5.7 Choosing and Evaluating Suppliers: Selection Criteria and Sourcing: 10-minute Pack

AQA 8132 · Calculators not allowed · about 10 minutes

Total Marks

Name: _____ Date: ____ / ____ / _____

Answer ALL questions in the spaces provided. Show your working where asked. The scenario about Noah's Bakery is fictional and used only for these questions.

1 Noah's Bakery is choosing a flour supplier. Which one of the following is an example of a supplier selection criterion related to cost?

- ☐ A) Delivery reliability
- ☐ B) Price per kilogram
- ☐ C) Ethical sourcing certification
- ☐ D) Number of product varieties offered

(Total for Question 1 is 1 mark)

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2 Noah's Bakery receives a sample pack from Supplier A and Supplier B. Which one of the following is a quality-related criterion Noah should consider when comparing the samples?

- ☐ A) 30 day payment terms
- ☐ B) Supplier's factory distance in km
- ☐ C) Consistency of flour grade
- ☐ D) Discount for bulk orders

(Total for Question 2 is 1 mark)

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3 State one ethical or environmental selection criterion Noah might use when choosing a flour supplier for Noah's Bakery.

(Total for Question 3 is 1 mark)

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4 Using the scenario figures, calculate how much more Noah's Bakery would pay each month if it bought 300 kg of flour from Supplier B at £0.48/kg instead of Supplier A at £0.45/kg. Show your working.

(Total for Question 4 is 2 marks)

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5 Explain one reason why the payment terms offered by a supplier, such as Supplier B's 30 day payment term, are important to Noah's Bakery's cash flow in this supplier selection context.

(Total for Question 5 is 3 marks)

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Mark scheme · 5.7 Choosing and Evaluating Suppliers: Selection Criteria and Sourcing: 10-minute Pack

Question 1

B cao **B1**

Answer: B

Question 2

C cao **B1**

Answer: C

Question 3

any one ethical/environmental criterion, e.g. Fairtrade certification, low-carbon transport, sustainable farming **B1**

Answer: For example, whether the supplier uses sustainably grown wheat or has Fairtrade certification.

Question 4

calculates monthly cost for one supplier and the other or calculates difference, e.g. (300 x 0.48) and (300 x 0.45) seen **M1**

£9 cao **A1**

Answer: 300 x 0.48 = £144.00; 300 x 0.45 = £135.00; difference = £9.00, so Supplier B costs £9.00 more per month.

Question 5

identifies a reason, e.g. longer payment terms delay cash outflow **B1**

develops the reason, e.g. Noah can hold cash longer before paying suppliers **B1**

links to an outcome, e.g. this gives Noah more time to sell baked goods and collect cash, easing short-term cash flow pressure **B1**

Answer: Longer payment terms delay when cash leaves the business, so Noah can keep the cash for longer before paying suppliers. This gives more time to sell baked goods and collect money from customers, easing short-term cash flow pressure.

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