






# Component 1 – LOA Features of an SME



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>Students may have an understanding of different types of enterprises and businesses from their every day life.</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>Understanding the aims and objectives of an SME and linking the features to the aims/objectives. For example an SME might be a micro business and want to grow. Or a manufacturing business might have the objective to improve productivity</p> <p><b>Please note</b> - the crucial knowledge from this topic can be used when teaching LOC, because the features of the enterprise can be a strength or weakness in the SWOT analysis</p>
	 <p>Understand that SME's differ in the following ways</p> <ul style="list-style-type: none"> <li>Size</li> <li>Sector</li> <li>Activities</li> <li>Legal structure</li> </ul>	
	<p><b>HEART - Personal Development</b></p>	
	 <p>The knowledge developed from this LO gives an insight into a range of career opportunities available to young people.</p>	
<p><b>HAND - Skills</b></p>	 <p>Researching, comparing and contrasting different types of SME's</p> <p>Assessing the importance of the activities that SME's undertake</p>	



# Component 1 – LOA Aims and objectives of enterprises



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.

Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>Understand the features of an SME</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>The next step is for the learners to be able to explain how the characteristics of an entrepreneur helps the SME to achieve the aims and objectives</p>
	 <p>Define and give examples of the aims of an enterprise  Define and give examples of the objectives of an enterprise  Demonstrate an understanding of SMART objectives</p>	
	<p><b>HEART - Personal Development</b></p>	
	 <p>Be able to set personal aims and objectives</p>	
<p><b>HAND - Skills</b></p>	 <p>Assess and evaluate how the features of an SME enables the business to achieve the aims and objectives</p>	



# Component 1 – LOA The skills and characteristics of Entrepreneurs



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>Knowledge of aims and objectives. They should also recognise what skills and characteristics are from PDL lessons</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>-LOB – Market Research</p> <p><b>Please note</b> - the crucial knowledge from this topic can be used when teaching LOC, because the skills and characteristics of the entrepreneur can be a strength or weakness in the SWOT analysis</p>
	 <p>List and explain a wide range of characteristics that entrepreneur possess List and explain a wide range of skills entrepreneurs possess Research and find evidence of the skills and characteristics of a specific entrepreneur</p>	
	<p><b>HEART - Personal Development</b></p>	
 <p>Students can audit their own skills and characteristics in order to create a personal development plan Students can consider what make entrepreneurs special, when compared to employees Show empathy for the entrepreneur in the Dama Cheese case study</p>		
<p><b>HAND - Skills</b></p>	 <p>Assess the importance of enterprise skills and characteristics in helping businesses to achieve their aims and objectives Reading interviews and autobiographies to establish skills and characteristics of entrepreneurs</p>	



# Component 1 – LOB Market Research



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>Completed LOA and have a good understanding of SME and entrepreneurs</p>	<p><b>HEAD - Knowledge</b></p>  <p>Understand the purpose of market research (understand customer needs and competitor behaviour)</p> <p>Define and explain the methods of primary market research explaining the advantages and disadvantages</p> <p>Define and explain the methods of secondary market research explaining the advantages and disadvantages</p>	<p><b>Pupils should go on to:</b></p> <p>The students will use their research skills to investigate the external business environment for L0C</p>
	<p><b>HEART - Personal Development</b></p>  <p>Gain an understanding of the misinformation that is on the Internet. For example can we always trust review websites?</p>	
	<p><b>HAND - Skills</b></p>  <p>Interpret qualitative information and quantitative data</p> <p>Evaluate the market research undertaken by an enterprise and recommend alternative methods that could be used</p>	



# Component 1 – LOC External Business Environment



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have some understanding of Political, Economic, Social and Technological issues</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>The students will use their knowledge of the external environment to complete a SWOT Analysis</p> <p><b>Note</b> – the internal SWOT factors can come from LOA/B</p>
	 <p>Develop an understanding of Political, Economic, Social and Technological factors that can impact on an SME</p>	
	<p><b>HEART - Personal Development</b></p>	
	 <p>Gain an understanding of progressive taxation (consider if this is fair?)          Understand how society changes over time          Appreciate the rule of law and the influence on business          Learn about the future of the economy (careers education)</p>	
<p><b>HAND - Skills</b></p>	 <p>Create a PEST analysis and recommend how an enterprise can respond to the external business environment.          Interpret economic data</p>	



# Component 1 – LOC Internal Business Environment



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.

Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have completed a PEST Analysis</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>The next step is to complete the component 1 PSA and then start Business Finance aspects of Component 2 and 3</p>
	 <p>Develop an understanding of the internal strengths and weaknesses of an enterprise Review the balance sheet of an SME</p>	
	<p><b>HEART - Personal Development</b></p>	
	 <p>Consider own personal strengths and weaknesses</p>	
<p><b>HAND - Skills</b></p>	 <p>Create a SWOT analysis Recommend how the strengths of an enterprise can eliminate weaknesses, minimise threats and maximise opportunities.</p>	



# Component 1 – LOC Internal Business Environment



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have completed a PEST Analysis</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>The next step is to complete the component 1 PSA and then start Business Finance aspects of Component 2 and 3</p>
	 <p>Develop an understanding of the external opportunities and threats of an enterprise</p>	
	<p><b>HEART - Personal Development</b></p>	
 <p>Consider own personal threats and opportunities</p>		
<p><b>HAND - Skills</b></p>	 <p>Create a SWOT analysis Recommend how the strengths of an enterprise can eliminate weaknesses, minimise threats and maximise opportunities.</p>	



# Component 2/3 – Costs, Revenues and Profit



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have completed Component 1 and have an understanding that profit is an aim of a business</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>Break even calculations</p>
	 <ul style="list-style-type: none"> <li>Develop an understanding of costs, revenues and profit</li> <li>Understand how to classify costs</li> <li>Understand that enterprises have different sources of revenue</li> <li>Understand that profit is when revenue is great than costs</li> <li>Be able to explain how enterprises can improve profits</li> </ul>	
	<p><b>HEART - Personal Development</b></p>	
	 <ul style="list-style-type: none"> <li>Problem solving</li> </ul>	
<p><b>HAND - Skills</b></p>	 <ul style="list-style-type: none"> <li>Calculate revenue</li> <li>Calculate costs</li> <li>Calculate profit/loss</li> </ul>	



# Component 2/3 – Breakeven



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have an understanding of costs, revenues and profit</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>Cash flow</p>
	 <ul style="list-style-type: none"> <li>Define break even</li> <li>Understand the formula used to calculate breakeven</li> <li>Understand how to draw and label a breakeven graph</li> <li>Understand margin of safety</li> <li>Be able to explain what happens to break even and margin of safety when variables change</li> <li>Understand the benefits and drawbacks of breakeven analysis</li> </ul>	
	<p><b>HEART - Personal Development</b></p>	
 <p>Problem solving in a real-world context</p>		
<p><b>HAND - Skills</b></p>	 <ul style="list-style-type: none"> <li>Calculate break even using the formula, table and graph</li> <li>Complete a fully labelled breakeven graph</li> <li>Use breakeven and financial data to make decisions (Electric Dreams)</li> </ul>	



# Component 2/3 – Cash Flow Forecasts



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have an understanding of breakeven</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>Income statements (profit and loss account)</p>
	 <p>Understand what is meant by the term 'cash flow'            Understand how to construct a cash flow forecast            To be able to identify a cash flow problem            To be able to explain the difference cash and profit            Understand the benefits and problems with cash flow forecasting</p>	
	<p><b>HEART - Personal Development</b></p>	
	 <p>Problem solving in a real-world context            Link to the role of an Accounts Technician</p>	
<p><b>HAND - Skills</b></p>	 <p>Construct a 12-month cash flow forecast            Suggest ways to improve cash flow for an enterprise</p>	



# Component 2/3 – Income statements (profit and loss account)



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have completed a cash flow forecast</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>Profitability ratio's</p>
	 <p>Develop an understanding of the purpose and structure of an Income statement Understand the formula for gross and net profit Understand the stakeholder's interest in the P/L account</p>	
	<p><b>HEART - Personal Development</b></p>	
	 <p>Complete a career related task of an accountant</p>	
<p><b>HAND - Skills</b></p>	 <p>Complete an income statement Calculate gross profit Calculate net profit</p>	



# Component 3 – Statement of Financial Position (Balance Sheet)



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.




Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have completed an income statement</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>Liquidity ratio's</p>
	 <p>Develop an understanding Assets, liabilities and the structure of a statement of financial position Understand the stakeholder's interest in the Balance Sheet</p>	
	<p><b>HEART - Personal Development</b></p>	
	 <p>Link this topic to personal finance education (debt, assets, overdrafts)</p>	
<p><b>HAND - Skills</b></p>	 <p>Complete a statement of financial position Distinguish between fixed and current assets Distinguish between long term and current liabilities Calculate working capital, net assets and capital employed</p>	



# Component 3 – Liquidity ratio's



At Malbank we will develop the knowledge, understanding and key skills that provide an aptitude in planning an enterprise activity.

Prior Knowledge	Current	Future
<p><b>Pupils should have:</b></p> <p>The students will have completed statement of financial position</p>	<p><b>HEAD - Knowledge</b></p>	<p><b>Pupils should go on to:</b></p> <p>Component 2 - Planning and pitching an enterprise idea</p>
	 <p>Develop an understanding of liquidity Learn what the liquid capital ratio and current ratio are</p>	
	<p><b>HEART - Personal Development</b></p>	
 <p>Develop the understanding of debt and how to avoid unmanageable debt</p>		
<p><b>HAND - Skills</b></p>	 <p>Calculate the current ratio for an enterprise Calculate the liquid capital ratio for an enterprise</p>	