|  |  |  |  |
| --- | --- | --- | --- |
|  | **Curriculum Map:** *Business Studies*  **Subject –** BTEC Business Level 3 NQF - **Unit 3 Personal and Business Finance (31463H)** | **YEAR**  13 | **EXAM BOARD**  **Edexcel Pearson** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **TERM 1** | **TERM 2** | **TERM 3** |
| **What subject knowledge we will be learning?** | Learning Aim A: Understand the importance of managing personal finance  Learning Aim B: Explore the personal finance sector | Learning Aim C: Understand the purpose of accounting  Learning Aim D: Select and evaluate different sources of business finance | Learning Aim E: Break-even and cash flow forecasts |
| **What skills will we be developing?** | * Understand why money is important and how managing your money can help prevent future financial difficulties * Understand the type of financial decisions you will need to take   throughout your life and how risk can affect you and your choices   * Gain an insight into where you can get financial advice and support   **Exam Skills:**  AO1 Demonstrate knowledge and understanding of business and personal finance principles, concepts, key terms, functions and theories. Command words: describe, explain, give, identify, outline  Marks: ranges from 1 to 4 marks  AO2 Apply knowledge and understanding of financial issues and accounting processes to real-life business and personal scenarios  Command words: analyse, assess, calculate, describe, discuss, evaluate, explain  Marks: ranges from 2 to 12 marks  AO3 Analyse business and personal financial information and data, demonstrating the ability to interpret the potential impact and outcome in context Command words: analyse, assess, discuss, evaluate  Marks: ranges from 6 to 12 marks  AO4 Evaluate how financial information and data can be used, and interrelate, in order to justify conclusions related to business and personal finance Command words: analyse, assess, discuss, evaluate  Marks: ranges from 6 to 12 marks  . | * Understand the purpose and importance of business accounts * Understand the different sources of finance available to businesses. * Measure the financial performance of a business using financial statements.   Exams Skills: will continue to develop A01. A02. A03. A04 using exam exemplar material.  **British Values**: This unit raises an awareness and understanding of following financial legislations and consequences of not adhering to them. | * Understand the use of planning tools such as cash flow forecasts and break even * Prepare and analyse liquidity ratios on a given business scenario * Prepare and analyse statements of comprehensive income and statements of financial position. * Exam Skills: Revision for summer exams   ***Gatsby Reference:*** This unit will give students the knowledge and understanding to manage their personal finances and will give them a background to business finance and accounting activities as they progress to employment or further training. |
| **How will my teacher know I have learnt these things?**  (When, what content and skills specifically) | End of Unit exam – using past paper questions to help students demonstrate an understanding of the content and produce quality long answer questions with application and evaluation to meet AO1, AO2, AO3, AO4 objectives and marks.  The range of questions is designed to elicit the understanding of students from merit, pass and distinction grade.  Appropriate command words and language is used across the range of questions (list, describe, state, discuss, explain…)  **ALL**: will be able to   * explain handle money received, and to control money paid * Explain the role and functions of money and how it is impacted by personal attitudes, life stages, culture, religion external influences/trends and the financial-related effects such as interest rates, cost of borrowing versus reward of saving. * Explain the different ways to pay; cash, debit/credit card, cheque, electronic transfer direct debit, standing order, pre-paid cards, contactless cards, charge cards store cards, mobile banking, Banker’s Automated Clearing Services (BACS) Faster Payments Service (FPS), Clearing House Automated Payment System (CHAPS). * Explain the different types of bank accounts available; standard packaged, premium, basic, student. * Explain the different types of borrowing, features, advantages and disadvantages: overdrafts, personal loans, hire purchase, mortgages, credit cards, payday loans * Explain the different types of savings available, its features, advantages and disadvantages; Individual savings accounts (ISA’s) deposit and savings accounts. * Explain the different types of insurance products, features, advantages and disadvantages; car, home and contents, life assurance and insurance, travel, pet, health.   **MOST**: will be able to:   * Plan expenditure, whilst considering common principles such as; to avoid getting into debt, to control costs, avoid legal action and/or repossession, remain solvent, maintain a good credit rating, avoid bankruptcy and manage money to fund purchases * Explain the advantages and disadvantages of the different payment methods available. * Explain the features and advantages and disadvantages of the different bank accounts available. * Explain the different types of investments available, its features, advantages and disadvantages of premium bonds, bonds and gilts, shares, pensions.   **SOME**: will be able to   * explain how effective management of personal finances can be used to generate income and savings * set financial targets and goals * explain how insurance against loss or illness functions * explain how to counter the effects of inflation. * Evaluate the Risks and rewards of saving versus investment. * Evaluate the various payment methods available to a given scenario. * Evaluate the various insurance options to a given scenario | End of Unit exam – using past paper questions to help students demonstrate an understanding of the content and produce quality long answer responses with application and evaluation to meet AO1, AO2, AO3, AO4 objectives and marks.  **ALL**: will be able to   * Explain features of financial institution types and their advantages and disadvantages: Bank of England, banks, building societies, credit unions, National Savings and investments, insurance companies, pension companies, pawnbrokers, payday loans. * Explain the methods of Communicating with customers and the advantages and disadvantages: branch, online banking, telephone banking, mobile banking, postal banking * Explain authorities which can intervene for financial disputes between customers and financial institutions. * Explain institutions available to offer financial advice and guidance.   Most: will be able to   * Explain the function, role and responsibilities of: Financial Conduct Authority (FCA) Financial Ombudsmen Service (FOS), Financial Services Compensation Scheme, (FSCS), Office of Fair Trading (OFT), legislation – consumer credit. * Explain the function, role and responsibilities, advantages and disadvantages of: Citizens Advice independent financial advisor (IFA) price comparison websites money advice service, debt counsellors, Individual Voluntary Arrangements (IVAs), bankruptcy.   Some: will be able to   * Evaluate and select financial institutions to a given scenario to resolve financial conflict * Evaluate and select a given financial support organisation to a given scenario to seek advice and guidance * Evaluate and select a financial institution to a given scenario to cater to financial needs * Evaluate legislations and insolvency processes to protect the consumer in a given scenario. | Continuous assessments using exemplar and past paper materials to prepare for the summer external exam.  **Level 3 Pass**  Learners will be able to demonstrate knowledge and understanding of the principles of personal and business finance and determine appropriate courses of action. They will be able to rationalise the data available in different personal and business situations. Learners can appreciate the challenges faced by individuals and businesses and how these have been influenced by the financial situation.  **Level 3 Merit**  Learners will be able to apply accounting processes and show understanding of the factors influencing the financial performance of a business. They will show an understanding of the need to prepare and analyse statements of comprehensive income and statements of financial position. Learners can propose and justify recommendations for personal finances and business improvement based on analysis of financial information.  **Level 3 Distinction**  Learners will be able to apply principles of personal and business finance in order to critically evaluate real-life situations and determine appropriate courses of action. They can apply relevant concepts, models and theories in order to present reasoned evaluations in realistic personal  and business scenarios. Learners make appropriate judgements and present fully justified recommendations for courses of action based on the analysis of financial data. They will understand the importance of statements of comprehensive income and statements of financial position and can analyse these statements methodically and critically. Learners can fully justify recommendations for personal finances and business improvement based on thorough  analysis of financial information.  All: will be able to   * Explain the purpose of accounting * Explain the key accounting terms and recording of transactions. * Understand key liquidity ratios * Explain compliance. * Prepare, complete, analyse, revise and evaluate cash flow. * Calculation using/manipulating, break-even formula (units and/or sales value), completion of break-even chart, break-even point. * Identification of area of profit, area of loss. * Completion, calculation and amendment to include gross profit (revenue, opening inventories, purchases, closing inventories, cost of goods sold), calculation of profit/loss * for the year (expenses, other income)   Most will be able to   * Suggest Management of business (planning, monitoring and controlling). * Calculate and interpret key liquidity ratios * Measure business performance * Use of cash flow forecasts for planning, monitoring, control, target setting. * Identify and calculate margin of safety (units and value). * Calculation of total contribution, contribution per unit benefits and limitations * Use of break-even for planning, monitoring, control, target setting   Some will be able to   * Suggest improvement strategies to key liquidity ratios. * Suggest strategies to improve cash flow forecasts * Compliance (preventing fraud, compliance with law and regulations). * Measuring performance. * Control – assisting with the prevention of fraud, trade receivables and trade payables. * Explain benefits and limitations of cash flow forecasts. |