

Circle of Hope Project

Healthy Body, Healthy Mind, Healthy World
Socrates—Comenius

Balancing the Books

DB Ingleton Middle School, England

You are members of the financial planning team for a UK tobacco company.

You have conducted an investigation and discovered:

- **Mortality Rate** 330 die of smoking related diseases every day
- **UK Annual Sales Total** 90 million cigarettes a year
- **Company Profit** 3p per cigarette
- **Average Consumption** 15 cigarettes a day per smoker

The Chief Executive has asked you to review the company's finances. What's the problem?

Which one of the following options might secure the company's future? Discuss the alternatives carefully with your team—you will have to convince the Chief Executive.

You need to provide reasons for and against pursuing the one option you have recommended. If you are unable to do this, the Chief Executive will simply reject your recommendation.

- 1 Put up the price of cigarettes.
- 2 Reduce the mortality rate.
- 3 Increase consumption. Sell more cigarettes to existing customers.
- 4 Increase consumption. Find additional customers.
- 5 Other—be specific.

We recommend _____

Reasons For

Reasons Against

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____