|  |  |  |
| --- | --- | --- |
| **What will we be learning?**  In Unit 3, learners study the purpose and importance of Personal and Business Finance. They will develop the skills and knowledge needed to understand, analyse and prepare financial information. They will also learn basic numeracy skills, which will help them for may activities later on in life, either in higher education or in employment. | **Why this? Why now?**  Learning Aim C – The business finance aspects of this unit start with Learning Aim C and introduce you to accounting terminology, why businesses have accounts and the types of income and expenditure businesses can have. It is important to understand these terms as these are the things that are recorded and make up a business’s financial statements. | Key Words:  Transactions  Compliance  Measuring performance  Capital Income  Loan  Mortgages  Shares  Owners Capital  Debentures  Revenue Income  Cash Sales  Credit Sales  Rent  Commission  Interest  Discount  Capital Expenditure  Tangible non-current assets  Intangible non-current assets  Revenue Expenditure  Inventory  Rates  Straight-line depreciation  Reducing Balance depreciation |
| **What will we learn**  **Learning Aim C – Understand the Purpose of Accounting:**  C1 – Purpose of Accounting  C2 – Types of Income – Capital and Revenue Income  C3 – Types of Expenditure – Capital and Revenue Expenditure | |
| **What opportunities are there for wider study?**  Wider reading of of accounting articles through Business Review and using You Yube websites such as Bee Business Bee and Two Teachers to help go over extra material or tutorials. | |
| **How will I be assessed?**  Summative assessment throughout and formative assessment through an end of topic test. | |