**Topic 3.4 Financing Growth: Starter Activity**



1. **Calculate the break-even point for this business that makes chocolate:**

|  |  |
| --- | --- |
| **Variable:** | **Value:** |
| **Quantity/ Units** | **1,000** |
| **Selling Price** | **£15** |
| **Electricity Cost** | **£500** |
| **Rent Cost** | **£900** |
| **Wages Cost** | **£300** |
| **Insurance Cost** | **£100** |
| **Cocoa per unit** | **£1.50** |
| **Sugar per unit** | **£2** |
| **Milk per unit** | **£1.50** |

1. **Calculate the break-even point for this business that makes chocolate:**

|  |  |
| --- | --- |
| **Variable:** | **Value:** |
| **Quantity/ Units** | **10,000** |
| **Selling Price** | **£20** |
| **Electricity Cost** | **£1,000** |
| **Rent Cost** | **£800** |
| **Wages Cost** | **£250** |
| **Insurance Cost** | **£200** |
| **Cocoa per unit** | **£2.50** |
| **Sugar per unit** | **£5** |
| **Milk per unit** | **£2.50** |

1. **Calculate the break-even point for this business that makes chocolate:**

|  |  |
| --- | --- |
| **Variable:** | **Value:** |
| **Quantity/ Units** | **5,000** |
| **Selling Price** | **£20** |
| **Electricity Cost** | **£2,000** |
| **Rent Cost** | **£1,000** |
| **Wages Cost** | **£3,000** |
| **Insurance Cost** | **£500** |
| **Cocoa per unit** | **£1.50** |
| **Sugar per unit** | **£2** |
| **Milk per unit** | **£1.50** |