ABC Ltd is organised by function. Each function has its own manager. Its five functional areas are:

- finance
- marketing and sales
- administration and ICT
- customer service
- production.

The current Production Manager is about to retire. *ABC Ltd* will need to appoint a new Production Manager.

1 Refer to Text 1.

(a) Complete the following sentences about hierarchical organisational structures by choosing the correct words from the list below. [3]

top few middle bottom many

A hierarchical organisational structure has layers. Those at the of the organisational structure have more power than those at the of the organisational structure.

(b) Listed below are some of the job roles found in a hierarchical organisational structure.

Put the following job roles in order of responsibility, beginning with the role with the greatest responsibility:

- supervisor
- manager
- chief executive
- operative

1 (greatest responsibility)

2

3

4 (least responsibility)

[4]

(c) ABC Ltd is organised by function. Draw a line between each of the three tasks given below and the functional manager who would organise that task.
You should only draw **three** lines.

Task	Functional Manager
Developing an advertising campaign for a new range of sleep suits for babies	Finance Manager
Updating the company's record keeping system	Marketing and Sales Manager
Analysing an increase in the number of complaints received from shops which stock ABC Ltd's baby clothing	Administration and ICT Manager
	Customer Service Manager
	Production Manager

[3]

(d)* ABC Ltd needs to appoint a new Production Manager.

Evaluate which of the following skills and qualities it is most important for the new production manager to possess:

- being good at meeting deadlines
- having lots of ideas
- being kind and caring.

Give reasons for your choice, explaining why the other two are less important.

[8]

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Text 2

Paula has been appointed as *ABC Ltd*'s new Production Manager. Currently the baby clothes are made in batches using old fashioned sewing machines and presses.

Paula wants to change the way the baby clothing is made. She wants to use the latest technology to automate the production process. Her plan is to use computer controlled machinery to make the baby clothes. This will change the way the production functional area operates.

Paula is eager to share her plan with the production workers.

2 Refer to Text 2.

(a) Explain **one** advantage and **one** disadvantage to *ABC Ltd* of using the latest technology to make its baby clothes.

Advantage

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Disadvantage

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[4]

(b) Listed below are some ways in which Paula could communicate her plans to the production workers. Using a tick (✓), match each method to the correct form of communication.

Method	Form of Communication		
	Oral (✓)	Written (✓)	ICT (✓)
Sending an email to all production workers			
Telephoning each production worker			
Posting Paula's ideas on social media			
Holding a meeting for all production workers to attend			

[4]

(c)* Paula decided to hold a meeting to tell the production workers about her plan to use computer controlled machinery to automate the baby clothing production process.

Evaluate the advantages and disadvantages to *ABC Ltd* of Paula's decision to hold a meeting to communicate her plan to the production workers. Was this the best way to communicate? Give reasons for your answer.

[8]

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Text 3

Iggy, an Administration and ICT Assistant, is in charge of keeping the database of suppliers up to date. The following is a list of the details that he needs to enter onto the database:

Easy Textiles plc, contact number 02005267457, supplies fabric, minimum order 100 metres.

Watson Ltd, contact number 01618679521, supplies stationery, minimum order £100.

Print World, contact number 02478644661, supplies printers and ink, no minimum order.

Poppet Ltd, contact number 01482698567, supplies zips and fastenings, minimum order £50.

3 Refer to Text 3.

(a) The following entries were made onto the database by Iggy.

- Circle the **three** errors that Iggy has made.
- Add the data for the following supplier in the unshaded row. The supplier is Desk Designs Ltd. Desk Designs Ltd supplies office furniture to *ABC Ltd* with a minimum order of £250. Its contact number is 01482867513.

Business	Contact number	Supplies	Minimum order
Easy Textiles plc	02005267457	Fabric	100 metres
Watson Ltd	01618679521	Stationery	£1000
Print World	02478644664	Printers and ink	No minimum
Poppet plc	01482698567	Zips and fastenings	£50

[4]

(b) Employees in *ABC Ltd*'s administration and ICT functional area produce documents which support the other functional areas within the company.

Which **three** of the following documents would support the marketing and sales functional area?

Show your answer by circling your choices. Circle **three** documents only.

a production schedule a price list a balance sheet

a promotional leaflet a customer contact form

[3]

Text 4

ABC Ltd is losing sales. Its customers, high street baby clothing retailers, are experiencing strong competition. Supermarkets have begun to sell baby clothing. Independent shops selling designer baby clothing have become increasingly popular.

Marti, *ABC Ltd*'s Marketing and Sales Manager, thinks that the company has lost touch with its market. He is concerned that its baby clothing may be seen as old fashioned. Marti is currently conducting a detailed piece of market research. He hopes that the findings from the market research can be used to improve the future performance of the company.

4 Refer to Text 4.

(a) Below is a list of tasks involved in conducting market research. Insert the numbers 1, 2, 3 and 4 in the boxes provided to indicate in which order these tasks should be completed.

Task	Order to be completed (1 being first, 4 being last)
Analyse the research data	
Design the questionnaire	
Decide on the purpose of the research	
Document the findings	

[4]

(b)* Evaluate how the findings from market research could be used to improve the future performance of *ABC Ltd*. [8]

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Text 5

Freya works in *ABC Ltd*'s finance functional area. Her tasks for today include:

- updating the petty cash
- paying a supplier
- investigating the future profitability of the company.

5 Refer to Text 5.

(a) Freya needs to update the petty cash records.

(i) State the purpose of a petty cash voucher.

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[1]

(ii) Use the following information to complete the petty cash voucher below:

John purchased 1 bag of sugar and 2 cartons of milk for the staff kitchen. The bag of sugar cost £1.35. Each carton of milk cost 98p. Use today's date.

PETTY CASH VOUCHER			Date
Description	£	p	
Total			

[4]

13

(b) Freya needs to pay a supplier. She could pay the supplier by company debit card, company credit card or company cheque.

(i) Explain **one** difference between a debit card and a credit card.

[2]

[2]

(ii) The supplier is to be paid by cheque.

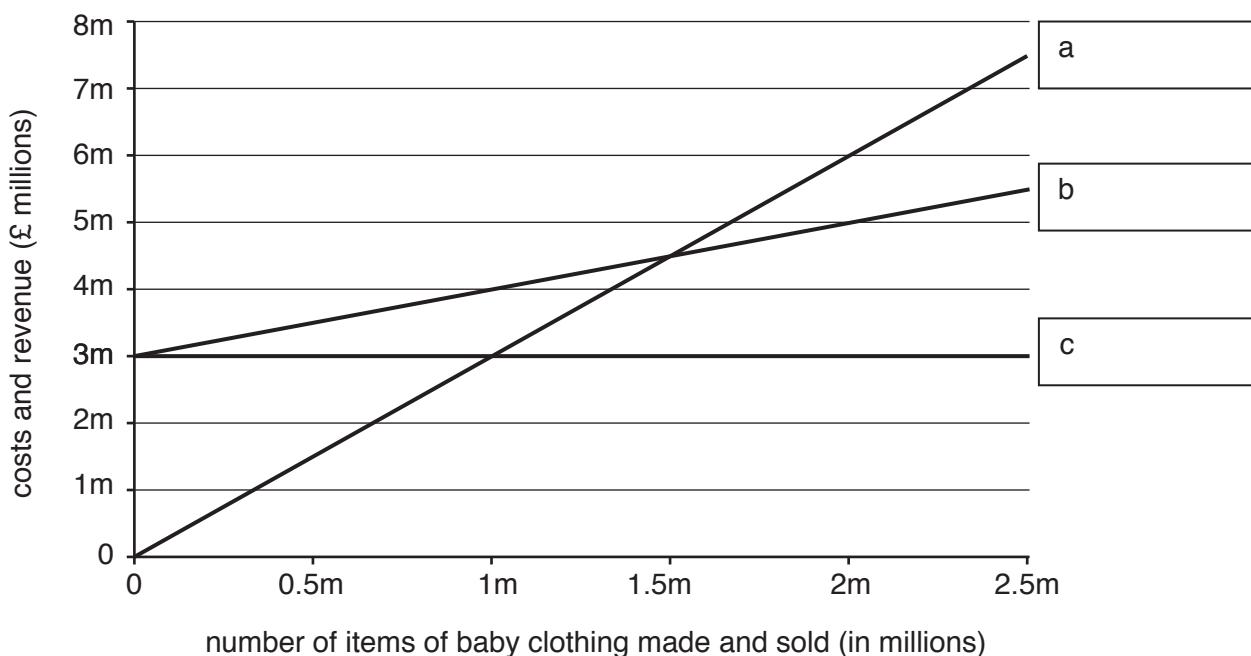
Complete the cheque below to pay the supplier. The cheque should be made out to Poppet Ltd for the amount of £147.50. Use today's date. You are **not** required to sign the cheque.

 Marples Bank plc 3 Low Street Marple MA5 8TJ	Date _____	21-34-44
Pay _____		
<i>Augustin Baby Clothes Ltd</i>		
<hr/>		
Cheque number 10331	Sort code 21-34-44	Account Number 70094652

[4]

(c) *ABC Ltd* uses break-even to investigate the future profitability of the company. Below is a partially completed break-even chart using forecasted data for 2018.

Break-even chart for ABC Ltd (2018)



(i) Complete the break-even chart by correctly labelling lines a, b and c. [3]

(ii) Complete the table below to show whether *ABC Ltd* is expected to make a profit, break even or make a loss at each of the following levels of output. Indicate your answer with a tick (✓). You should use only **three** ticks.

Number of items of baby clothing made and sold in 2018	Make a profit (✓)	Break Even (✓)	Make a loss (✓)
0.5 million			
1 million			
1.5 million			

[3]

15

(iii) Using the break-even chart, calculate how much profit *ABC Ltd* is expected to make if it makes and sells two million items of baby clothing in 2018.

Workings:

Profit = £

[2]

(iv) State **two** benefits of using ICT to construct a break-even chart.

1

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2

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[2]

Text 6

Carlos, one of *ABC Ltd*'s Customer Service Advisors, is dealing with a complaint from Sylvia Simpson, who has purchased one of the company's lace cardigans for her new born granddaughter. Sylvia has complained that the buttons on the cardigan are too loose and could be a choking hazard.

Carlos has produced the following letter to send to Sylvia in reply to her complaint.

**Augustin Baby Clothes Ltd
Industrial Row
Marple
MA3 7TP**

Mrs Sylvia Simpson
32 Daventry Park
Sontime
SO8 6UR

Dear Mrs Simpson

We are sorry to hear that you are concerned about the safety of the buttons on the baby cardigan you purchased recently.

We would like to reassure you that all of our baby clothes meet the appropriate safety standards and are quality checked before leaving our factory.

If you are still not happy, please return the cardigan to the shop and they will give you your money back.

Yours faithfully

Carlos

6 Refer to Text 6.

(a) Explain **one** reason why Carlos may be pleased with the content of the letter he has produced.

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[2]

(b) List **four** errors in the letter which Carlos has produced.

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3

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[4]

END OF QUESTION PAPER

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