





Business GCSE 2.4 Making Financial Decisions		Road Map			
In this unit you will investigate business calculations and business performance LG1: Knowledge LG2: Application LG3: Skills	Assessment Grades				
Themes	Learning Goals/Outcomes/Content				
2.4.1 Business calculations • gross profit margin • net profit margin	LG1: Know the definition of Gross Profit Margin and net Profit Margin LG3: calculate GP and NP % from given data GP margin = $GP/SR \times 100$ NP margin = $NP/SR \times 100$ LG2: calculate profit margins for given businesses including interpretation				
2.4.1 Business calculations • average rate of return	LG1: Know how to calculate the Average rate of return (GCSE version) $ARR\% = \text{average annual profit/cost of investment} \times 100$ Average annual profit = total profit/no. of years LG3: calculate average annual profit and ARR				
2.4.2 Understanding business performance • information from graphs and charts	LG1: Know that business use a range of data to make business decisions LG1: list the types of data that business will use to measure performance LG1: know what a pie, bar, scatter and line chart are LG3: extract business information from a line, pie, bar and scatter diagram LG3: Present information in a line, pie bar and scatter diagram				
2.4.2 Understanding business performance • financial data	LG1: Know that business performance can be measures by profit, share price and sales LG3: Present financial data in a suitable format –info gram, chart LG2: Analyse financial data for a selected business				
2.4.2 Understanding business performance • marketing data • market data.	LG1: Define the term marketing data LG1: list types of marketing data LG2: explain why marketing data will be useful to different businesses LG3: use marketing data to draw conclusions				
2.4.2 The use and limitations of financial information • understanding business performance • making business decisions	LG1: Know that data has limitations: time delay, decision making, interpretation, non-financial objectives LG2: recognise the limitations of data for a selected business LG3: analyse data given to make decision				

Links:

Prior Learning:

LG1: Builds on knowledge from unit 1.3 (costs revenue and profit, profit calculations for smaller businesses, 1.4 Marketing Mix

LG3: Prior knowledge of economic factors (1.5) required in order to interpret charts and graphs containing market and economic data

Future knowledge:

LG1: Knowledge of business data, costs and revenues will support the development of HR policies (unit 2.5)

LG2: Application skills need to be further developed for unit 2.5

LG3: Development of skills to support mock exam (all units) and final exam preparation