

LEARNING JOURNEY Business

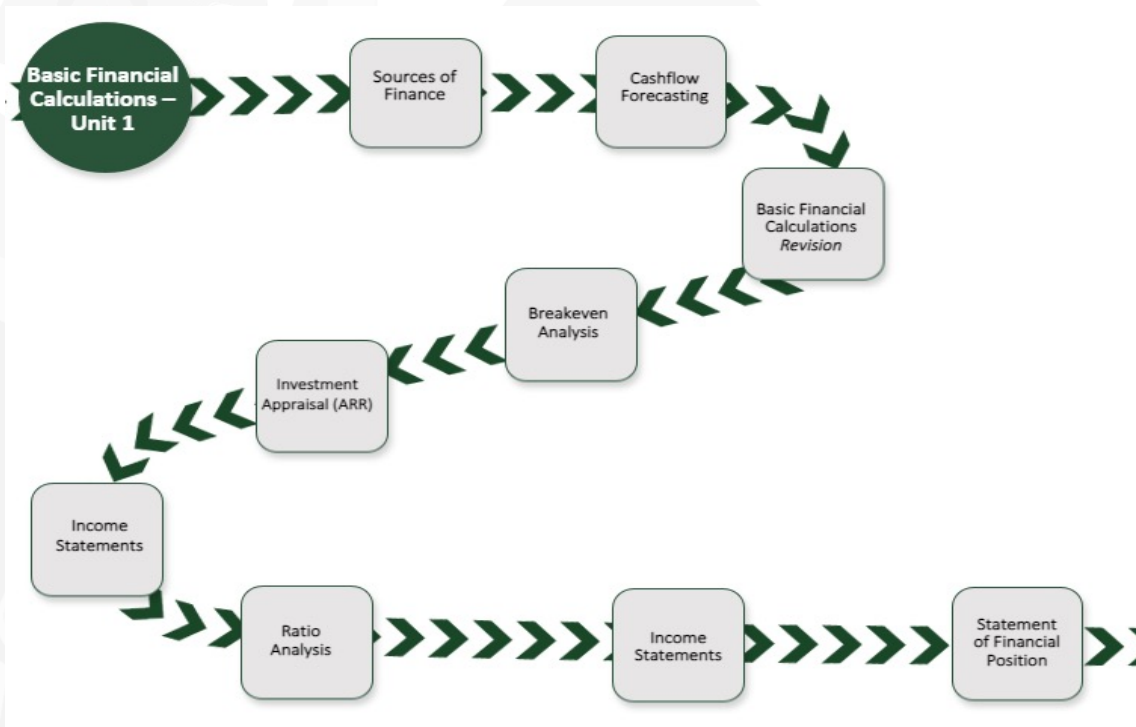


Finance – October 2022 + Autumn 2

How businesses manage their finances is vital to the success or failure of any enterprise and a sound understanding of this area is vital to understanding how businesses behave in the real world.

By studying this unit you will increase your understanding about how businesses manage their money. Through your study of this topic you will develop an understanding of how businesses manage cash both in to and out of the business and why preferable terms may be negotiated in return for immediate payment. Businesses will always be faced with the decision as to whether to invest or not, and you learn how to use data to help you support any decisions made.

You will also learn about how businesses calculate profit and how businesses attempt to maximise profit by minimising costs, reducing interest payments a tax liabilities. You will also gain a valuable insight and develop an understanding as to how the profit motive may cause tension between key stakeholders.



TUDOR HABITS AND VALUES:

You will need to show grit and resilience during this unit as some of the concepts can be tricky to grasp. Empathy will also be required when considering stakeholder conflicts.

VOCABULARY:

Share Capital, Trade Credit, Net Cashflow, Margin of Safety, Average rate of Return, Overheads, Gross, Operating and Net Profit