

Open Awards Qualification Unit



This unit forms part of a regulated qualification. Click [here](#) to view qualifications.

1 Unit Details

Unit Title:	Understanding Finance in a Business Context
Unit Reference Number:	J/507/5298
Level:	Level 2
Credit Value:	2
Minimum GLH:	16

2 Learning Outcomes and Criteria

Learning Outcome (The Learner will):	Assessment Criterion (The Learner can):
1. Understand ways of financing a new business	1.1 Identify the different types of costs associated with starting a business
	1.2 Describe different ways of obtaining the money needed to start a business
2. Understand how finance is managed in a business context	2.1 Define income, expenditure, turnover and cash flow in a business context
	2.2 Explain the difference between 'gross' and 'net' profit
	2.3 Describe the financial records that should be kept by a business
	2.4 Explain why it is important to keep financial records
3. Know how cash flow is managed in a business	3.1 Describe the factors that affect cash flow in a business
	3.2 Identify the features of a cash flow statement for a business
	3.3 Explain how to manage temporary cash shortfalls to avoid longer term effects on a business
	3.4 Explain how business cash flow can be monitored