5.2 Procurement and managing stock: 10-minute Pack

AQA 8132 · Calculator allowed · about 10 minutes

Total Marks

Name: _____ Date: ____ / ____ / _____

Answer ALL questions in the spaces provided. Show your working for any calculation: method marks are available even if your final answer is wrong. Cranmoor Stationery Supplies, used throughout this pack, is a fictional business.

1 Which one of the following best describes procurement?

- ☐ A) The process of finding, agreeing terms with and obtaining goods or services from suppliers
- ☐ B) The process of selling finished goods to customers
- ☐ C) The process of advertising a business's products
- ☐ D) The process of training new members of staff

(Total for Question 1 is 1 mark)

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2 State two factors, other than price, that Cranmoor should consider when deciding how many boxes to order each time it reorders stock.

(Total for Question 2 is 2 marks)

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3 Which one of the following best describes lead time?

- ☐ A) The number of units a business sells in a year
- ☐ B) The time between placing an order with a supplier and that order being delivered
- ☐ C) The number of staff needed to run the warehouse
- ☐ D) The price a supplier charges per unit

(Total for Question 3 is 1 mark)

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4 In one delivery of 800 boxes, 4% arrive damaged and cannot be sold.

(a) Calculate how many boxes in this delivery are damaged. **(2)**

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(b) Using your answer to part a, calculate how many usable boxes Cranmoor actually receives from this delivery. **(2)**

.....

(Total for Question 4 is 4 marks)

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Mark scheme · 5.2 Procurement and managing stock: 10-minute Pack

Question 1

A cao **B1**

Answer: A

Question 2

one acceptable factor, e.g. the cost of storing a larger order versus the cost of placing more frequent smaller orders **B1**

a second acceptable factor, e.g. any minimum order quantity set by the supplier, or bulk-order discounts available for larger orders **B1**

Answer: Any two, e.g. storage cost of a larger order vs cost of ordering more often; supplier minimum order quantity; bulk-order discounts.

Question 3

B cao **B1**

Answer: B

Question 4

(a) 800 x 0.04 seen **M1**

(a) 32 boxes cao **A1**

(a) Answer: 32 boxes.

(b) 800 - 32 seen (ft from part a) **M1**

(b) 768 boxes cao **A1**

(b) Answer: 768 boxes.

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