Question 9 (8 marks)

A cake shop makes birthday cakes. The probability distribution of the number of birthday cakes sold in a day, X, is given below.

x	0	1	2	3	4
P(X=x)	0.1	0.2	0.25	0.35	0.1

(a) Calculate the mean number or birthday cakes sold in a day.

(1 mark)

(b) On Monday, the cake shop makes four birthday cakes. If each birthday cake costs \$20 to make and sells for \$50, what is the expected profit or loss on that day? (3 marks)

On Tuesday, the shop makes three birthday cakes. Let the random variable Y denote the number of birthday cakes ${\bf not}$ sold on that day.

(c) Explain why P(Y = 0) = 0.45.

(2 marks)

