

Role Description – Intermediary

As an importer of cell phones you have to buy cell phones from factory owners in Europe and Asia and resell them to retailers in your home country.

Each year you have to negotiate quantities and prices with these factory owners and with the retailers, who buy your cell phones. Your task is to match buying and selling terms in order to create a considerable profit for yourself. Note that trade conditions differ from country to country: Purchase prices for Asian cell phones will be less than those for European ones. However, you'll have to pay a higher amount for transportation and customs. The variable cost, incurring for each cell phone bought, reflect this fact.

Variable cost for Asian cell phones are £ 5.50 per piece (one paper cell phone corresponds to 250,000 pieces), those for European cell phones are £ 0.50.

During your planning you should keep in mind that cell phones can only be sold in the year of production. They go out of fashion at the end of the year.

In the first year, try to get some information concerning the overall amount of cell phones that can be produced by the factories. The retailers will be grateful for this information.

After having sold the cell phones to the retailers complete your calculation sheet. Carry forward your total capital into the next year. Your goal is to make as much money as possible.

Intermediary

Year	Notes
Expenses	
Purchases from Asian factories	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
+ variable costs _____ phones at £ 5.50 per phone = £ _____	
= sum of purchases from asia	= £ _____
Purchases from European factories	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
+ variable costs _____ phones at £ 0.50 per phone = £ _____	
= sum of purchases from Europe	= £ _____
= total sum of purchases	= £ _____
Revenues	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
= total revenues	= £ _____
Accounting	
Funds at the beginning of the year	= £ _____
+ total revenues	= £ _____
- total expenses	= £ _____
= funds at the end of the year	= £ _____

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Expenses	
Purchases from Asian factories	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
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+ variable costs _____ phones at £ 5.50 per phone = £ _____	
= sum of purchases from asia	= £ _____
Purchases from European factories	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
+ variable costs _____ phones at £ 0.50 per phone = £ _____	
= sum of purchases from Europe	= £ _____
= total sum of purchases	= £ _____
Revenues	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
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= total revenues	= £ _____
Accounting	
Funds at the beginning of the year	= £ _____
+ total revenues	= £ _____
- total expenses	= £ _____
= funds at the end of the year	= £ _____

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Year	Notes
Expenses	
Purchases from Asian factories	
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Purchases from European factories	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
+ variable costs _____ phones at £ 0.50 per phone = £ _____	
= sum of purchases from Europe	= £ _____
= total sum of purchases	= £ _____
Revenues	
_____ · 250,000 phones = _____ phones at £ _____ per phone = £ _____	
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Accounting	
Funds at the beginning of the year	= £ _____
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