

Unit Title: Understanding Finance In A Business
Context
Unit Level: Level 2
Unit Credit Value: 3
GLH: 16
LASER Unit Code: WJE843
Ofqual Unit Code: R/507/1478

This unit has 3 learning outcomes.

LEARNING OUTCOMES		ASSESSMENT CRITERIA	
The learner will:		The learner can:	
1.	Understand ways of financing a new business.	1.1	Identify the different types of costs associated with starting a business.
		1.2	Describe different ways of obtaining the money needed to start a business.
2.	Understand how finance is managed in a business context.	2.1	Define income, expenditure, turnover and cash flow in a business context.
		2.2	State the difference between 'gross' and 'net' profit.
		2.3	Describe the financial records that should be kept by a business.
		2.4	Explain why it is important to keep financial records.
3.	Understand how cash flow is managed in a business.	3.1	Describe the factors that affect cash flow in a business.
		3.2	Identify the features of a cash flow statement for a business.
		3.3	Describe how to manage temporary cash shortfalls to avoid longer term effects on a business.
		3.4	Give examples of how business cash flow can be monitored.

Assessment Guidance:
NA

Additional Information:
NA