



ICM

MARCH 2017

THE STRUCTURE OF BUSINESS

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FOUR questions
 - c) All questions carry equal marks. Marks for each question are shown in []
1. What are the principal purposes of the following business documents:
- a) A bill of lading
 - b) Deeds (formal documents)
 - c) A goods received note
 - d) A bank statement
 - e) A sales invoice [5 each]
2. a) Discuss how the following international commercial terms (incoterms) are relevant to a business:
- i) DES
 - ii) EXW
 - iii) DDP
 - iv) CPT
 - v) CFR [2 each]
- b) Explain the following terms:
- i) Indirect costs
 - ii) Direct costs
 - iii) Break-even point [5 each]
3. Discuss the FIVE elements of the marketing mix. [25]
4. a) Explain what the principal methods of exporting are. [10]
b) How can desk or secondary research assist the marketing department? [10]
c) Explain what you understand by the term **field** or **primary research**. [5]
5. Write short notes on FIVE of the following:
- a) The remuneration of sales staff
 - b) Methods of distribution
 - c) Production by batch methods
 - d) Importance to a business of a national census
 - e) Customers who repeat their orders
 - f) Process costing
 - g) Just-in-time (JIT) [5 each]