



Tameside College

Business

Applicant Study Pack

Description of course:

Throughout the course, you will be looking at different businesses; their ownership, aims and objectives and their purpose. We will look at how companies organise themselves and how they are divided into functional areas.

Task One

Research the impact that COVID-19 has had upon different high street retailers and contrast this with online retailers:

Pick 1 from each column from the following:

Boohoo	NEXT
Pretty Little Thing	GAP
Amazon	Top Shop
Shein	Debenhams

Use the following prompts to prepare a **handwritten** 1000 word essay (2-3 sides A4) on the retailers of your choice:

- Using contemporary media sources examine the impact that COVID-19 has had on these retailers.
- Give an overview of your chosen retailers (What year were they founded? What products/services do they provide)?

Task Two

What is break-even? (include diagrams to aid explanation)

Complete the following questions, using the formulas below:

Contribution per unit = selling price per unit – variable costs per unit

Break-even point = $\frac{\textit{Fixed costs}}{\textit{Selling price per unit} - \textit{variable cost per unit}}$

- 1) Tom wants to set up a mobile bakery. He thinks that his fixed costs would be £100 per week, and the variable cost per cake would be 80p. He aims to sell the cakes for £1.30. How many would Tom need to sell each week before he can make a profit?
What is the contribution per unit?

- 2) If a t shirt sells for £5, the variable cost is £3, and the fixed cost is £300, what is the breakeven point?
What is the contribution per unit?

- 3) Charlie wants to sell Valentine's Day hampers for £50. Her fixed costs will be £4000, and variable costs will be £30 per hamper.
Calculate her breakeven point?
What is the contribution per unit?

- 4) Glasses R Us has fixed costs of £10,000, unit sales price of £20, and variable costs per unit of £10. It has planned sales of 2000 units.
Calculate their breakeven point?
What is the contribution per unit?

- 5) Choo Choo sells wooden trains for £5. They have fixed costs of £5,000 and variable costs of £1.50 per unit. They aim to sell 2000 toy trains.
Calculate their breakeven point?
What is the contribution per unit?

6) Calculate the breakeven point for the following businesses:

Business	Selling price (£)	Variable costs (£)	Fixed costs (£)	Formula	Break even point
A	20	10	15,000	$\frac{15,000}{(20 - 10)}$	
B	5	3	788		
C	1,500	1,000	30,000		
D	20,000	17,500	35,000		
E	44	34	1,800		
F	60	30	300		
G	120	100	4,800		

What next?

- Visit our website – www.tameside.ac.uk for more information.
- Attend our New Students' Day.
- Make it official, join us for enrolment in August. Letters will be sent to all applicants at the end of July with more details.