Cornwallis Academy
Ambitions for All

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SUCCESSFUL | MOTIVATED | INSPIRED | LEARNING | EXCITED & ENGAGED

Year 13 BTEC Business

Unit 3 – Personal and Business Finance

Learning Objectives

Learning Aim A – Understand the importance of managing personal finance

Learning Aim D – Select and evaluate different sources of business finance

Learning Aim E – Break – even cash flow forecasts

What previous knowledge is required?

Learners will have completed the first year of the qualification and have knowledge of the business key concepts and marketing

How will this term's content help with future learning?

This term will provide the basis for the PPE in Term 2 and an external examination in January 2027

National Curriculum / Specification

Learning Aim A – Understand the importance of managing personal finance

- Functions and role of money
- Different ways to pay
- Different ways to pay
- Current Accounts
- Managing personal finance

Learning Aim D – Select and evaluate different sources of business finance

Sources of finance

- Internal
- External

Learning Aim E – Break – even cash flow forecasts

- Cash flow forecasts
- Breakeven analysis

Unit 3 – Personal and Business Finance

Learning Objectives

Learning Aim B – Explore the personal finance sector

- B1 Features of financial institutions

Learning Aim C – Understand the purpose of accounting

Learning Aim F – Complete statements of comprehensive income and financial position and evaluate a business's performance

What previous knowledge is required?

Learning Aim A – Understand the importance of managing personal finance

Learning Aim D – Select and evaluate different sources of business finance

Learning Aim E – Break – even cash flow forecasts

How will this term's content help with future learning?

This term will provide the basis for the PPE in Term 2 and an external examination in January 2027

National Curriculum / Specification

Learning Aim B – Explore the personal finance sector

B1 Features of financial institutions

Types of organisations and their advantages and disadvantages:

- Bank of England
- banks
- building societies
- credit unions
- National Savings and investments
- insurance companies
- pension companies
- pawnbrokers
- payday loans.

B2 Communicating with customers

Methods of interacting with customers, advantages and disadvantages:

- branch
- online banking
- telephone banking
- mobile banking
- postal banking

B3 Consumer protection in relation to personal finance

Function, role and responsibilities of:

- Financial Conduct Authority (FCA)
- Financial Ombudsmen Service (FOS)
- Financial Services Compensation Scheme (FSCS)
- legislation – consumer credit.

B4 Information guidance and advice

Function, role and responsibilities, advantages and disadvantages of:

- Citizens Advice
- independent financial advisor (IFA)
- price comparison websites
- debt counsellors
- Individual Voluntary Arrangements (IVAs)
- bankruptcy.

Learning Aim C – Understand the purpose of accounting

C1 Purpose of accounting

- Recording transactions.
- Management of business (planning, monitoring and controlling).
- Compliance (preventing fraud, compliance with law and regulations).
- Measuring performance.
- Control – assisting with the prevention of fraud, trade receivables and trade payables.

C2 Types of income

- Capital income:
  - loan
  - mortgages
  - shares
  - owner's capital
  - debentures.
- Revenue income:
  - cash sales

o credit sales
o rent received
o commission received
o interest received
o discount received.

C3 Types of expenditure

• Capital expenditure:
o non-current assets – tangible (land, buildings and premises, machinery and equipment, vehicles, fixtures and fittings)
o intangible (goodwill, patents, trademarks, brand names).
• Revenue expenditure:
o inventory
o rent
o rates
o heating and lighting
o water
o insurance
o administration
o telephone
o postage
o stationery
o salaries
o wages
o marketing
o bank charges
o interest paid
o straight-line depreciation
o reducing balance depreciation
o discount allowed.

Learning Aim F – Complete statements of comprehensive income and financial position and evaluate a business's performance

F1 Statement of comprehensive income

• Purpose and use.
• 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).
• Adjustments for depreciation (straight-line and reducing balance).
• Adjustments for prepayments, accruals.
• Interpretation, analysis and evaluation of statements.

F2 Statement of financial position

• Purpose and use.
• Completion, calculation and amendment of statement using vertical presentation to include:
o non-current assets (tangible and intangible, cost, depreciation and amortisation, net book value)
o current assets (inventories, trade receivables, prepayments, bank, cash)
o current liabilities (bank overdraft, accruals, trade payables)
o net current assets/liabilities
o non-current liabilities (bank loan and mortgage)
o net assets
o capital (opening capital, transfer of profit or loss, drawings, closing capital).

• Adjustments for straight line (cost *x*%), depreciation, reducing balance (cost – depreciation to date *x*%).
• Adjustments for prepayments, accruals.
• Interpretation, analysis, and evaluation of statements.

F3 Measuring profitability

Calculation, interpretation, analysis and evaluation of:
• gross profit margin: (gross profit/revenue) × 100
• mark-up: (gross profit/cost of sales) × 100
• profit margin: (profit/revenue) × 100
• return on capital employed (ROCE): (profit/capital employed) × 100

F4 Measuring liquidity

Calculation, interpretation, analysis and evaluation of:
• current ratio: current assets/current liabilities
• liquid capital ratio: (current assets – inventory)/current liabilities

F5 Measuring efficiency

Calculation, interpretation, analysis and evaluation of:
• trade receivable days: (trade receivable/credit sales) × 365
• trade payable days: (trade payables/credit purchases) × 365
• inventory turnover: (average inventory/cost of sales) × 365

F6 Limitations of ratios

• Limitations of ratios when assessing business performance.

Unit 8 – Recruitment and Selection

Learning Objectives

Learning aim A: Examine how effective recruitment and selection contribute to business success

Learning aim B: Undertake a recruitment activity to demonstrate the processes leading to a successful job offer

What previous knowledge is required?

How will this term's content help with future learning?

This unit is the final unit of work that students will complete for the qualification. Students will be able to use the skills and information they have gained to apply, interview for and successfully gain employment in the future. They may wish to progress into recruitment and selection at university or as a career.

National Curriculum / Specification

A1 Recruitment of staff

• Workforce planning: in a large 250+ staff business, e.g. retail, a production company or financial business, look at the reasons for recruiting new staff, such as:
o growth of the business: locally, nationally, globally
o changing job roles
o systems change
o filling new vacancies created by more space or product development
o vacancies caused by leavers/turnover of staff
o internal promotions
o new office or branch and need for additional staff
o seasonal fluctuations leading to the requirement for temporary staff.
• Use of jobcentres and agencies, internal advertisements versus external advertisements, nline recruitment and traditional methods.
• How the recruitment process links to business success.
• How a professional recruitment process leads to efficient staff integration.

A2 Recruitment and selection process

• Recruitment process – the purpose of the documents for internal and external recruitment:
o job advertisement – placing of the advertisement, internal/external, journal/website o job analysis
o job description – the content of the tasks and responsibilities of the job
o person specification and skills the position requires – are they essential or desirable?
o CV versus application forms
o letter of application
o online recruitment and how the application process can be more cost-effective when using technology.
• Selection, including assessment centres and psychometric testing, group/team activity interviews (by telephone, face-to-face, group and panel), presentations in interviews, short tests at interviews:
o interview protocol, type of selection and how it contributes to the process – advantages and disadvantages
o initial selection processes with telephone screening interviews or short, online tests, appreciation that different processes are appropriate for different roles in a business
o use of technology in the process, online applications, uploaded CVs or use of post
o communication with prospective employees: are the channels easy to access, can the process be monitored?
o quality of the process and the documents
o linking the process to efficiency and business success.

A3 Ethical and legal considerations in the recruitment process

• Why recruitment processes have to be ethical and adhere to equal opportunities legislation; what the ethical responsibilities and the current legislation relating to equal opportunities are.
• Ethical considerations, including:
o being honest in an advertisement
o the maintenance of confidentiality
o ensuring the same questions are asked to all candidates interviewed
o same criteria used for all applicants
o disclosure if family or friends work for the same business.
• Current equal opportunities legislation with regard to gender, age, race, disability, minimum wage all impact on the recruitment process; issues can arise if all current law is not adhered to in this area.
• Current right-to-work legislation, document check.

Learning aim B: Undertake a recruitment activity to demonstrate the processes leading to a successful job offer

B1 Job applications

Selection of a job role for the business as above and then preparation of all the relevant documents:
• a job advertisement giving suitable examples of where it could be placed
• job analysis
• job description
• person specification
• application form
• personal CV
• letter of application.

B2 Interviews and skills

• Communication skills required for interview situations: body language and listening skills, professional approaches, formal language, skills and attitudes of both interviewer and interviewee, role play, body language, dress, interview questions.

• Designing interview questions.
• Interview feedback form.
• Observation form.
• Reviewing applications from peer group.
• Submitting applications to peer group.
• Demonstration of a work-related competence (interviewing and being interviewed), analysis of how the activity worked, if the correct questions were asked to achieve the desired outcome, if the advertisement, job description and person specification led to the application form and covering letter being completed with the right level of information; adherence to equal opportunities legislation.
• Evaluation of documentation produced for the process: was it prepared to select the right candidate? Did the interview process forms/questions ensure the candidates demonstrated their skills effectively? Could it have been improved?

Unit 8 – Recruitment and Selection

Learning Objectives

Learning aim C: Reflect on the recruitment and selection process and your individual performance

What previous knowledge is required?

Learning aim A: Examine how effective recruitment and selection contribute to business success

Learning aim B: Undertake a recruitment activity to demonstrate the processes leading to a successful job offer

How will this term's content help with future learning?

This unit is the final unit of work that students will complete for the qualification. Students will be able to use the skills and information they have gained to apply, interview for and successfully gain employment in the future. They may wish to progress into recruitment and selection at university or as a career.

National Curriculum / Specification

C1 Review and evaluation
• Role-play activity.
• Individual appraisal of own roles in being interviewed, interviewing and observing.
• Review of communication skills.
• Review of organisational ability.
• Assessment of how the skills acquired support the development of employability skills.

C2 SWOT analysis and action plan
• SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis on individual performance in the role-play activities.
• Self-critique of the events and documentation prepared, and how it supported the activity.
• Review if the process was effective and how a learner feels they may need to develop skills further to be able to conduct and participate in interviews more effectively.
• Action plan to highlight how to address any weaknesses in skill set.