



- 1 (a) The Directors of Chocolate Delight think the business is successful.  
Identify and explain **four** ways they could use to measure the success of the business.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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Way 3: .....

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Explanation: .....

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Way 4: .....

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Explanation: .....

..... [8]

(b) The Directors of Chocolate Delight want to build a new factory and will need to raise \$5m. Do you think the Managing Director is right in suggesting Chocolate Delight should become a public limited company, or is the Finance Manager right in suggesting retained profit should be used? Justify your answer using information in the case.

For  
Examiner's  
Use

Becoming a public limited company: .....

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Using retained profit: .....

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Recommendation: .....

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[12]

- 2 (a) Appendix 1 shows plain chocolate bars are in the decline stage of the product life cycle. Identify and explain **four** ways in which the Directors of Chocolate Delight might respond to this problem.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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Way 3: .....

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Explanation: .....

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Way 4: .....

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Explanation: .....

..... [8]

(b) The Managing Director believes that the Sales Department is more important for the success of the company than the Production, Research and Development (R & D) and Human Resources Departments. Do you agree with him? Justify your answer.

For  
Examiner's  
Use

Sales Department: .....

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Production Department: .....

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R & D Department: .....

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Human Resources Department: .....

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[12]

- 3 (a) Chocolate Delight has a website which gives customers information about the products it sells. Identify and explain **two** other ways that Chocolate Delight could use the Internet for business purposes.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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- 4 (a) The Finance Director says that break-even charts are useful when analysing the different products that Chocolate Delight produce. Identify and explain **two** ways break-even charts can be useful to the Finance Director of Chocolate Delight.

Way 1: .....

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Explanation: .....

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Way 2: .....

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Explanation: .....

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5 (a) Identify and explain **two** possible reasons Chocolate Delight buys its cocoa from Fair Trade cocoa farmers.

Reason 1: .....

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Explanation: .....

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Reason 2: .....

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Explanation: .....

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