



Knowledge and Understanding	Skills
<p>Pupils can explain and answer questions on the following topics:</p> <ul style="list-style-type: none"> • Why new business ideas come about • How new business ideas come about • The impact of risk and reward on business activity • The role of business enterprise and the purpose of business activity • The role of entrepreneurship • Identifying and understanding customer needs • The purpose of market research • Methods of market research • The use of data in market research • How businesses use segmentation to target customers • Understanding the competitive environment • What business aims and objectives are • Business aims and objectives when starting up • Why aims and objectives differ between businesses • The concept and calculation of revenue, costs, profit and loss, interest, break-even level of output and margin of safety • Interpretation of break-even diagrams • The importance of cash to a business • Calculation and interpretation of cash-flow forecasts • Sources of finance for a start-up or established small business 	<ul style="list-style-type: none"> • Demonstrates accurate knowledge and understanding of business concepts and issues throughout, including appropriate use of business terminology (AO1b). • Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3a). • Draws a valid and well-reasoned conclusion based on a thorough <hr/> <ul style="list-style-type: none"> • Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3a). • Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO3b). <hr/> <ul style="list-style-type: none"> • Demonstrates mostly accurate knowledge and understanding of business concepts and issues, including appropriate use of business terminology in places (AO1b). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3a).



	<ul style="list-style-type: none">• Pupils can answer exam questions identifying one impact point and two linked strands.• Pupils can use the correct calculations and formulas to answer numerical questions.• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2).• Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3a).
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