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| **What will we be learning?**2.2 Financial Planning | **Why this? Why now?** Once appropriate finance has been raised, businesses will want to plan their finances using a range of financial models. These models will help firms come up with financial goals and targets that will also impact a firms resource management. These financial goals and targets will be impacted by external influences, which will be explored later on in the unit | **Key Words:** Sales volumeSales RevenueFixed CostsVariable CostsContribution per unitBreak-even formulaMargin of SafetyHistorical budgetingZero based budgetingVariance Analysis |
| **What will we learn?**2.2.1 – Sales Forecasting – Purpose of sales forecasts and the different factors affecting sales forecasts2.2.2 – Sales, Revenues and Costs – calculation of sales volume, sales revenue, fixed costs and variable costs2.2.3 – Break-Even – Contribution per unit, break-even point, margin of safety, interpretation of break-even charts and limitations of break-even analysis2.2.4 – purpose of budgets, types of budget, variance analysis and difficulties of budgeting |
| **What opportunities are there for wider study?**Completing exercises / case studies out of the Pearson textbook  |
| **How will I be assessed?**Summative assessment and worksheets |