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Int GCSE Business 4BS1 02R

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Introduction

Candidates appeared to have found the paper accessible and the scenario of Mahrindra & Mahrinda Limited (M&M) proved accessible to candidates. Many candidates showcased evidence of their understanding of the business from studying the course. However, for some candidates providing answers on the given scenario does seem to still present some difficulty. Thus restricting entry into the higher levels. However, as in previous series a number of candidates are still struggling with the 'State' and 'Outline' questions.

It is important for candidates to understand what the question is asking for. An 'Analyse' question is looking for appplication and analysis, were as a 'Justify' question is looking for application of knowledge, analysis and evaluation. Not following what the question asks for can restrict the candidates' access to the full range of marks.

It is also worth remembering that questions can be taken from any part of the specification, therefore candidates should ensure that all sections are covered so that they do not disadvantage themselves. To help centres the use of 'Getting Started to Teach' has details of the Assessment Objectives and what is required for each one.

Question 1 (b)

A define question of public corporation, was well answered by over half of the cohort gaining the mark available. Candidates should be reminded to try and avoid using the term in their response, this helps to ensure that they have answered the question asked.

Candidates are encouraged to practice these types of questions to ensure that they understand the difference between a definition and an explanation of the term.

This response scored 0 marks.

(b) Define the term **public corporation**.

(1)

The publics involvment together into a business

ResultsPlus
Examiner Comments

This response did not gain a mark it is not a definition of public corporation.

This response scored 1 mark.

(b) Define the term **public corporation**.

(1)

Public corporation is businesses that are owned and run by the government.

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Examiner Comments

This response demonstrates accurate knowledge of a definition of public corporation.

ResultsPlus
Examiner Tip

Putting public corporation at the beginning was not needed.

For a 'Define' question candidates are required to show that they have a clear understanding of the term.

Question 1 (c)

This define question was not as well answered with nearly three quarters of the cohort not gaining the mark available. Some candidates appeared to have confused the different types of market research. It is well worth candidates ensuring that they know the different types.

This response scored 0 marks.

(c) Define the term **qualitative market research**.

(1)

Qualitative market research is doing market research based on ~~numerical figures and~~ factors other than numerical figures and data, ~~fore~~ for example the satisfaction of customers.

ResultsPlus Examiner Comments

Candidate has made a valid point about market research but it is not a definition of qualitative market research.

This response scored 1 mark.

(c) Define the term **qualitative market research**.

(1)

Business ~~loos~~ looks the attitude and Beliefs of the Customers.

ResultsPlus Examiner Comments

This response demonstrates accurate knowledge of qualitative market research.

Question 1 (d)

The first 'State' question where candidates must relate their response to the business of why it is important for M&M to motivate its employees. Only just over a third of the cohort gained the mark available. As mentioned in previous series many candidates will give a correct answer, however it will not be in the context of M&M and will therefore not gain the mark available. It is also worth remembering just adding M&M in the response does not mean it is in context as M&M is in the question.

This response scored 0 marks.

(d) State **one** reason why it is important for *M&M* to motivate its employees.

(1)

to avoid labour turnover.

ResultsPlus
Examiner Comments

The response is very valid that a business would want to try and avoid labour turnover, however it is not in the context of M&M and therefore does not gain a mark.

This response scored 1 mark.

(d) State **one** reason why it is important for *M&M* to motivate its employees.

(1)

Motivated employees may work more efficient and increase output, such as vehicle for M&M.

Question 1 (e)

This is a calculation question where nearly half of the cohort gained the two marks available. In this question candidates had to work out the percentage increase of funds that M&M borrowed from 2019 to 2020. Again candidates should be following the instructions in the question which asked that they calculate to two decimal places the percentage increase. Workings out should be included, as there are occasions where candidates have the incorrect final response but the correct working out, and this would enable them to gain one mark.

This response scored 2 marks.

In 2019 *M&M* borrowed 448 million Indian Rupees. In 2020 it borrowed 900 million Indian Rupees.

(e) Calculate, to two decimal places, the percentage increase from 2019 to 2020. You are advised to show your working.

(2)

$$\frac{900 - 4\cancel{5}8}{448}$$

100.89 %

ResultsPlus Examiner Comments

A good response to this question gaining the full marks available.

In 2019 *M&M* borrowed 448 million Indian Rupees. In 2020 it borrowed 900 million Indian Rupees.

(e) Calculate, to two decimal places, the percentage increase from 2019 to 2020. You are advised to show your working.

(2)

$$448 - 900 =$$

$$900 - 448 = 452$$

$$\frac{452}{448} \times 100 = 100.9$$

$$\frac{452}{900} \text{ proportions}$$

.... %

ResultsPlus
Examiner Comments

This response is not the correct answer, however the candidate has included the working out. The first part is correct but the final answer is wrong.

1 mark

Question 1 (f)

This question asked candidates to explain one advantage of becoming a multinational business. To gain the full three marks for this question candidates must give one advantage and then develop the advantage. Nearly two thirds of the cohort gained the full marks available for this question showing their knowledge of what a multinational business is.

This response scored 3 marks.

(f) Explain **one** advantage of becoming a multinational business.

(3)

Becoming a multinational business will help M&M to expend it's market. This means M&M will have more customers and will be able to sell more. This will help to imp increase the revenue of M & M.

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Examiner Comments

A good response which gained full marks. Expanding its market has been explained as the advantage and then developed.

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Examiner Tip

Centres are encouraged to ensure that candidates read carefully the question to ensure that they answer correctly.

Question 1 (g)

An 'Analyse' question which is testing two of the Assessment Objectives, or AO's. AO2 which is 'Application' and AO3 which is 'Analyse'. For candidates to successfully answer these question they need to demonstrate both of these skills within their answer.

This is also the first question in the paper which is marked to Levels. Candidates were asked to 'Analyse' the disadvantages to M&M of using social media. To gain the marks available candidates need to apply the information and then analyse. Over half of the cohort were able to gain a Level 2 mark, unfortunately some candidates misread the question and gave advantages of social media. It is important that candidates read the question carefully to avoid such errors.

All responses will be looked at 'holistically', has the response applied knowledge to the scenario and has the information been analysed? A decision will then be made as to where the response 'best fits' into the Levels.

Candidates must be aware that there are no marks available for knowledge, and that the response must be in context of M&M.

This response scored 0 marks.

(g) Analyse the disadvantages to *M&M* of using social media.

(6)

AO1 : M&M is an indian multinational vehicle manufacturing corporation with its headquarters in Mumbai, Indian. Is not a good choice to use social media.

AO2 : ~~And~~ But M&M can use Social media to sell the cars, but it ~~can~~ can get scam. So M&M is a multinational business don't need to use social media. M&M is constantly working to maintain the standards and quality of it product.

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Examiner Comments

From the response you will see that the candidate's first paragraph is information from the scenario and not applicable to the question. The second paragraph is referring to M&M not using social media, which is not what the question is asking. Therefore this response gained no marks.

This response scored 4 marks.

(g) Analyse the disadvantages to *M&M* of using social media.

(6)

One a disadvantage to M&M using social media is that people might leave negative comments on their vehicles. This damages the reputation and brand image. Therefore, leading to trust issues on suppliers of it's manufacture components, and decrease in productivity that they have to find other suppliers.

Another disadvantage is that customers might not be interested an or annoyed by it's promotion and advertisement on cars. This could lead to lower sales or lower demand of production in cars. Resulting in low revenue.

Question 2 (a)

Another 'State' question where candidates were asked to give one non-financial objective for M&M. Unfortunately as in previous series over two thirds of the candidate did not gain a mark for this question. The main reason being that they did not relate the non-financial objective to M&M. Candidates should ensure that they always relate their response back to the scenario to gain the mark available.

As mentioned previously it is well worth practising these types of questions to ensure that candidates fully understand what is required.

This response scored 0 marks.

2   M&M is constantly working to maintain the standards and quality of its products.

   (a) State **one** non-financial objective for M&M.

(1)

~~job eage rotation for e~~ protecting the environ-
ment

ResultsPlus
Examiner Comments

The response that this candidate gave was valid and very relevant to M&M however it was not in context and therefore did not gain a mark.

This response scored 1 mark.

2 M&M is constantly working to maintain the standards and quality of its products.

   (a) State **one** non-financial objective for M&M.

(1)

Customer satisfaction may be one of M&M's
objectives as they want to maintain a good
reputation and relationship with them (by designing
quality car).

Question 2 (b)

Another 'State' question which again was not well answered, with nearly three quarters of the cohort not gaining the mark available. Again as mentioned, it was probably because the candidates had not put their response in context of M&M. It is well worth reiterating again that 'State' question needs to be in the context of the scenario, a number of candidates are being disadvantaged by not using this skill. This question asked for one reason why M&M could dismiss an employee.

This response scored 0 marks.

(b) State **one** reason why *M&M* could dismiss an employee.

(1)

less hardwork and dosent helps the costumers. to see what they wants.

ResultsPlus
Examiner Comments

This candidate has given a very valid point about an employee who does not help customers with what they want. This response could relate to any business and therefore the candidate did not gain a mark.

This response scored 1 mark.

(b) State **one** reason why *M&M* could dismiss an employee.

(1)

The employee is not productive enough, e.g. they are too slow at applying tyres to the cars.

ResultsPlus
Examiner Comments

This candidate gained the mark available because they referred to the candidate being too slow at applying tyres to the car. Thus relating it back to the scenario.

Question 2 (c)

An explain question, which means that it does not have to be in context. The Assessment Objective being tested is AO1 (Knowledge). Candidates were asked to give one reason why branding is important to businesses. Well over half of the cohort gained the full three marks available for this question, showing knowledge of why branding is important. Care should be taken not to include more than one reason as candidates may not be able to gain the full marks available. Again care should be taken to ensure that the question is thoroughly understood and it is advisable to read it through at least twice before attempting to answer.

This response scored 3 marks.

(c) Explain **one** reason why branding is important to businesses.

(3)

Branding is important to businesses as it helps ~~helps~~ helps customers easily identify them & it makes them unique. Without branding in a business, the business will not stand out, ~~& will be seen as~~ therefore ~~the~~ the business will be unlikely to gain customers & sales which ~~ca~~ may lead to negative cashflow which is something a business does not want.

ResultsPlus
Examiner Comments

The response given clearly shows an understanding of branding gaining the full marks available.

This response scored 2 marks.

(c) Explain **one** reason why branding is important to businesses.

(3)

Branding increases customer awareness about brand which means more customers will get attracted a business can experience high profits.

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Examiner Comments

The candidate has identified the benefit of branding by increasing customer awareness and that customers will be attracted to the business. The comment about high profits is another reason and therefore not awarded any marks.

Question 2 (d)

Another 'Explain' question which requires knowledge and does not need to be in the context of M&M. The question asked for one way businesses ensure that all employees have equal opportunities. This question proved quite difficult for a number of candidates with well over half of the cohort not gaining any marks on the question and only a tenth gaining the full marks available. Some candidates referred to equal opportunities as being methods of retaining employees such as job rotation. Again candidates should read the question through at least twice before attempting to answer it to ensure they know what they have to do.

This response scored 2 marks.

(d) Explain **one** way businesses ensure that all employees have equal opportunities.

(3)

One way a business can ensure all the
ep employees have equal opportunities is by
having team meeting's and fixing or
helping any issues the employees have.
this could be offering a promotion or
a new position if the employee wants
more responsibility.

ResultsPlus Examiner Comments

This response shows an understanding of how a business could ensure that all employees have equal opportunities by having team meetings and this is then further developed by fixing any issues. The comment about offering promotion is another way and the question asks for one way only.

This response scored 0 marks.

(d) Explain **one** way businesses ensure that all employees have equal opportunities.

(3)

They work on businesses and depend on salary. They also have other needs such as promotion, Job opportunities and Job enrichment.

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Examiner Comments

This response does not answer the question and therefore did not gain a mark.

Question 2 (e)

This question on why businesses maintain the quality of their products was well answered with nearly two thirds of the cohort gaining the full marks available. Candidates were able to show their knowledge and understanding of why quality is important to a business.

This response scored 1 mark.

(e) Explain **one** reason why businesses maintain the quality of their products.

(3)

If the bussiness do not have good quality the customer will only buy their product ones, because the product is is not safe, it can use use use for a long time it will broken, so the business will mainthan the quality of their product to have a good sell

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Examiner Comments

This is an example of where a candidate has possibly misread the question or not developed their answer to justify what having good quality is important. The mark was given for the comment that the customer would only buy once.

This response scored 3 marks.

(e) Explain **one** reason why businesses maintain the quality of their products.

(3)

one reason why Businesses maintain the quality of their products is to attract customers who are intrested in the product This means the business can gain customer loyality which therefore customers would revisit the business and purchese only from that business.

Question 2 (f)

The first question where candidates have to choose between the two options, one of increasing promotion of all vehicles and the other of making improvements to all vehicles. Most candidates understood that they had to justify why they had chosen one option as opposed to the other. Candidates should avoid giving detailed knowledge of the two options available, as there are no knowledge marks on this question.

The 'Justify' questions are marked in the same way as 'Analyse' questions, but candidates now have to include 'Evaluative' comments (Assessment Objective 4). The question is marked to Levels the same as 'Analyse' questions. Candidates do not have to consider both options in their response. Candidates can achieve full marks by only considering one of the options.

There were a variety of responses from candidates and the majority of the cohort gained a Level 2 mark, with only a very small percentage not gaining a mark.

This response was Level 2 – 5 marks.

M&M wants to remain the world's largest manufacturers of cars, vans and tractors. To do this it is always introducing new ways of keeping its customers interested. M&M is considering the following options.

Option 1: increase promotion of all vehicles

Option 2: make improvements to all vehicles.

(f) Justify which **one** of these two options M&M should choose.

(9)

M&M should choose to make improvements to all vehicles rather than increase promotion of all vehicles ~~to attract more customers.~~ because promotion might be a waste of money.

By making improvements to all vehicles, ~~M&M~~ M&M would be staying up-to-date with the ~~life death~~ new features. ~~This would attract more cus~~ like electric cars, trucks and vans. This would attract more customers ~~from from~~ who would be interested in ~~the~~ electric vehicles and able to target all demographics. Hence, increasing potential customers.

In addition, ~~M&M would~~ making improvements would help improve reliability of the vehicle, so the quality of the ~~product~~ vehicles will be improved, which allows customers to trust M&M and purchase from M&M. Hence, increasing the business' revenue.

However, making improvements to all vehicles would be too expensive, which the cost might not be able to be covered with sale.

This response was Level 3 – 8 marks.

M&M wants to remain the world's largest manufacturers of cars, vans and tractors. To do this it is always introducing new ways of keeping its customers interested. M&M is considering the following options.

Option 1: increase promotion of all vehicles ⊂

Option 2: make improvements to all vehicles. ⊂

cont.

(f) Justify which **one** of these two options M&M should choose.

(9)

An advantage of option 1 to M&M would be that it would attract more customers and even newer customers. M&M providing the option that there's any promotion available will increase the interests of customers as they would have to pay less, so they'd view it as a benefit and a sense of need to purchase their vehicles. In addition, promotion, the word would be spread across to everyone quickly. However a disadvantage of increasing promotion could lead to a decreased income for M&M. This could lead to less profit being made by M&M as if the cost of production is higher than the selling price, their M&M would be generating less profit than anticipated.

One benefit of choosing option 2 for M&M is that new improvements could attract customers. In the perspective of the customers, they'd think that the value of the vehicle has increased due to the intricate and newer improvements designed onto the vehicles. This can lead for M&M to have customers willing to purchase one of their vehicles due to the reason of newly advancements made for those vehicles, showcasing more features available in that vehicle. Although a disadvantage to M&M is that on top of the cost of production for one vehicle, they would need to use more money in order to make the suitable adjustments. This can lead to a slightly decrease in revenue as their cost productions

will increase.

In conclusion, I believe M&M should choose option 2, as option 1 is a temporary decision. Also, as M&M is a large manufacter, they want to maintein high quality of products. So if customers heard the new advanced changes/improvements made, it'll attract and catch the eye of the customers more and make them want to purchase.

(Total for Question 2 = 20 marks)

Question 3 (a)

Another 'Define' question where candidates were asked to define the term autonomy. This question was not well answered by the majority of candidates with only a quarter of the cohort gaining the mark available.

This response scored 1 mark.

3   In 2021 *M&M* moved from 20th to 2nd place as one of India's best workplaces.

   (a) Define the term **autonomy**.

   (1)

   Autonomy is when workers have the ability to make their own decisions and ideas in a business.

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Examiner Comments

This is a good example of how we would expect candidates to respond to this question.

This response scored 0 marks.

3   In 2021 *M&M* moved from 20th to 2nd place as one of India's best workplaces.

   (a) Define the term **autonomy**.

   (1)

   Making a job more challenging by giving employees more responsibility.

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Examiner Comments

An example of a response which did not gain a mark.

Question 3 (b)

An 'Outline' question which is similar to a 'State' question where candidates have to put their response in the context of the business. To gain the two marks available there must be a development in the response as well as the response being applied to the scenario. Nearly two thirds of the cohort did not gain a mark on this question. From some of the clips seen, candidates may have misread the question or did not finish reading the question with regard to locating a new factory near to a labour force. A number of comments made reference to easier to transport vehicles and tractors, which does not have a benefit for the labour force.

This response scored 0 marks.

(b) Outline **one** reason why M&M might locate a new factory near to a labour force.

(2)

One reason is to lower costs. Closer to a labour force means cheaper means of transport to the factory which means cheaper labour.

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Examiner Comments

This response is not in context because the comment transport to the factory could apply to any business.

This response scored 2 marks.

(b) Outline **one** reason why *M&M* might locate a new factory near to a labour force.

(2)

Because there would be a high number of highly skilled workers e.g mechanics or ~~enig~~ enigneers which means M&M can hire labour at a low cost due to the compehition of wanting a job.
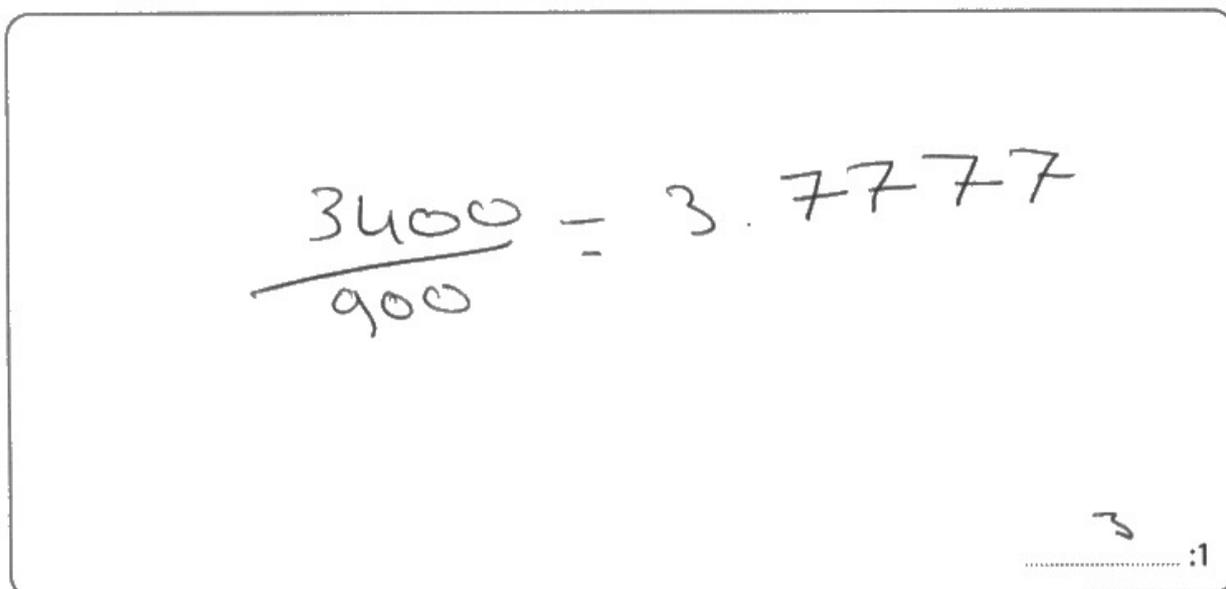
Question 3 (c)

Another calculation question where over two thirds of the cohort gained the two marks available for this question. It is pleasing to see candidates are making more use of the formulas provided at the start of the paper.

This response scored 1 mark.

In 2020 *M&M* had current assets of 3 400 million Indian Rupees and current liabilities of 900 million Indian Rupees.

(c) Calculate, to 2 decimal places the current ratio for 2020. You are advised to show your working.

(2)

$$\frac{3400}{900} = 3.7777$$

.... :1

ResultsPlus
Examiner Comments

This response gained one mark for the formula as the answer on the dotted lines is not to two decimal places as the question asks. Candidates should take care to ensure that they follow what is asked for.

This response scored 2 marks.

In 2020 *M&M* had current assets of 3 400 million Indian Rupees and current liabilities of 900 million Indian Rupees.

(c) Calculate, to 2 decimal places the current ratio for 2020. You are advised to show your working.

(2)

$$Current\ ratio = \frac{current\ assets}{current\ liabilities} = \frac{3400}{900} = 3.78$$

.... :1

ResultsPlus
Examiner Comments

Although the answer is not on the dotted lines it is correct and therefore gained the two marks available. Candidates should be encouraged to put their answer on the dotted lines.

Question 3 (d)

It is worth reminding candidates of what each question is testing. This question is an 'Analyse' question and the two Assessment Objectives are AO2 'Application' and AO3 'Analysis. This to be successful, candidates need to demonstrate both of these AO's within their answer. The question asked candidates why would M&M want to compare its business with other vehicle manufacturers. Very few candidates did not gain a mark on this question and well over half gained a Level 2 mark showing a clear understanding of what was required in their responses.

This response is Level 3 – 6 marks.

(d) Analyse why *M&M* would want to compare its business with other vehicle manufacturers.

(6)

One reason may be to see how well they are doing alongside their competitors. This leads to an increase in awareness of what they have to do to be able to remain the best vehicle manufacturers in the world. The effect on the business is they are able to create a plan or idea of how they are doing against other vehicle manufacturers.

Another reason is that they are able to see what they need to do to better to help improve customer satisfaction. This leads to an increase in awareness of what the business need to change or keep in order to better apeal to the needs of customers while also staying commited to certain innitiatives that they reside with such as being environmentally friendly.

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Examiner Comments

This response shows how we expect candidates to respond to an 'Analyse' question. The response shows detailed application of knowledge and understanding of business concepts with context throughout, as well as interconnected points with logical chains of reasoning.

This is a Level 1 response – 2 marks.

(d) Analyse why *M&M* would want to compare its business with other vehicle manufacturers.

(6)

AS It allows them to understand their Standpoint In the ~~M&M~~ auto-motive industry. If other manufacturers are selling construction ~~~~ vehicles, they could start selling them too In order to become more competitive.

Allows them to Implement competitive pricing, If another manufacturer was selling a van for 50,000 rupees, they could under cut them and Sell for 45,000 rupees. This can Increase Sales, resulting in a growth of their market share.

Question 3 (e)

The second option question where candidates have to justify which one of the two options would be more suitable for M&M to retain its employees. As in question 2f many candidates described both methods, which is knowledge. Most candidates were able to gain marks on this question with only a very small number not gaining a mark. The large majority of candidates gained a Level 2. It may help candidates to gain the higher level if they gave evaluative comments as to the chosen option and why it would be more suitable.

This response is Level 1 – 3 marks.

M&M wants to retain the employees working in its business. To do this it is considering the following options.

Option 1: job rotation

Option 2: bonus.

(e) Justify which **one** of these two options *M&M* should use.

(9)

To keep employees in the business the best thing to do is give them a bonus.

This is because bonuses can motivate employees and raise morale making them happier to stay in the business. Not only can this make employees not want to have the business but it could also increase the employees work rate.

A bonus is the correct way to motivate and increase the morale of employees. It will also keep them happy and make them not want to leave because the bonus has been given to them.

This is a Level 3 response – 9 marks.

M&M wants to retain the employees working in its business. To do this it is considering the following options.

Option 1: job rotation

Option 2: bonus.

(e) Justify which **one** of these two options M&M should use.

(9)

One advantage to using bonuses is it can increase motivation. This means the employee satisfaction in the workplace will be high. Therfore the employees will be more productive. There will be an increase in productivity. As a result there will be more sales of cars/vehicles and the manufacturing process can run smoother and more efficient. As well as this employee satisfactive gives the business a good image and repuation. This would affect the finance department as they would have to track how much each employee is getting and deserves as a bones. It would also affect the marketing department as they will have a better brand image. It would also affect the HR department as they can use the bonuses system to attract new employees which would help with recruitment. It also gives employees a sense of achievement. However this depends on the size of the bonus and how the system to get a bonus works. If it is not good no one will be motivated. One disadvantage of using bonuses is it may not give employees a sense of responsibility. This means they may feel bored through out the day, ect. As a result they could have a decrease in motivation and could lead to a decrease in productivity. This would affect the production department as not

as many cars will be manufactured. This would also affect the HR department as they may have to start looking to recruit new employees if the current ones arn't working. Personally I would chose to use Bonuses as money can be a key motivator to people, it also helps increase your sales. One disadvantage of Job rotation is that people may not be qualified for every job in a company/business. In the long term, job rotation may be better because it gives employees a sense of value.

(Total for Question 3 = 20 marks)

Question 4 (a)

Another calculation question where over four fifths of the cohort gained the full marks available and only a very small percentage of candidates did not gain a mark.

This response scored 1 mark.

4 *M&M sells its tractors to the UK. Its tractors sell for 14 000 000 Indian Rupees.*

The exchange rate is 103 Indian Rupees = £1 (GBP).

(a) Calculate, to 2 decimal places the cost of the tractor in pounds sterling (GBP). You are advised to show your working.

(2)

14 000 000 ÷ 13

= 1 076 923.08   (2 decimal place)

= £1 076 923.08

£..............................

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Examiner Comments

This candidates only gained one mark for the correct formula.

This response scored 1 mark.

4   *M&M* sells its tractors to the UK. Its tractors sell for 14 000 000 Indian Rupees.

   The exchange rate is 103 Indian Rupees = £1 (GBP).

   (a) Calculate, to 2 decimal places the cost of the tractor in pounds sterling (GBP). You
        are advised to show your working.

   (2)

   $$= \frac{14,000,000}{103} \times 1$$

   $$= 135922$$

   £13,5922

ResultsPlus
Examiner Comments

This candidates also gained one mark for using the correct formula.
The question asked to calculate to 2 decimal places.

ResultsPlus
Examiner Tip

Centres are reminded to encourage candidates to read the question
carefully to fully understand what is required and therefore being able
to access all of the available marks.

Question 4 (b)

Again a question that was accessible to the majority of candidates with only a very small number not gaining a mark. The majority of candidates gained a Level 2 mark. As previously mentioned and in the 'Getting Started Booklet page 32 an 'Analyse' question is looking for application of information and analysis of why M&M would want to continue planting trees.

Those candidates that accessed a Level 3 considered why M&M wanted to continue planting trees and the benefits that it provided both for the image of the business and also in helping the environment. Candidates successfully linked their points together in a logical order and were able to make conclusions with a well-balanced and justified reasoning.

This response gained a Level 3 – 6 marks.

(b) Analyse why *M&M* wants to continue planting trees.

(6)

M&m have commited to ensuring the protect their environment. They have already planted 1.32 million trees. Them continuing to plant trees firstly shows a commitment to protecting thei environ ment understanding the negative effects that motor vehicles have on the environment and also as a positive image to the public that they are an accountable brand that is willing to try and make up for the harm they do. This will help show a commitment to the community which boosts public perception and the likelihood for people to trust their brand which in turn increases sales.

Question 4 (c)

The final question in the paper which is marked to Levels but covers all four of the Assessment Objectives. It is pleasing to see that most candidates attempted the question. Candidates should plan to allow sufficient time to answer this question.

Candidates were asked to evaluate why M&M would use cash flow forecasting to help them inform decision making. Some candidates are using bullet points or a numbering format which will not allow them to gain the higher levels. A number of candidates confused a cash flow forecast with statement of comprehensive income, which limited them gaining the higher levels. Well over half of the cohort were able to gain a Level 2 mark.

Those candidates who gained a Level 3 mark evaluated the importance of M&M using cash flow forecasting to help them make decisions for the future. Candidates successfully linked their points together in a logical order and were able to conclude their answer with a well-balanced and justified argument.

This response is a Level 3 – 10 marks.

(c) Evaluate why *M&M* uses cash flow forecasting to help inform decision making. You should use the information provided as well as your own knowledge of business.

(12)

By M&M using cash flow forecasting they will be able to see or predict in th future if they would make any loss or profit.

As M&M is investing in Cars vans and trucktors it can be very expensive to invest and produce and provide fringe benefits or bonuses to keep the employees motivated as producing a Car or vehicled can be complicated and hard and expensive to make which would make M&M need to invest a lot of money in the company. And by having a cash flow forecasting they would be able to know if they should invest in these Vehicles and Save them from being in debt and loss the business.

And to keep customers loyal and keep them they would need to invest to upgrade the vehicles a which comes which can be Costly and by using a fore cost it would help them See if they would Make the money invesed back and profit. However as the cash florcosting Can only predicat and not be 100% accurate ther Could be a risk and as M&M would be investing a lot of money in this business they Should not 100% rely on the fore cost as many other factors car take place as petrol price can increse

again which would decrease in profit or the customers might not like the products anymore losing a lot of customers and sales. And they should do surveys and ask it customers on what they should do to improve their business are they are buying the products.

In conclusion if M&M takes their customers opinions and looks into other factors and sometimes even the cash forecast they will be able to increase in sales as they know how to and when to invest and increase in revenue of the business

Paper Summary

Based on the performance in this paper candidates and centres are offered the following advice:

- Avoid repeating the question in the first line of their response – it takes up space and also wastes valuable time.
- Ensure when completing all calculation question that all workings out are shown in the space provided.
- Include information from the scenario in 'State' and 'Outline' questions, but not information from the question.
- Aim to develop answers using linking words to expand the comments made in the response.

Grade boundaries

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