



The Chartered
Institute of Logistics
and Transport

INTERNATIONAL CERTIFICATE IN LOGISTICS AND TRANSPORT

BUSINESS THEORY M1-L3

NOVEMBER EXAMINATION 2025

Note to Candidates

Candidates are advised to spend NOT more than 40 minutes on each question

Instructions to Candidates

- Duration of examination: **2.30 hours**
 - **Answer any FOUR questions**
 - Questions may be answered in any order.
 - An allocation of marks is indicated along each question.
 - Credit will be given for citing relevant examples.
 - Write legibly.
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QUESTION 1

- a) Name the key characteristics of a successful entrepreneur. **(5 marks)**
- b) Describe the difference between a sole proprietorship and partnership. **(5 marks)**
- c) Compare and contrast the advantages and disadvantages of different business structures for sole proprietorship, partnerships and a corporation giving examples of local companies. **(15 marks)**

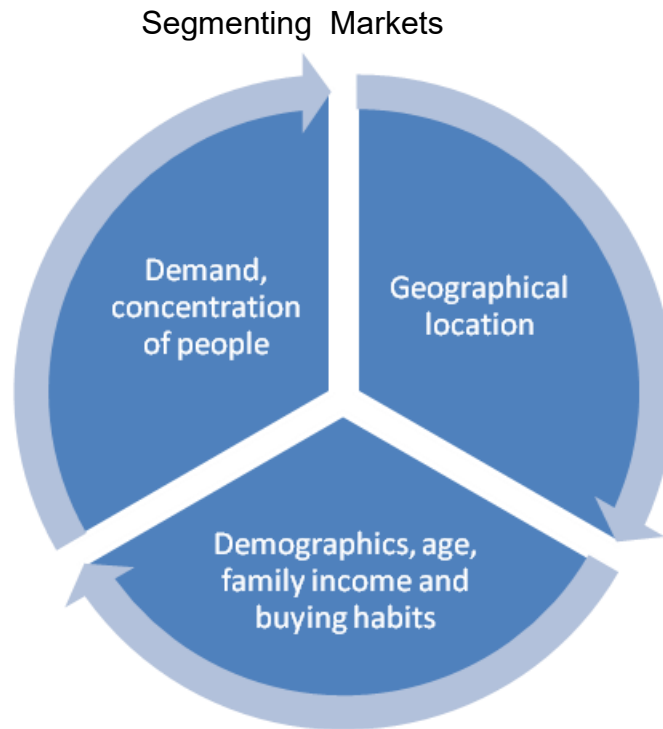
QUESTION 2

Explain the business strategy of well-known company eg OK Zimbabwe. Identify the company's strengths, weaknesses, opportunities and threats (SWOT analysis).

(25 marks)

QUESTION 3

- a) Calculate the break-even point for a business with fixed assets costs of \$10,000, variable costs of \$5 per unit, and a selling price of \$10 per unit. **(10 marks)**
- b) From the figure below explain how information can be ascertained from each element. **(15 marks)**



QUESTION 3

Describe the three operating licenses that an operator can apply for them to operate a business. **(25 marks)**

QUESTION 4

Define the term Corporate Social Responsibility (CSR) and why it is important for a business. **(25 marks)**

QUESTION 5

- a) Differentiate between Quotas and Tariffs. **(15 marks)**
- b) Explain the different types of insurance that a business may need including liability and workers compensation insurance. **(10 marks)**

QUESTION 6

- a) Identify and explain the key components of a cash flow statement. **(15 marks)**
- b) Describe the difference between debt financing and equity financing. **(10 marks)**