

## Year 10 Topics

In **Year 10 Tech Award Enterprise** we teach Component 1 and Component 3. In component 3 we teach the following topics over the course of the year. Each topic draws on prior learning from previous years and builds on understanding from the KS3 programme of study. Each topic develops and deepens the Core knowledge that will underpin all areas of the curriculum at KS4 and KS5.

Topic	Rationale	Knowledge acquisition	Key vocabulary	Skills and enrichment
<b>The promotional mix</b>	To recognise the reason for promotion and how to design/choose an effective/appropriate promotion	Message and Medium	Message, medium	Literacy – knowledge/spelling of new vocabulary Oracy – discussion of promotion use/answering questions about message and medium of given adverts
		Advertising methods	moving image, print, ambient, digital, audio	
		Sales promotions	incentives, coupons, competitions, money off, loyalty incentives, 'buy one get one free', discounts	
		Personal selling	face-to-face, by telephone, via email, through video or web conferencing	
		Public relations	exhibitions, sponsorship, press releases, media	
		Direct marketing	direct mail (junk mail), mail order catalogues, magazines, telemarketing	
<b>Factors influencing choice of promotion</b>	To recognise different types of market/enterprise and how this influences choice of promotion	Who buys a product?	Buyer, customer, consumer	analysis – comparison of B2B and B2C creativity – suggestion of B2B and B2C enterprises they know of Literacy – knowledge/spelling of new vocabulary Oracy – discussion of B2B/B2C
		Differences between B2B and B2C	Relationship, Location, Demand, Complexity	
		Demographic, Geographic, Psychographic and Behavioural descriptors for market segmentation	<b>demographics:</b> age, race, religion, gender, family size, ethnicity, income, education level, socio-economic <b>geographic:</b> location <b>psychographic:</b> social class, attitudes, lifestyle, personality <b>behavioural:</b> spending, consumption, usage, loyalty status, desired benefits	creativity – comparison of 2 different consumers Literacy – knowledge/spelling of new vocabulary Oracy – discussion of market segments
		4 main factors influencing choice	Size, Budgetary constraints, Appropriateness, Target market	Analysis – consideration of the impact of each factor literacy - knowledge/spelling of new vocabulary

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<b>Financial Documents</b>	Be able to complete, interpret and check a number of financial documents and statements	Purpose of financial documents	Taxation, HMRC, accuracy	Subject specific skills: Completion of financial documents  Independence – independent completion of documents literacy - knowledge/spelling of new vocabulary numeracy - calculations necessary for completion of documents (addition for totals, subtraction for discount, multiplication and percentages for VAT and discount), use of calculator oracy – discussion of document use
		Invoice	Item number, Description, Quantity, Unit price, Total, Goods total, Discount, Subtotal, VAT, Shipping, Delivery, Postage and packing, Seller, Vendor, Amount owed, Due date, Payment date	
		Delivery note	Item number, Description, Quantity ordered, Quantity delivered, Outstanding, Discontinued, shortage, returns, unavailable, low stock	
		Purchase order	Item number, Description, Quantity, Unit price, Total, Goods total, Discount, Subtotal, VAT, Shipping, Delivery, Postage d packing, Seller, Vendor	
		Credit note	Refund, Description, Quantity, Unit price, Subtotal, Total, Credit, Discount	
		Receipt	Purchase date, Description, Quantity, Unit price, Total, Discount, Subtotal, VAT, Cash, Credit	
		Statement of account	Summary, transaction, outstanding, invoice, reimbursement, Description, charges, credits, current balance, previous balance, payment due date	

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<b>Payment methods</b>	Understand the impact on customers and enterprises of using each method of payment	Cash	Notes, coin, denominations, counterfeit, budgeting	Independence – possible creation of a presentation on payment technologies Creativity - – possible creation of a presentation on payment technologies Oracy – possible creation of a presentation on payment technologies Literacy – knowledge/spelling of new vocabulary
		Credit card	Interest, transaction, cash withdrawal, protection, credit limit. Loyalty scheme, fraud protection	
		Debit card	Current account, deducted, balance, fraud protection, secure, transaction	
		Direct debit	Regular payment, third party	
		Payment technologies	Electronic transfer, mobile banking, contactless card, paym, convenience, set up cost, operational cost	
<b>Sources of revenue</b>	Identify and calculate sources of revenue	3 main sources of revenue	Sales, leasing, interest, goods, services, customers, premises, extended services	Subject specific skills : financial calculations/formulae  literacy - knowledge/spelling of new vocabulary numeracy - calculations necessary, use of calculator Oracy – discussion of revenue sources
		Calculating total revenue <b>Revenue = Number sold x Selling price</b>	<i>Words in the formula</i>	
<b>Costs</b>	Understand and calculate different types of costs in an enterprise	Start up costs	Start-up costs, vehicle, equipment, premises, initial stock	Subject specific skills : financial calculations/formulae  literacy - knowledge/spelling of new vocabulary numeracy - calculations necessary, use of calculator Oracy – discussion of differences between different types of cost
		Running costs	Running costs, rent, wages, utility bills, raw materials	
		Fixed costs	Fixed costs, indirect costs, salaries, utility bills, rent	
		Variable costs	Variable costs, direct costs, delivery, raw materials, overtime	
		Calculating variable costs <b>Variable costs = Number sold x Cost of one unit</b> Calculating total costs <b>Total costs = Variable costs + Fixed costs</b>	<i>Words in the formulae</i>	

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Statement of Comprehensive income	Be able to <ul style="list-style-type: none"> <li>• <b>complete</b> and</li> <li>• <b>interpret</b></li> </ul> using given figures, then <ul style="list-style-type: none"> <li>• <b>Suggest appropriate actions</b></li> <li>• <b>Calculate profit / loss</b></li> </ul>	Gross profit $\text{Gross Profit} = \text{Revenue} - \text{Cost of sales}$ Net Profit $\text{Net Profit} = \text{Gross Profit} - \text{Expenditure}$	Gross profit, Net profit, Cost of sales, expenses, expenditure, revenue, fixed cost, variable costs	Subject specific skills: Completion of financial documents  Independence – independent completion of statement literacy - knowledge/spelling of new vocabulary numeracy - calculations necessary for completion of statement, use of calculator oracy – discussion of document use
		The format/layout of a statement of comprehensive income	Statement of Comprehensive income, Profit and loss account, Income statement, Turnover, revenue, income from sales, trading account, gross profit, cost of sales, expenses, net profit, cash inflows, cash outflows	
		Using calculation to complete a statement of comprehensive income	Gross profit, Net profit, Cost of sales, expenses, expenditure, revenue, fixed cost, variable costs	
Statement of Financial Position	Be able to <ul style="list-style-type: none"> <li>• <b>complete</b> and</li> <li>• <b>interpret</b></li> </ul> using given figures, then <ul style="list-style-type: none"> <li>• <b>Suggest appropriate actions</b></li> <li>• <b>Categorise total assets and liabilities</b></li> </ul>	The format/layout of a statement of financial position  Using calculation to complete a statement of financial position $\text{Working capital} = \text{CA} - \text{CL}$ $\quad\quad\quad = \text{Current assets} - \text{Current liabilities}$ $\text{Net Assets} = \text{TA} - \text{TL}$ $\quad\quad\quad = \text{Total assets} - \text{Total liabilities}$	Statement of financial position, balance sheet, assets, liabilities, capital, fixed assets, current assets, debtors, cash in bank, stock, inventory, current liabilities, creditors, overdraft, working capital, net current assets, long-term liabilities, loan, net assets, capital account, opening capital, share capital, retained profit, drawings, closing capital	Subject specific skills: Completion of financial documents  Independence – independent completion of statement literacy - knowledge/spelling of new vocabulary numeracy - calculations necessary for completion of statement, use of calculator oracy – discussion of document use

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<b>Profitability and liquidity</b>	Consider the success of an enterprise based on availability of cash and profit gained	Liquidity	Liquidity, <u>cash</u> , short-term, solvent, debts	Subject specific skills: financial calculations/formulae  Analysis – difference between cash and profitability literacy - knowledge/spelling of new vocabulary numeracy - calculations – subtraction, division, percentage, use of calculator
		Profitability	<u>Profit</u> , measure, relative, comparison, revenue, expenditure, expenses	
		Difference between cash and profit	Availability, cash, profit, revenue, expenditure, expenses	
		Difference between profitability and liquidity	Liquidity, cash, short-term, solvent, debts, profit, measure, relative, comparison, revenue, expenditure, expenses	
		GPM <b>Gross Profit = Revenue – Cost of sales</b> gross profit margin percentage (GPM) = $\frac{\text{gross profit}}{\text{revenue}} \times 100$ <b>GPM FORMULA PROVIDED IN EXAM</b>	Gross Profit, Revenue, Cost of sales, Gross Profit margin, profitability, percentage	
		NPM <b>Net Profit = Gross Profit – Expenditure</b> net profit margin percentage (NPM) = $\frac{\text{net profit}}{\text{revenue}} \times 100$ <b>NPM FORMULA PROVIDED IN EXAM</b>	Net profit, gross profit, expenditure, expenses, net profit margin, profitability, percentage	
		Current ratio <b>Current ratio = <math>\frac{\text{current assets}}{\text{current liabilities}}</math></b> <b>CURRENT RATIO FORMULA PROVIDED IN EXAM</b>	Liquidity, debts, positive liquidity, negative liquidity, working capital, creditors, current ratio, current assets, current liabilities	
		Liquid capital ratio <b>Liquid capital ratio = <math>\frac{\text{current assets} - \text{inventory}}{\text{current liabilities}}</math></b> <b>LIQUID CAPITAL RATIO FORMULA PROVIDED IN EXAM</b>	Liquidity, debts, positive liquidity, negative liquidity, working capital, creditors, liquid capital ratio, current assets, current liabilities, inventory	

Topic	Rationale	Knowledge acquisition	Key vocabulary	Skills and enrichment
<b>Cash flow forecast</b>	Using documents to manage cash flow and make business decisions	What is cash and cash flow?	Cash, liquid assets, bank balance, opening balance, closing balance, cash flow, cash inflows, cash outflows, positive liquidity, negative liquidity, sales, purchases, receipts, expenses, cash flow statement, cash flow forecast, prediction, raw materials, wages, positive cash flow, negative cash flow, capital, loan, earnings, running costs, benefit, risk, net cash flow, limited companies, overtrading, debtors, record-keeping, cash flow management, expansion, credit period	Subject specific skills: Completion of financial documents  Independence – independent completion of cash flow statement/forecast literacy - knowledge/spelling of new vocabulary numeracy - calculations necessary for completion of document, use of calculator oracy – discussion of document use
		The format/layout of a cash flow forecast		
		Using calculation to complete a cash flow forecast <b>Net cash flow = Total inflows – Total outflows</b> <b>Closing balance = Opening balance + Net cash flow</b> <b>Opening balance = Closing balance from previous month</b>		
		Action to improve cash flow		
<b>Break even</b>	Be able to identify the BEP to be able to set targets and review progress in an enterprise	What is BEP?	Running costs, fixed cost, variable cost, indirect cost, direct cost, total cost, revenue, expenditure, profit, target	Subject specific skills: financial calculations/formulae, drawing a break even chart  Analysis – answering of “what if?” questions literacy - knowledge/spelling of new vocabulary numeracy - calculations – subtraction, division, use of calculator, graph drawing oracy – discussion of BEP use, limitations
		Break even formulae <b>Margin of safety = Number sold – BEP</b>  <b>BEP = <math>\frac{\text{fixed costs}}{\text{Selling price per unit} - \text{variable cost per unit}}</math></b>	Calculation, break even point, fixed costs, selling price per unit, variable cost per unit, margin of safety, number sold, sales, “What if...?” question, benefits, risks, limitations	
		Break even chart	Quantity, fixed cost, total cost, total revenue, profit, loss, BEP, margin of safety	

Topic	Rationale	Knowledge acquisition	Key vocabulary	Skills and enrichment
<b>Sources of Finance</b>	Be aware of sources of finance available to an enterprise	Start-up finance	Start-up, external source, bank loan, personal savings, owner funds, venture capital, government grant, leasing, hire purchase, peer-to-peer funding, internal, external, short-term, long-term	Independence – independent research in to sources of finance literacy - knowledge/spelling of new vocabulary oracy – discussion of appropriateness analysis – consideration of appropriateness for a given scenario
		Finance for growth	Growth, expansion, branch, new markets, diversify, retained profit, shareholders, personal savings, owner funds, venture capital, government grant, leasing, hire purchase, peer-to-peer funding, bank loan, internal, external, short-term, long-term	
		Working capital	Working capital, stock, credit cards, credit limit, trade credit, overdraft, interest, flexible, sale of assets, internal, external, short-term, long-term	

**This terminology will be used and tested throughout Component 3**

<p><b>Terminology</b></p>	<p>(There will be questions in the exam asking for the meaning of these keywords)</p>	<p>Ensure a clear understanding of the keywords used throughout the unit.</p>	<p>Turnover (net sales)            Cost of sales (cost of goods sold)            Gross profit            Expenses            Net profit            Retained profit            Fixed assets            Current assets            Current liabilities            Long-term liabilities            Debtors            Creditors            Net current assets            Capital</p>	<p>independence – independent learning of the definitions            Literacy - knowledge/spelling the terminology</p>
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