

Paper Reference 8BS0/02
Pearson Edexcel
Level 3 GCE

Total Marks

Business
Advanced Subsidiary
Paper 2: Managing business activities

Friday 26 May 2017 – Afternoon

Time: 1 hour 30 minutes plus your additional time allowance.

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

You do not need any other materials.

YOU WILL BE GIVEN

Data Book

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper – there may be more space than you need.

INFORMATION

The total mark for this paper is 80

The marks for EACH question are shown in brackets – use this as a guide as to how much time to spend on each question.

You may use a calculator.

ADVICE

Read each question carefully before you start to answer it.

Try to answer every question.

Check your answers if you have time at the end.

Answer ALL questions.

SECTION A

**Read Extract A and Extract B in the
Data Book before answering Question 1**

Write your answers in the spaces provided.

1. (a) What is meant by sales revenue?
(2 marks)

- (b) What is meant by total costs?
(2 marks)

(continued on the next page)

1. continued.

(c) The Posh Pasty Company's factory has a maximum output of **34,200** pasties per year.

Using the data in Extract A, calculate the total number of pasties produced by

The Posh Pasty Company in **2015**

You are advised to show your working.

(4 marks)

Answer lines continue on the next page.

Turn over

1. (c) continued.

(continued on the next page)

1. continued.

(d) Using the data in Extract B, calculate the total variance in profit for The Posh Pasty Company's steak and stout pasty for July 2015
You are advised to show your working.

(4 marks)

Answer lines continue on the next page.

1. (d) continued.

(continued on the next page)

1. continued.

(e) Assess TWO likely benefits to The Posh Pasty Company of using batch production to manufacture its pasties.

(8 marks)

Answer lines continue on the next two pages.

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Turn over

1. (e) continued.

[illegible]

Turn over

1. (e) continued.

(continued on the next page)

1. continued.

(f) Assess the importance to The Posh Pasty Company of using crowd funding as its main source of finance.

(10 marks)

Answer lines continue on the next two pages.

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1. (f) continued.

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1. (f) continued.

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(Total for Question 1 = 30 marks)

TOTAL FOR SECTION A = 30 MARKS

Turn over

SECTION B

**Read Extract C and Extract D in the
Data Book before answering Question 2**

Write your answers in the spaces provided.

2. (a) What is meant by productivity?
(2 marks)

- (b) What is meant by quality assurance?
(2 marks)

(continued on the next page)

2. continued.

(c) Using the data in Extract C, calculate Burberry plc's gross profit margin to 2 decimal places (2 d.p).

You are advised to show your working.

(4 marks)

Answer lines continue on the next page.

2. (c) continued.

(continued on the next page)

2. continued.

(d) Explain how the use of waste minimisation in its new factory might affect Burberry plc.

(4 marks)

Answer lines continue on the next page.

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2. (d) continued.

(continued on the next page)

2. continued.

(e) Assess TWO likely impacts on Burberry plc from holding limited amounts of stock in its new factory.

(8 marks)

Answer lines continue on the next two pages.

[illegible]

Turn over

2. (e) continued.

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2. (e) continued.

(continued on the next page)

2. continued.

(f) In November 2015, UK inflation increased to 0.1%

Assess the likely impact of this rise in inflation on Burberry plc.

(10 marks)

Answer lines continue on the next two pages.

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2. (f) continued.

[illegible]

Turn over

2. (f) continued.

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(Total for Question 2 = 30 marks)

TOTAL FOR SECTION B = 30 MARKS

Turn over

SECTION C

**Read Extract E in the Data Book before
answering Question 3**

Write your answer in the space provided.

To maintain its competitive advantage in the premium sports car market, McLaren Ltd could increase its use of lean production methods or make the company more market orientated.

3. Evaluate these TWO options and recommend which option McLaren should use to maintain its competitive advantage.

(20 marks)

Answer lines continue on the next five pages.

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3. continued.

(Total for Question 3 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS

TOTAL FOR PAPER = 80 MARKS

END OF PAPER
