



YEAR __10c__

SUBJECT Business Studies

Knowledge Focus: Exam: Unit 2 – calculating profit

This half term : Skills, Knowledge and Understanding to be developed:

In this unit, you will explore the types of costs that businesses incur, from the initial start-up costs involved in setting up a business to the ongoing daily costs of running the business. You will then explore the ways in which the sale of products and services generates revenue, so that you can develop your understanding of profit. Next, you will examine how businesses plan for success and learn about the techniques used to assist the planning process. In particular, you will learn how to calculate the break-even point – the point at which sales equal costs (fixed and variable). You will be introduced to the benefits of breakeven analysis to ensure that a business knows how and when to prevent losses. In this unit, you will learn how to use budgets and cash flow forecasts to deal with these important issues. The final part of the unit explores the ways in which businesses measure success and identify areas for improvement. You will understand how gross profit and net profit are calculated and you will learn about the relationship between sales, cost of sales and gross profit. You will analyse key financial statements (e.g. profit and loss accounts, balance sheets) and review their importance in the successful financial management of a business.

Key Terms to be learned this half term:

Revenue, expenditure, overheads, profit

<p>Week 1 and 2 Learning Objectives etc:</p> <ul style="list-style-type: none"> Identify types of expenditure (including overheads) businesses may have Understand that expenditure is anything a business pays out and overheads are the everyday running costs of a business. 		<p>Objective assessments:</p> <p>Exam questions</p>	<p>Homework:</p>
<p>Week 3 and 4 Learning Objectives etc:</p> <ul style="list-style-type: none"> Know how much money is coming in (revenue) and going out (expenditure), before they can work out whether the business has: made a profit or made a loss Define: profit – revenue is more than expenditure and loss – expenditure is more than revenue Calculate profit: profit = revenue – expenditure 		<p>Objective assessments:</p> <p>Exam questions</p>	<p>Homework:</p> <p>Profit worksheet</p>
<p>Week 5 Learning Objectives etc:</p> <ul style="list-style-type: none"> Calculate profit: profit = revenue – expenditure DIRT 		<p>Exam questions</p>	<p>Homework:</p>
			<p>Homework:</p>

Summ Ass
JSH