

Possible questions for Bowton Mountain Festival. A293 exam.

Section 1.

Social costs of Festival ?

What advantages does 'Enjoying but protecting the Environment' have for festival organisers ?

What type of market does Spirit of Adventure operate in ? what does this mean for consumers ?

Evidence of global market / what is globalisation ? evidence ?

Calculations based on exchange rates , numbers of visitors from EU , incomes and ages

What effect would strengthening / weakening of pound against Euro have on visitor numbers ?

Explain 1 way the festival could help the town of Bowton

What effect might UK leaving EU have on festival in future years ?

Section 2.

What effect would council cuts have on festival ?

Economic growth / income growth – UK v EU – implications ?

High unemployment in Bowton – effects ?

Gap between rich and poor – assess extent to how this impacts festival

Advantages and disadvantages of increase in part time contracts and zero hours contracts

Implications on changes to exchange rate v EU

Effects of increase in Income tax, effects of rise in Interest rates

What effect has increase in number of hotels done for festival ? Tourism ? Hotel owners ? How would this increase in tourism effect Spirit of Adventure ?

Section 3

How could BFM Ltd improve performance of company ?

What is a grant ? why was it given ? what is sponsorship ? Costs and benefits to town of Bowton on giving grant to BMF Ltd ?

Calculations based on price of tickets , weekend passes etc ? Implication of more visitors from UK

Why will festival get more visitors from UK in 2017 than 2016 ?

Section 4

By how much has total costs risen ? – actual and percent

Work out individual costings

Fixed v Variable costs.

Section 5.

What effect would t-shirts being 'collectors items' have on price/demand for these t-shirts?

E-Commerce – advantage of selling merchandise on website

Why batch production ? why not flow or job ?

Calculate average costs if buying t-shirts from China / UK supplier

Implications of changes in exchange rates £ v Chinese Yuan

Why can China produce T-shirts cheaper than UK ? Who benefits in a competitive market ?

Possible problems with using Chinese supplier

Possible diseconomies of scale, name and explain 3 economies of scale (economies of large scale production)

Who should BMF use to supply t-shirts, give justification and reasons for choice including why rejected other

What quality Control Systems could UK supplier have in place ? what is meant by TQM ? traditional quality assurance, Kaizen ?

How did BMF finance purchase of t-shirts last year ?

Advantages and disadvantages of Trade Credit or Bank loan, what should BFM choose ?

How do you create a cash flow forecast ? Benefits and limitations of a cash flow forecast

Calculate Break Even ? What is formula for Break Even, what are limitations of break Even ? What is meant by break even ? What is margin of safety ?

Re-calculate cash flow chart if buy T-shirts from UK supplier

What month will BMF start to show a profit on t-shirt sales ?

Total costs of buying t-shirts ? Total fixed costs ?

Section 6

Effect of competition on businesses at festival

Why would large national chains be able to sell products cheaper than Spirit of Adventure ?

Should Spirit of Adventure use JIT or JIC for their stock control ? Advantages and disadvantages.