

Open Awards Qualification Unit



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1 Unit Details

Unit Title:	Managing Cashflow, Keeping your Business Healthy
Unit Reference Number:	L/507/5299
Level:	Level 2
Credit Value:	2
Minimum GLH:	10

2 Learning Outcomes and Criteria

Learning Outcome (The Learner will):	Assessment Criterion (The Learner can):
1. Understand cash and the cash budget	1.1 Explain why cash is important in a business
	1.2 Define timing of cashflows
	1.3 Explain the importance of estimating a likely cashflows pattern
	1.4 Prepare a cash budget
2. Understand how to monitor and control cashflows	2.1 Explain how to use the cash budget
	2.2 Compare budgeted and actual cashflows
	2.3 Explain why differences should be investigated
	2.4 Identify possible reasons for differences and subsequent actions that can be taken
3. Understand the relationship between cashflow and credit customers	3.1 Identify the risks of giving credit to customers
	3.2 Explain how to assess the creditworthiness of customers
	3.3 Explain how to guard against non-payment by credit customers
	3.4 Identify strategies to deal with late payers