Non-Negotiables: *Learning Aim A*

1	**Q: Identify what a target market is.** A target market is the group of customers an enterprise wants to sell its product to.
2	**Q: Describe what market segmentation means.** A: Market segmentation is dividing customers into groups based on shared characteristics.
3	**Q: Give the four examples of market segmentation.** A: Demographic, psychographic, behavioural and geographic.
4	**Q: Distinguish between B2C and B2B markets.** A: B2C sells to customers, B2B sells to other businesses.
5	**Q: List the 4Ps of the marketing mix.** A: Product, Price, Place and Promotion.
6	**Q: Name the five stages of the product life cycle.** A: Introduction, development, growth, maturity, decline.
7	**Q: Explain what a pricing strategy is.** A: A pricing strategy is how a business decides what price to charge for a product.
8	**Q: Give the five types of pricing strategy.** A: Penetration, skimming, competitive, cost-plus, premium.
9	**Q: Give the 7 parts of the promotional mix.** A: Advertising, Public Relations (PR), Online Public Relations (OPR), social media marketing, personal selling, direct marketing, sales promotion.
10	**Q: Summarise why brand image is important.** A: It affects how customers see the product and whether they choose to buy it.

Non-Negotiables: *Learning Aim B*

1	**Q: Give the types of financial documents used by enterprises.** A: Purchase orders, delivery notes, goods received notes, invoices, credit notes, statements of account, remittance advice slips and receipts.
2	**Q: Explain why accuracy is important when using financial documents.** A: Accurate documents help ensure correct ordering, checking, recording and payment for goods and services.
3	**Q: Explain why accurate financial documents and record-keeping are important.** A: They support effective business accounting and provide reliable financial information.
4	**Q: Give the payment methods used by enterprises.** A: Cash, credit cards, debit cards, direct debit and payment technologies
5	**Q: Describe the sources of revenue and costs for enterprises.** A: Revenue or turnover, start-up costs and running costs.
6	**Q: Explain what a profit and loss account shows.** A: It shows the profit or loss of an enterprise over time, including revenue, cost of sales, expenses, gross profit and net profit.
7	**Q: Explain what a balance sheet shows.** A: It shows the financial position of an enterprise at a point in time, including assets, liabilities, working capital, debtors, creditors and equity.
8	**Q: Give the stakeholders who may be interested in financial statements.** A: Owners, managers, employees, lenders, government, customers and suppliers.
9	**Q: Explain the difference between cash and profit.** A: Cash is the money available to a business, whereas profit is the amount remaining after costs have been deducted from revenue.
10	**Q: Give the profitability and liquidity ratios.** A: Gross profit margin percentage (GPM), net profit margin percentage (NPM), current ratio and liquid capital ratio.

Non-Negotiables: *Learning Aim C*

1	**Q: Give the type of expenditure and revenue budgets used by enterprises.** A: Capital expenditure, cash, labour, marketing or promotion, overheads, production, purchases or materials, and revenue or sales.
2	**Q: Explain the difference between budgeting and budgetary control.** A: Budgeting is planning income and expenditure, while budgetary control involves checking actual performance against the budget.
3	**Q: Explain the impact of favourable and adverse variances.** A: Favourable variances improve financial performance compared with the budget, while adverse variances result in worse performance than planned.
4	**Q: Give the components of a cash flow forecast.** A: Predicted inflows or receipts, outflows or payments, net inflows or outflows, opening balances, closing balances, surpluses and deficits.
5	**Q: Give the purposes of a cash flow forecast.** A: To identify money coming in and going out, determine the impact of timings of inflows and outflows, and determine positive and negative liquidity to support business decisions.
6	**Q: Explain the difference between forecasted and actual cash flow.** A: Forecasted cash flow is predicted, while actual cash flow records what really happened.
7	**Q: Give the cash flow problems that enterprises may experience**. A: Cash surpluses and cash deficits.
8	**Q: Give the solutions to cash flow problems.** A: Increasing revenue, selling unused assets or inventory, chasing debtors, cutting costs, delaying payment to suppliers, reducing customer credit periods, delaying expansion plans, paying off debts and investment.
9	**Q: Identify the key elements used in break-even analysis.** A: Fixed costs, variable costs, total costs, total revenue, break-even point, margin of safety, area of profit and area of loss.
10	**Q: Explain why breaking even is important and state the strengths and limitations of break-even analysis.** A: Breaking even means costs are covered by revenue. Break-even analysis helps planning and decision-making but is based on assumptions that may not reflect real business conditions.