

Meden School Curriculum Planning							
<b>Subject</b>	A Level Business	<b>Year Group</b>	12	<b>Sequence No.</b>	Five	<b>Topic</b>	Decision making to improve financial performance,

Retrieval	Core Knowledge	Student Thinking
What do teachers need <b>retrieve</b> from students before they start teaching <b>new content</b> ?	What <b>specific ambitious knowledge</b> do teachers need teach students in this sequence of learning?	What real life examples can be applied to this sequence of learning to <b>development of our students thinking, encouraging them to see the inequalities around them</b> and 'do something about them!'
<p>Retrieval from sequence 4</p> <ul style="list-style-type: none"> <li>how developments in technology are affecting decision making and activities in operations (e.g. more online businesses, better links with customers, suppliers and inventory control)</li> <li>ethical and environmental influences on operations decisions</li> <li>market conditions and competition</li> <li>how decisions in operations improve the competitiveness of a business</li> </ul> <p>the interrelationship between operational decisions and other functions</p>	<p>Students should consider the following throughout this section</p> <ul style="list-style-type: none"> <li>developments in technology are affecting financial decision making and activities (e.g. crowd funding)</li> <li>market conditions and competition</li> <li>ethical and environmental influences on financial decisions</li> <li>how decisions in finance improve the competitiveness of the business</li> <li>the interrelationship between financial decisions and other functions.</li> </ul> <p><u>Setting financial objectives</u></p> <p>The value of setting financial objectives</p> <ul style="list-style-type: none"> <li>Financial objectives to include:</li> <li>the concept of a return on investment</li> <li>an understanding of the proportion of long-term funding that is debt.</li> <li>The distinction between cash flow and profit</li> <li>The distinction between gross profit, operating profit and profit for the year</li> </ul>	<p>Why should financial objectives complement overall corporate objectives? What is the implication if they did not?</p> <p>Why is return on investment important to a local, national and international firm?</p> <p>Can a firm be profitable but have poor cash flow?</p> <p>In what situations is it acceptable to be funded more by debt than equity? How can this lead to long term survival for a firm?</p> <p>What is the difference between a current liability and a long-term liability?</p> <p>How do capital structure objectives differ from cash flow objectives?</p>

<p>Implied knowledge of Business, Marketing</p> <p>Review of KS4 Personal finance curriculum. Students should understand the role of entrepreneurs in providing enterprising ideas, employment and taking risks to get a reward. The use of money in society, credit cards and debt, borrowing money and interest repayments. Also, an awareness of the economy and how that can affect personal finance e.g. in a Boom, inflation is high, so are interest rates and repayment charges on loans are high</p>	<p><u>Revenue, costs and profit objectives</u></p> <ul style="list-style-type: none"> <li>• Cash flow objectives</li> <li>• Objectives for investment (capital expenditure) levels</li> <li>• Capital structure objectives</li> <li>• External and internal influences on financial objectives and decisions</li> </ul> <p><u>Analysing financial performance</u></p> <ul style="list-style-type: none"> <li>• How to construct and analyse budgets and cash flow forecasts</li> <li>• Analysing budgets should include variance analysis and adverse and favourable variances.</li> <li>• The value of budgeting</li> </ul> <p><u>How to construct and interpret break-even charts</u></p> <p>Break-even analysis should include:</p> <ul style="list-style-type: none"> <li>• break-even output</li> <li>• margin of safety</li> <li>• contribution per unit</li> <li>• total contribution.</li> <li>• How to calculate and illustrate on a break-even chart the effects of changes in price, output and cost</li> <li>• The value of break-even analysis</li> </ul> <p><u>How to analyse profitability</u></p> <ul style="list-style-type: none"> <li>• Analysing profitability should include the following ratio analysis:</li> <li>• gross profit</li> <li>• profit from operations</li> <li>• profit for the year.</li> <li>• How to analyse timings of cash inflows and outflows</li> <li>• Analysing timings of cash flow should include an understanding of payables and receivables.</li> </ul> <p><u>The use of data for financial decision making and planning</u></p> <ul style="list-style-type: none"> <li>• Making financial decisions: sources of finance</li> <li>• Internal and external sources of finance</li> </ul>	<p>Which external influences have the greatest impact upon cash flow objectives? Rank these in order of importance and justify</p> <p>Why do firms' budget? How do budgets differ for local, national and international firms?</p> <p>How can adverse variances be prevented?</p> <p>Why is a large margin of safety important for a business?</p> <p>Is break even a valuable tool for all firms or just those starting up?</p> <p>How valuable is ration analysis for a business compared with using qualitative data?</p> <p>What is the difference between payables and receivables days? Why should one be higher than the other? What are the implications if receivables are higher than payables days?</p> <p>Which sources of finance are best for a local, national and international firm? Justify your reasoning</p> <p>How can cash flow be improve din the short and long term?</p> <p>What is the difference between cash flow and profit?</p>
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