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| **What will we be learning?**  Finance | **Why this? Why now?**  Students should understand the interdependent nature of business operations, human resources, marketing and finance. Students should be able to give examples of how business objectives would be split into functional plans with clear links throughout. The students need to understand the purpose of the finance function, its role within business and how it influences business activity. | **Key Words:**  Inventories  Asset  Owners funds  Internal source of finance  Trade credit  External source of finance  Mortgage  Cash flow  Cash flow forecast  Cash flow statement  Profit  Revenue  Fixed costs  Variable costs  Total costs  ARR  Break-even  Break-even charts  Margin of safety  Income statement  Gross profit  Net profit  Liability |
| **What will we learn?**  The need to raise finance  Sources of finance by new and established businesses  Cash flow and the importance of cash flow to businesses  Basic financial terms and calculations – variable, fixed & total costs  Calculating ARR  Break even charts and analysis  Financial statements | |
| **What opportunities are there for wider study?**  Students review and discuss current news articles, which relate to current topics and they can consider the practical application of business concepts by reviewing and discussing a range of news and video articles. The wider study provides the opportunity for students to explore theories and concepts in real business settings. | |
| **How will I be assessed?**  Summary questions  Case studies  End of topic test – summative assessment | |