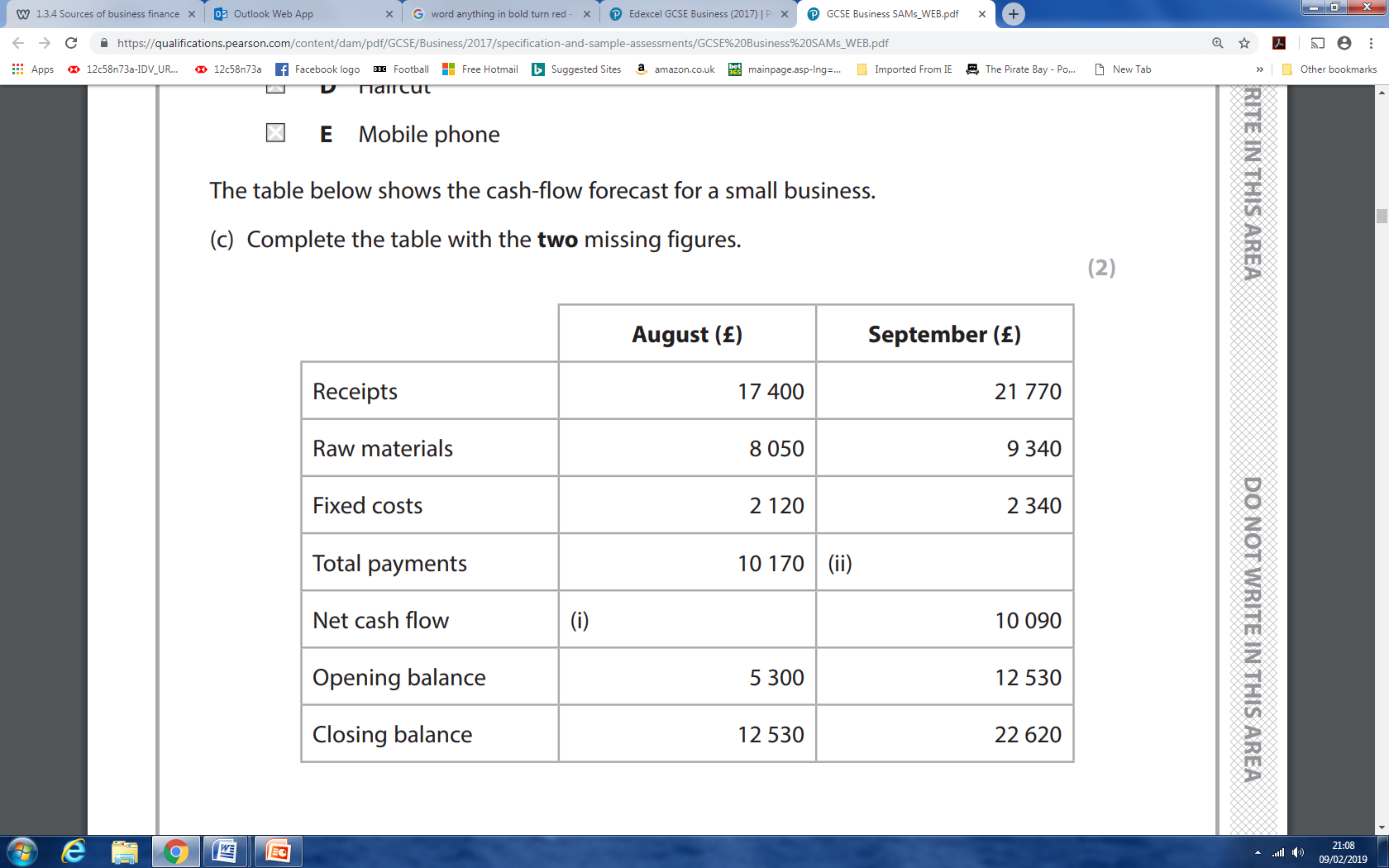
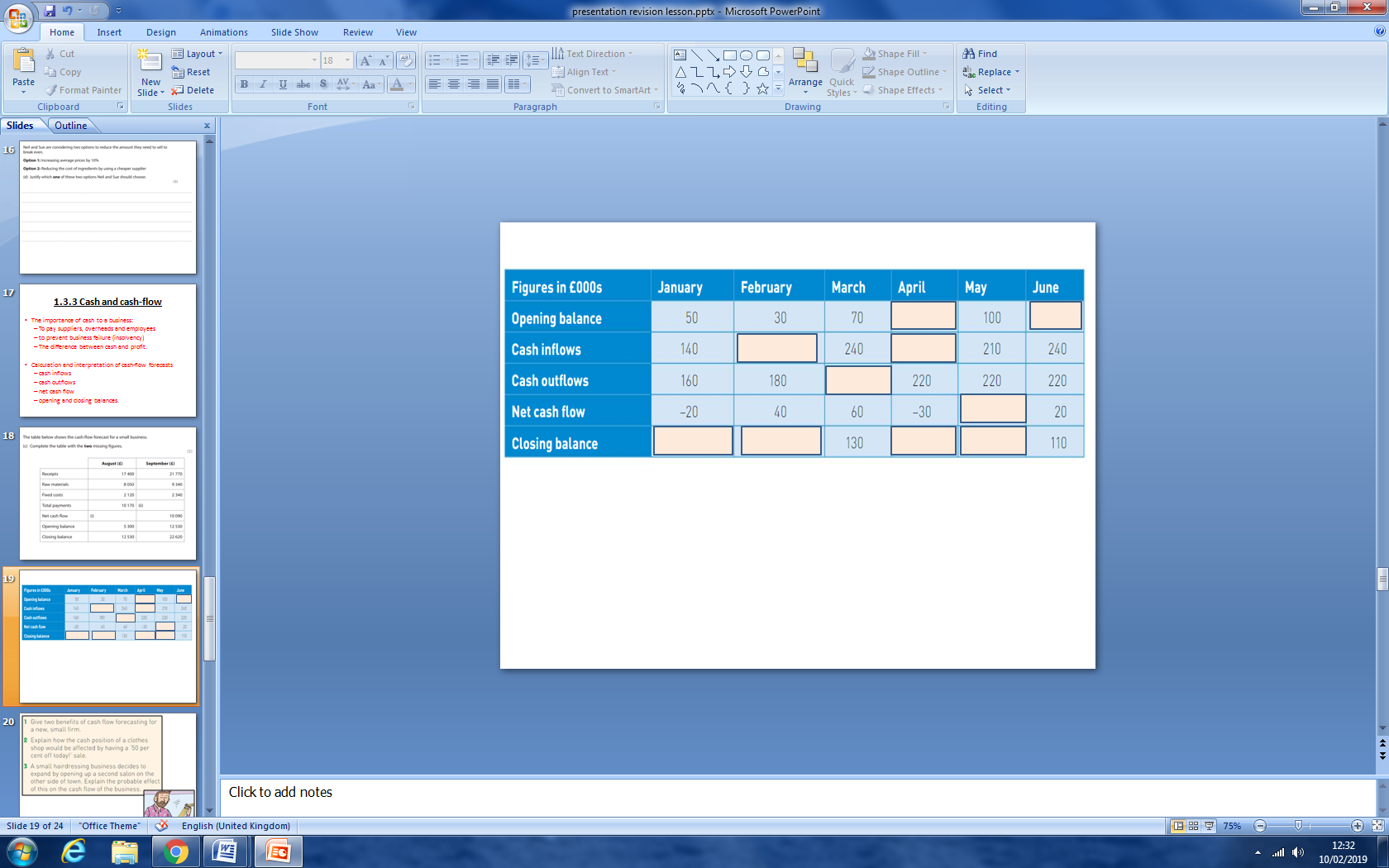
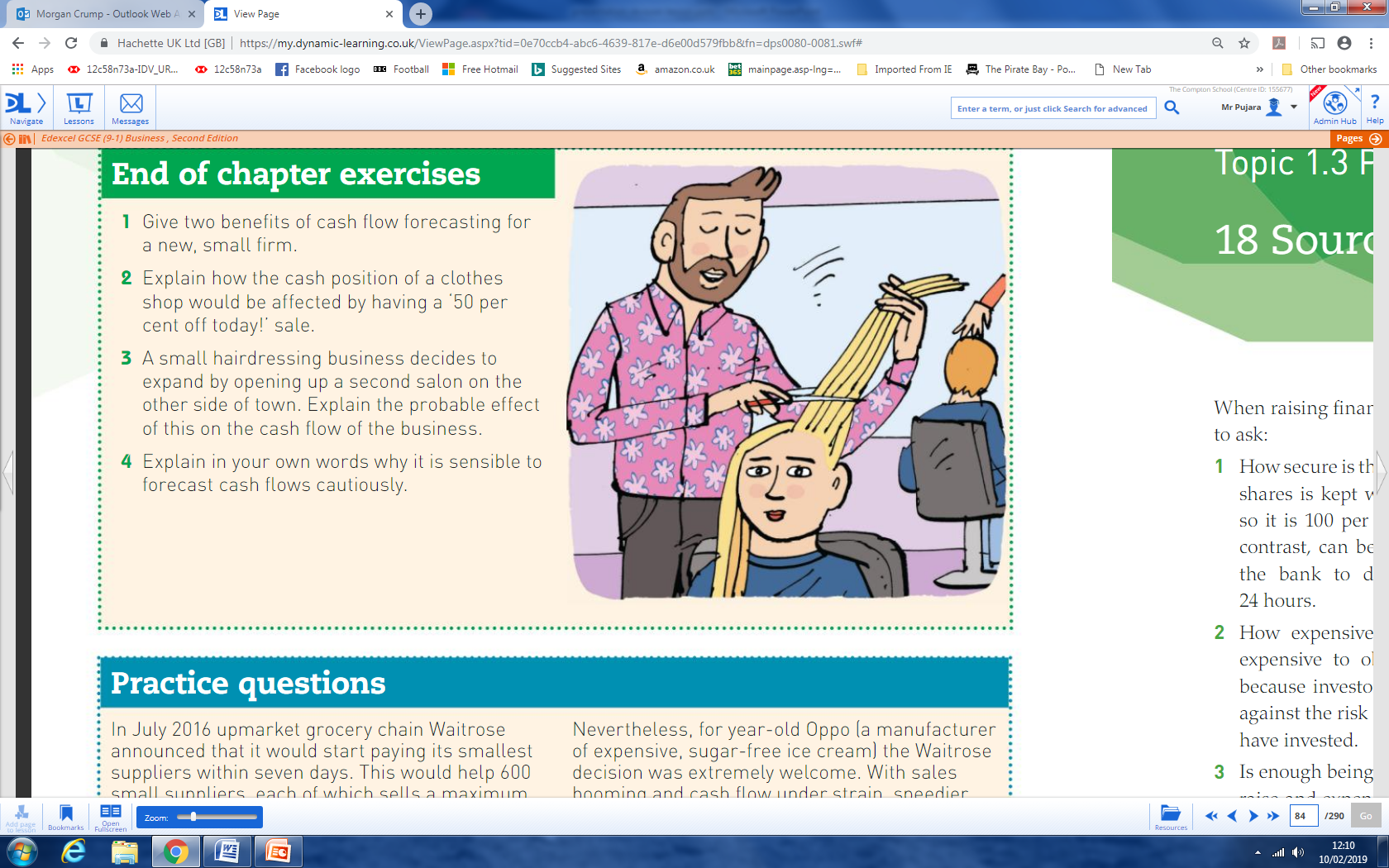
**Cash flow forecasts**







**1.**

**a)**

**b)**

**2.**

**(AO1) One way in which the cash position would change is that they would receive more cash inflows.**

**(AO2) A 50% off sale would attract more customers.**

**(AO3) This would lead to more cash flowing into the business.**

Another way it could potentially affect the cash position is .........................................................

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This is because ...............................................................................................................................

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The impact of this would be ..........................................................................................................

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3.

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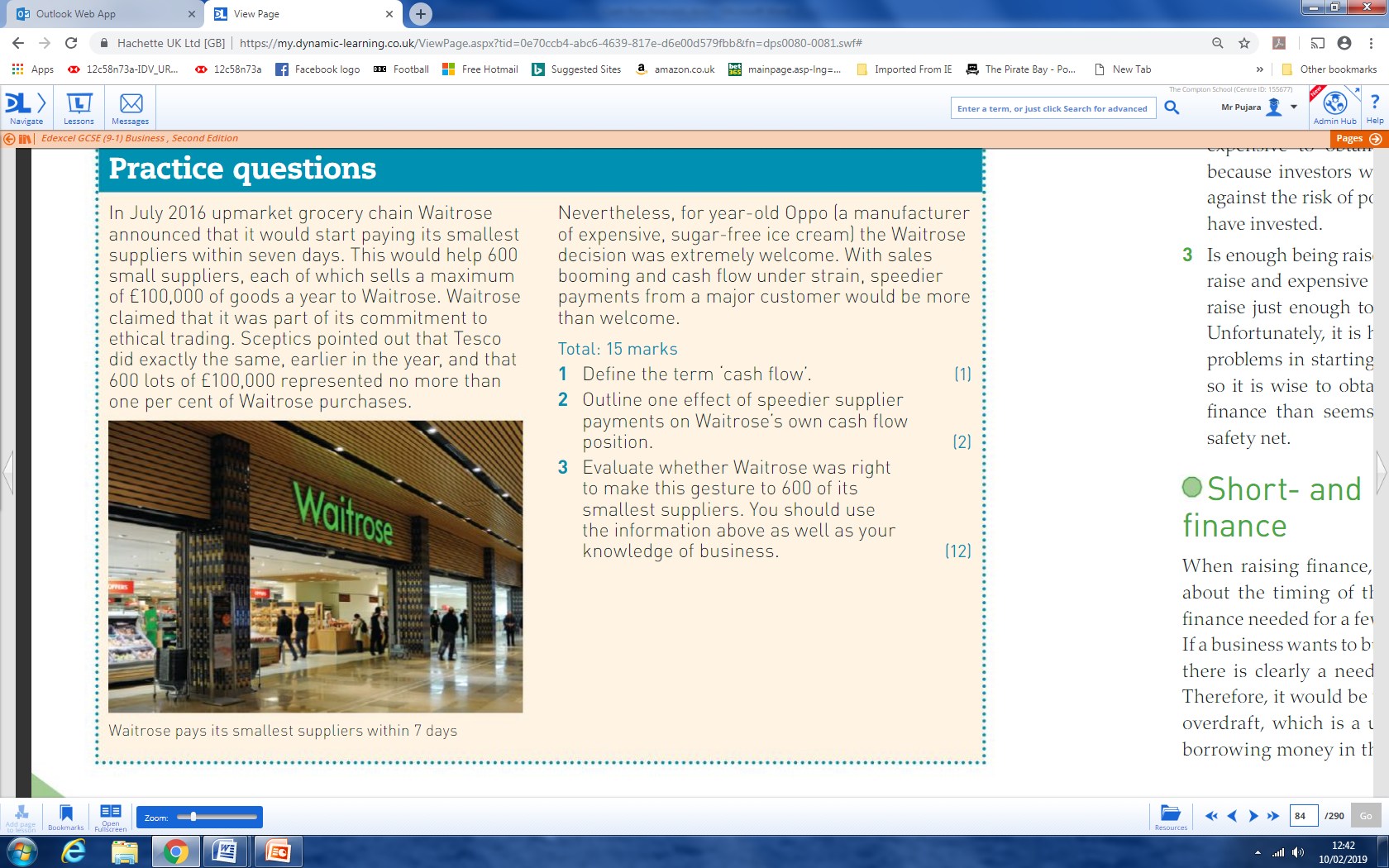
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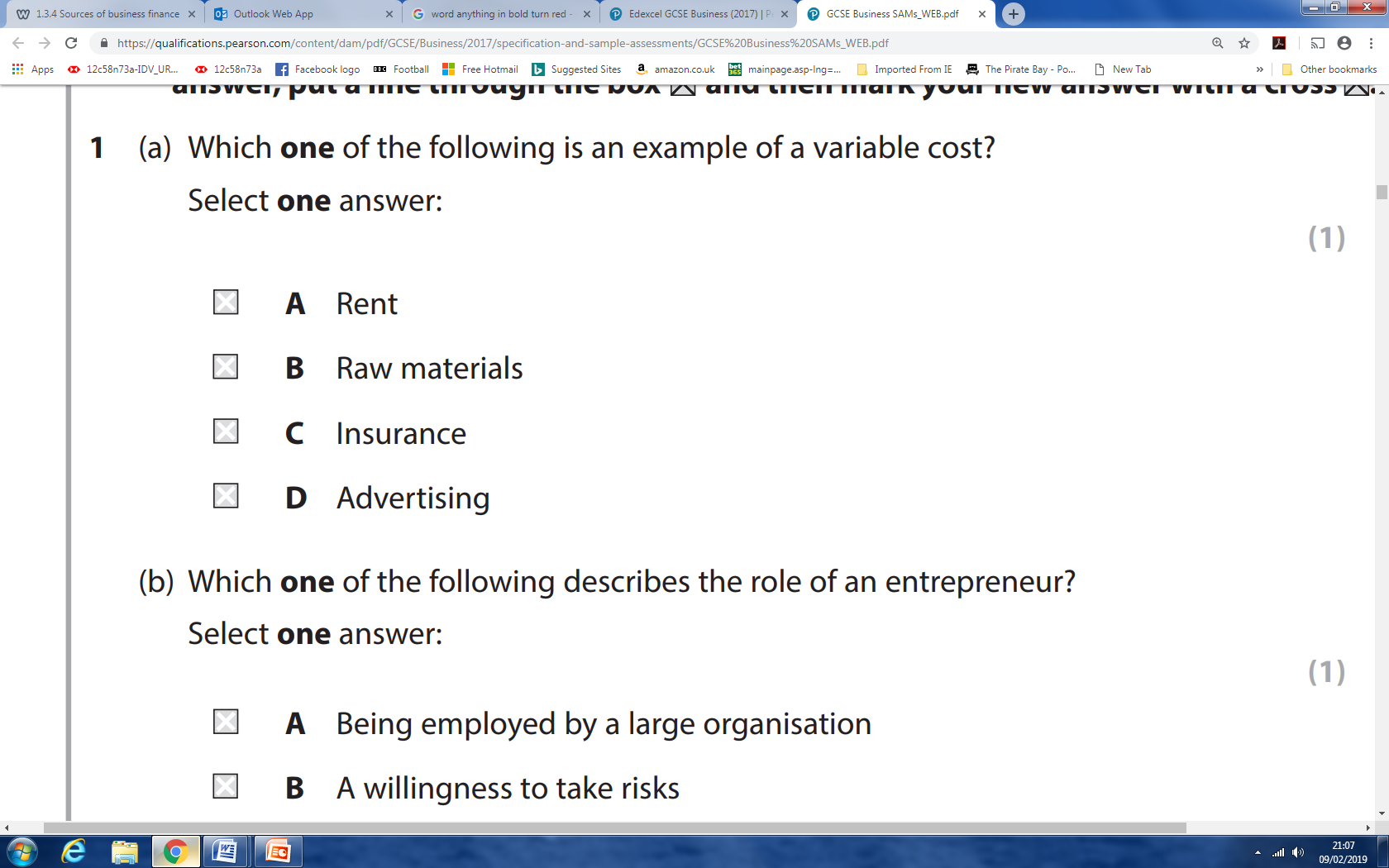
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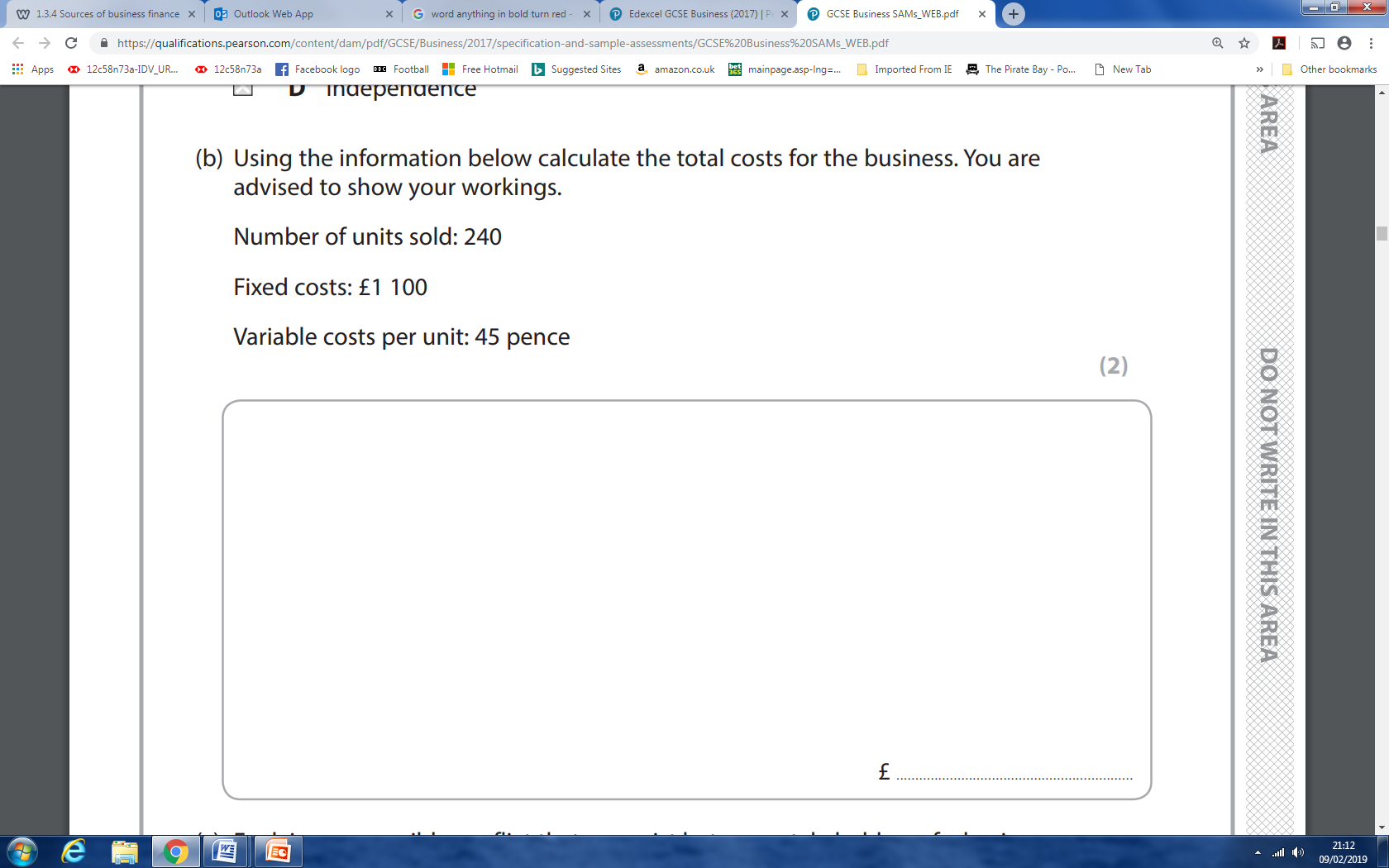
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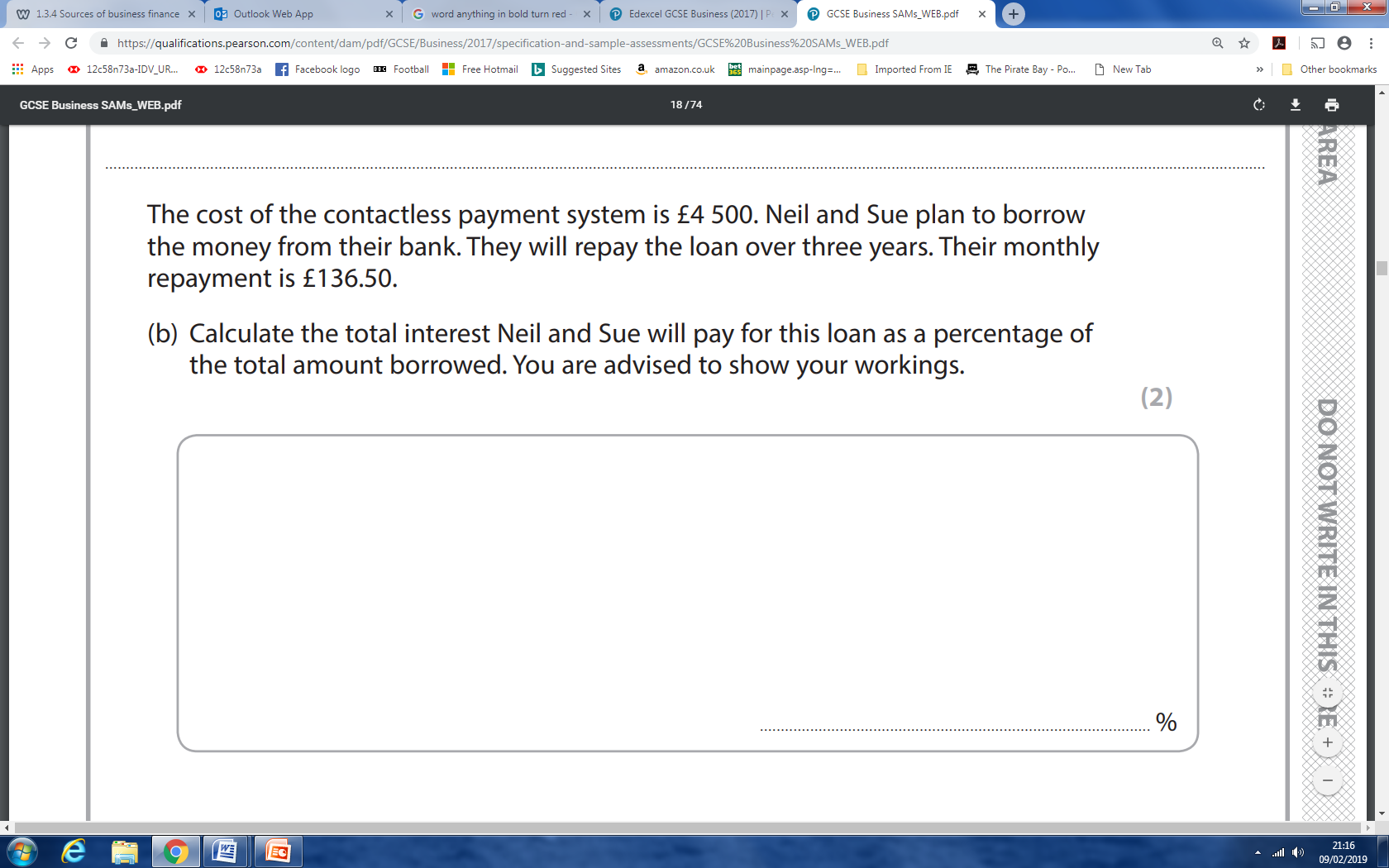
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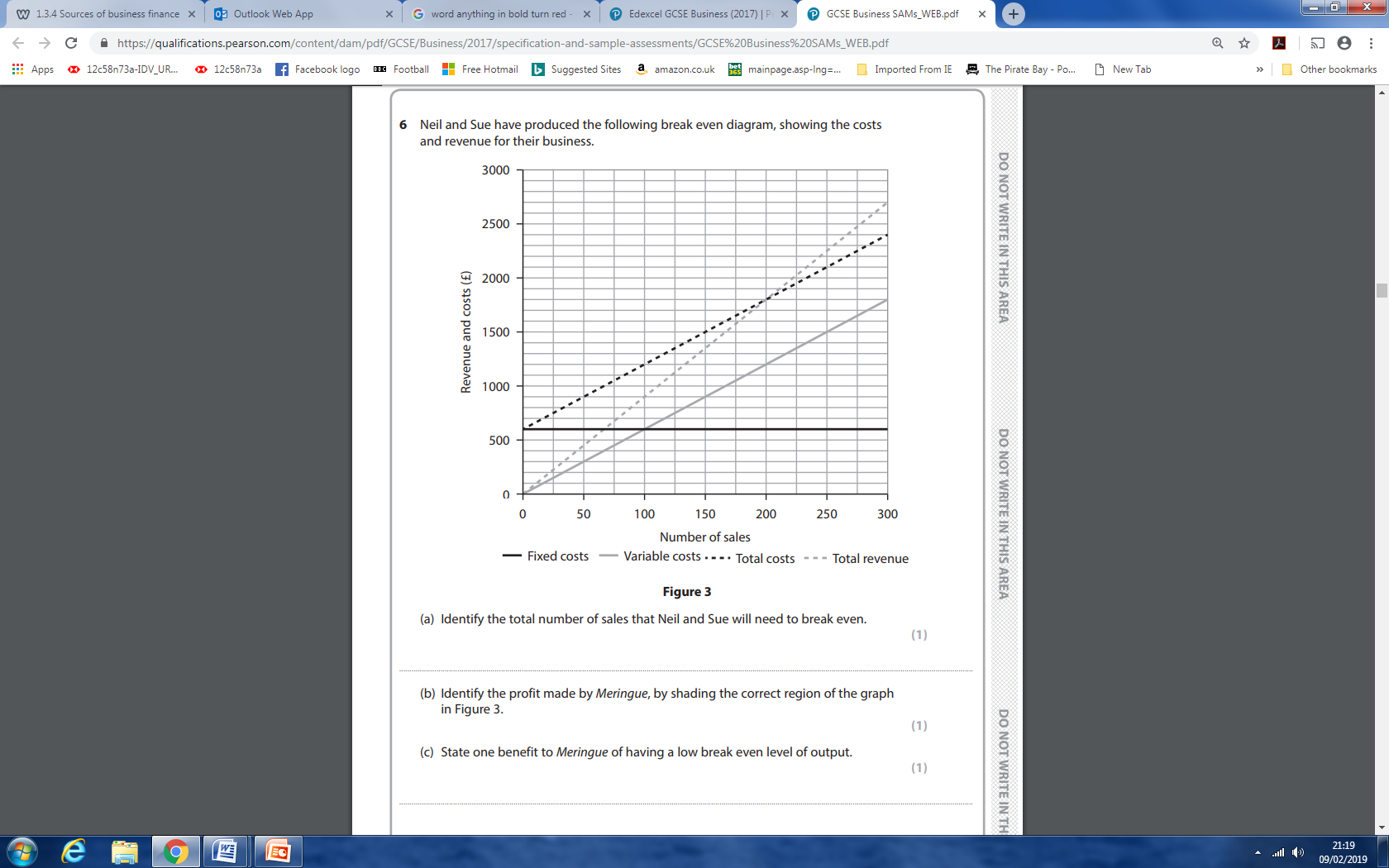


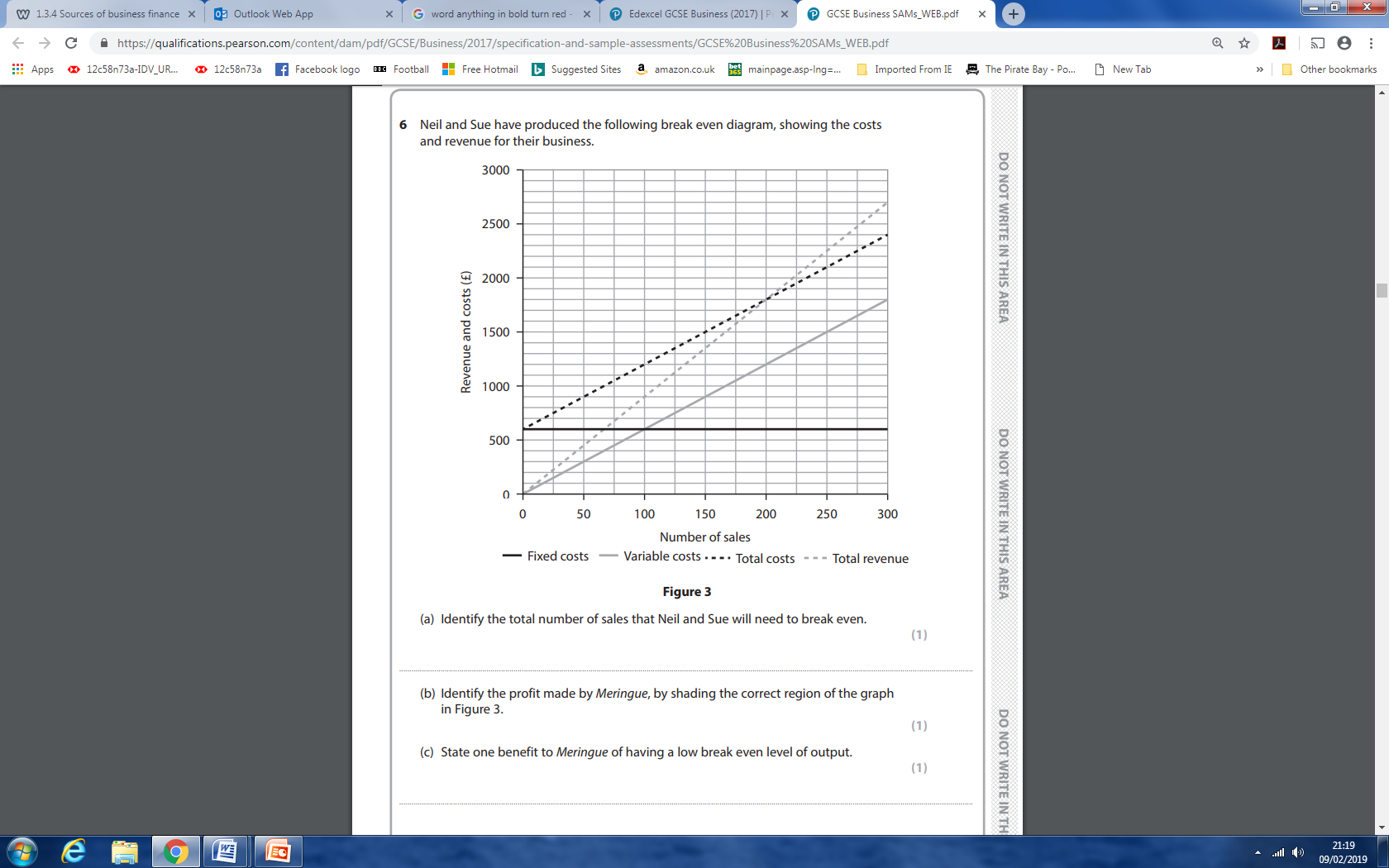
**Business revenues, costs and profits**

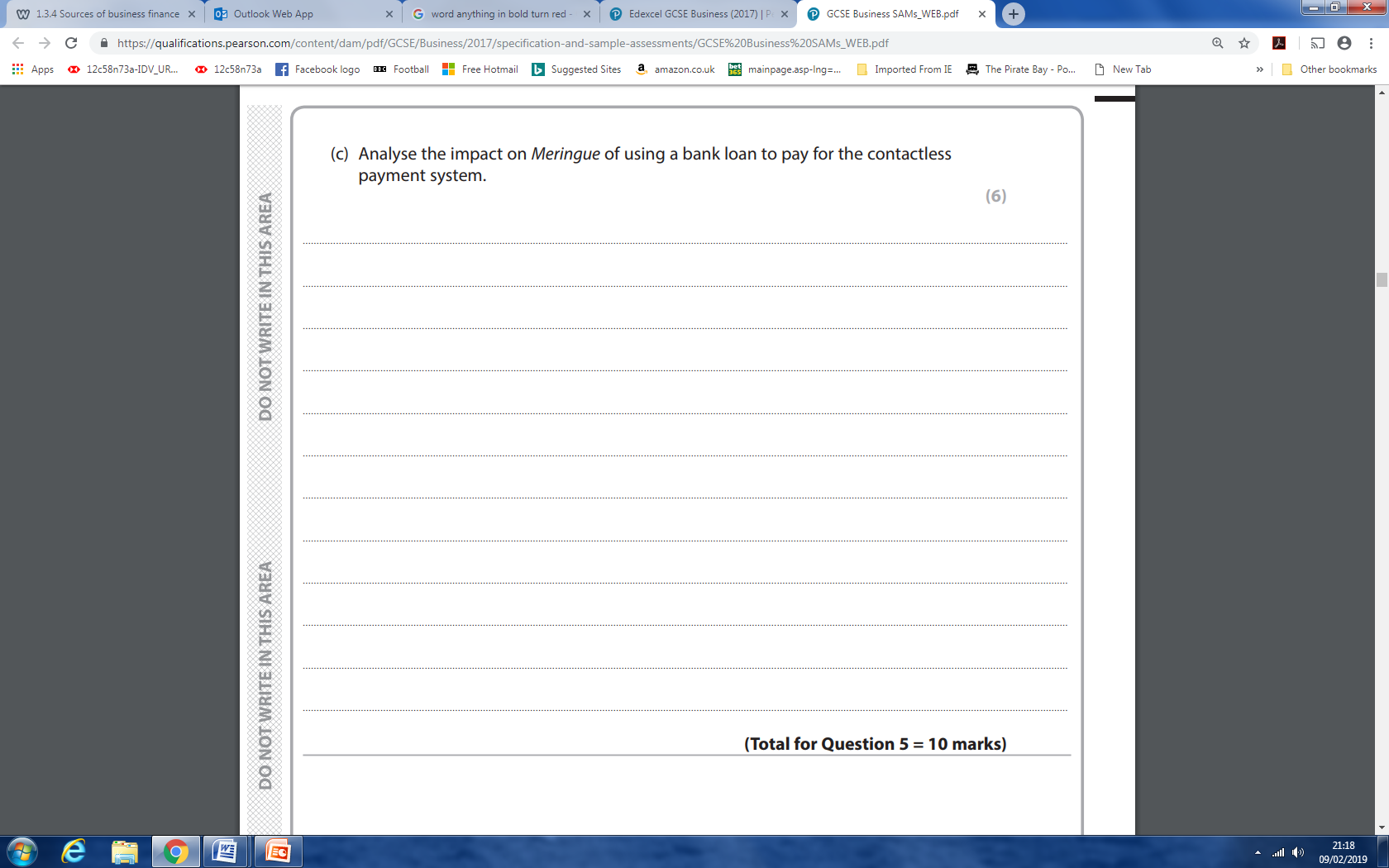


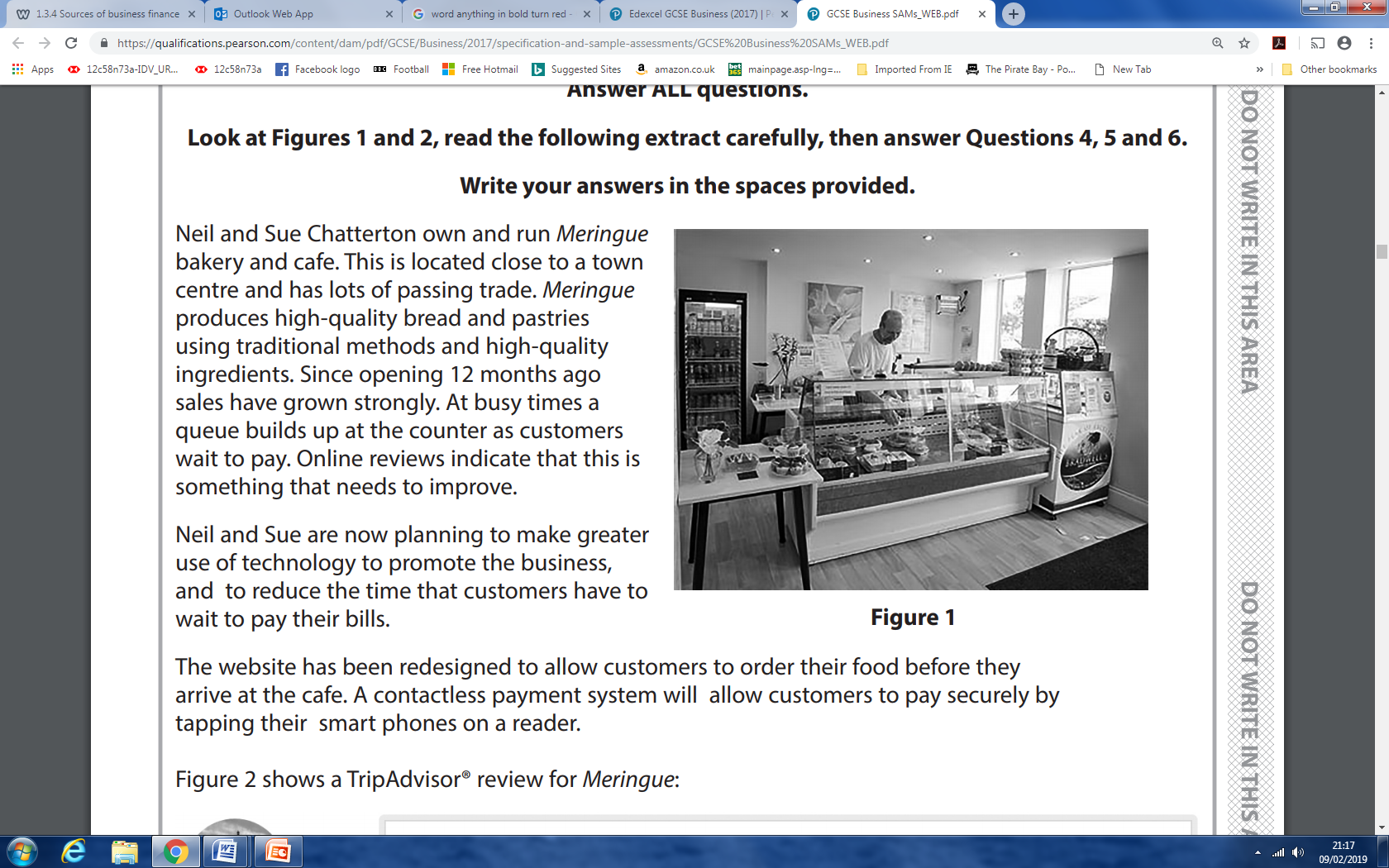


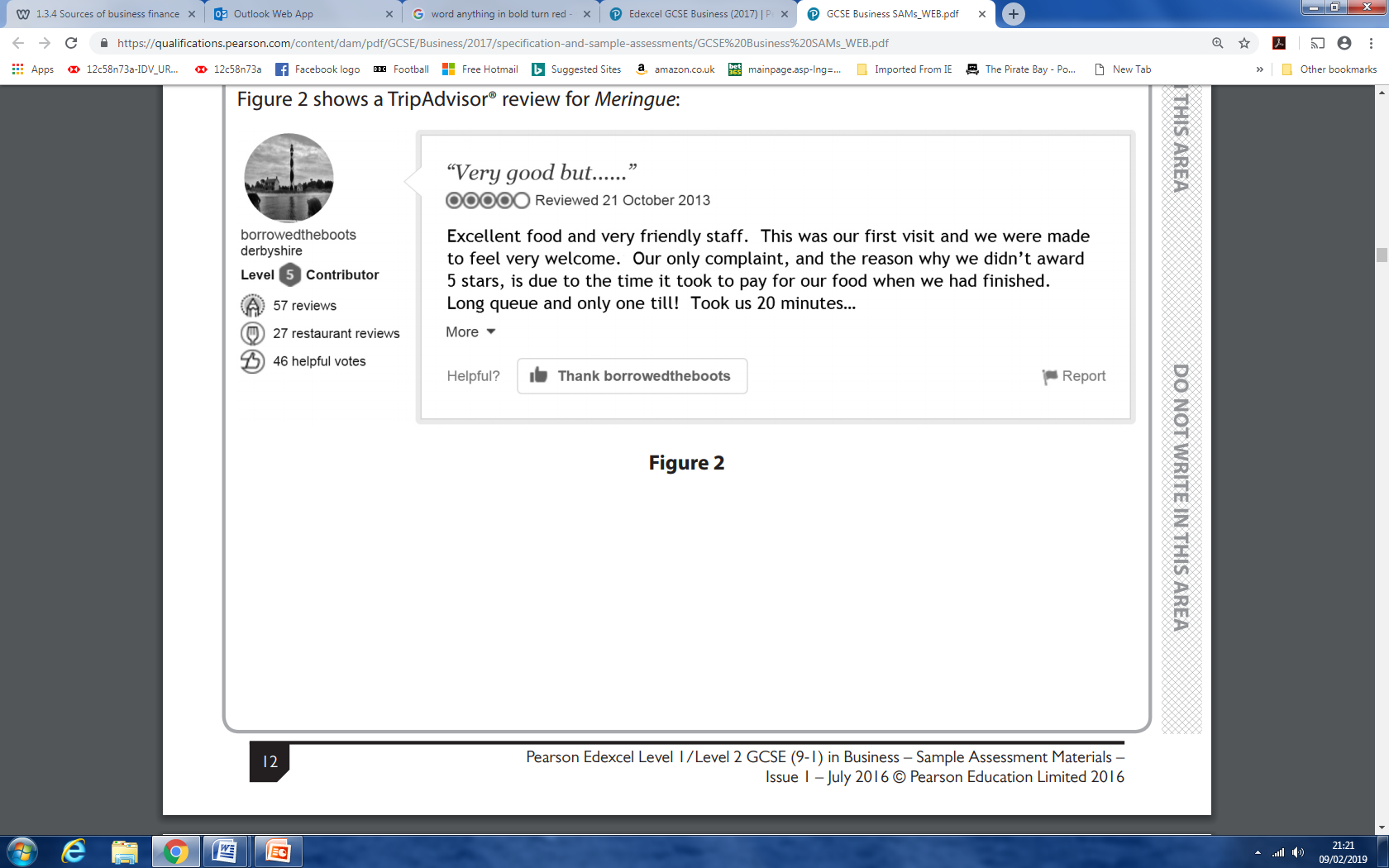


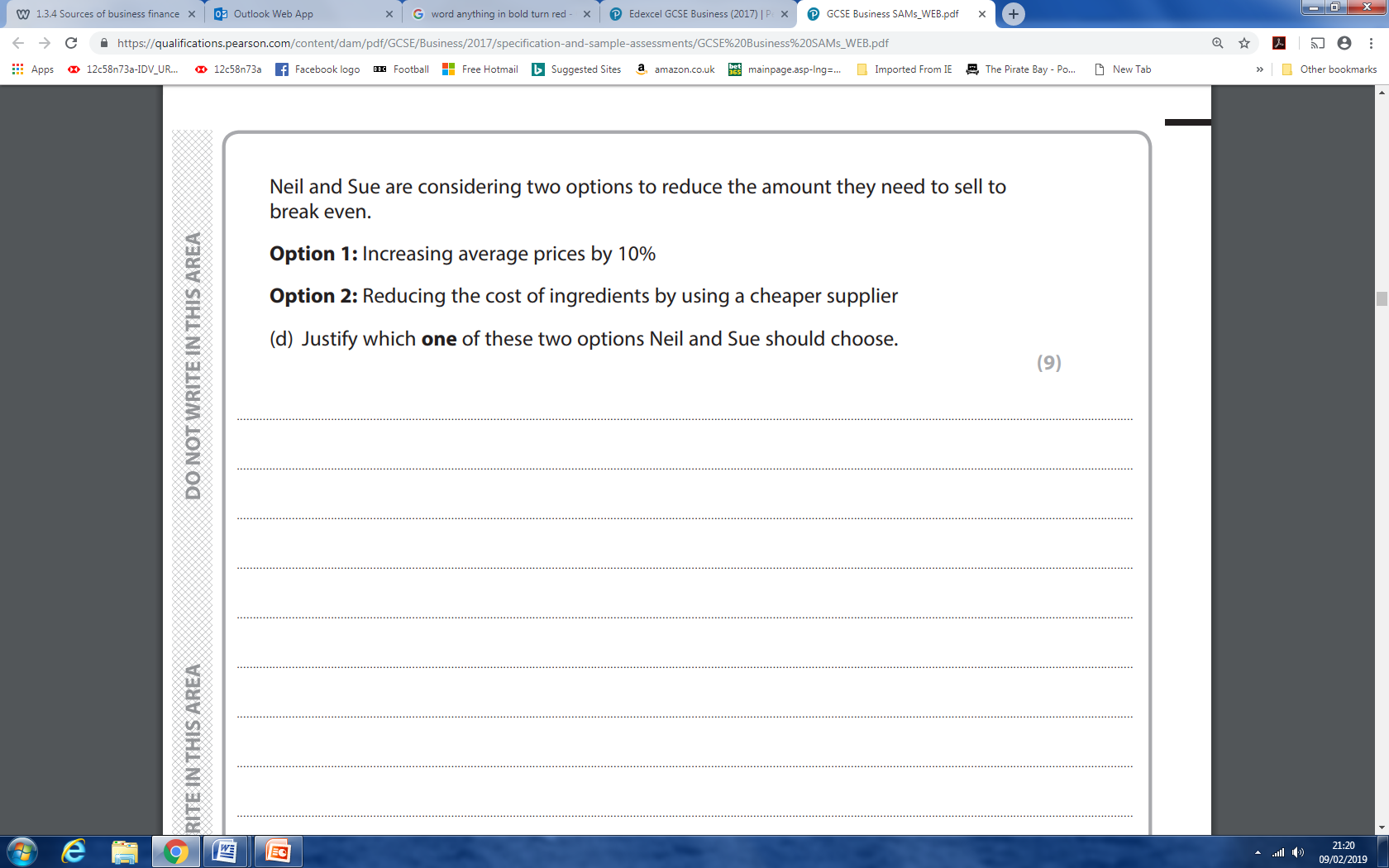












**Option 1: They should increase average prices by 10%.**

The case study states that .......................................................................................................................................

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This is important because .......................................................................................................................................

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The impact of this would be ....................................................................................................................................

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However, .................................................................................................................................................................

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**Option 2: They should reduce the cost of ingredients by using a cheaper supplier.**

The case study states that .......................................................................................................................................

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This is important because .......................................................................................................................................

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The impact of this would be ....................................................................................................................................

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However, .................................................................................................................................................................

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**Considering** .............................................................................................................................................................

**I believe the best option is** .....................................................................................................................................

**It’s better because** ..................................................................................................................................................

**However, to what extent this decision is valid depends upon** .............................................................................

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