

APPLIED GENERAL FINANCIAL PLANNING PERSONAL LEARNING CHECKLIST

**Got the notes
Confident?**

A01: why plan finances	Understand the differences and similarities that different enterprises have in the environment they operate in.		
	Be able to outline the different motivations that individuals and groups have to start up and run enterprises		
	Understand the meaning of business markets, vision and aims		
A01:Legal Structures & stakeholders	Understand the financial implications of using different legal forms of business.		
	Be able to identify appropriate forms of ownership for different types of business.		
	Understand the meaning of Stakeholders and their interests.		
	Be able to describe business ownership and the interests of stakeholders.		
A01:Sources of Finance	Understand the difference between the importance of and differences between start-up and running costs.		
	Be able to differentiate between start-up and running costs for different enterprises		
	Understand that sufficient income will be required to cover costs and generate profit/surplus		
	Understand the need to plan the financing requirements of start-up costs, running costs and the requirement to ensure sufficient cash requirements.		
	Be able to identify the appropriate internal and external sources of finance to meet short and long term finance requirements		
A02 Making a Profit and Fin Planning (Costs and Revenue, Cap ex)	Understand the need to set profit targets to ensure a return for the owners of an enterprise.		
	Understand basic profit/surplus calculations that include total revenue/income and total cost/expenditure		
	Understand basic profit/surplus calculations that include total revenue/income and total cost/expenditure/service/ Not for profit/Manufacturing		
	Understand that accurate identification of costs is vital in producing accurate profit calculations		
	Be able to classify fixed, variable and semi variable costs in different situations.		
	Understand that total revenue is derived from price x quantity.		
	Understand the distinction between revenue and capital expenditure.		
	Be able to identify items of capital and revenue expenditure in different situations		
A02: Break Even	Understand the concept of break-even and contribution. Understand the concept of break-even and contribution.		
	Be able to produce break- even and contribution calculations in a variety of situations.		
	Understand the value and limitations of break-even.		
	Understand the role of break-even in setting targets and as part of "what if" targets		
	Be able to use break-even and contribution analysis to provide options to solve business problems.		

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A02: Cash Flow	Understand the concept of cash-flow forecasts		
	Be able to interpret a cash flow forecast.		
	Understand that a positive cash flow does not represent a profit		
	Understand that Cash-flow forecasts can help to monitor the financial performance of an enterprise.		
A03: Budgets and monitoring performance	Understand that variance analysis can help monitor the financial performance of an enterprise		
	Be able to interpret cash- flow statements using what if and variance analysis.		
A03: Budgets	Be able to calculate gross and operating profit.		
	Understand the structure and purpose of an actual or forecasted Income Statement		
A04: Financial Performance(stakeholder perspective)	Understand the structure and purpose of an actual or forecasted Statement of Financial Position		
	Be able to identify and classify assets, liabilities, working capital and equity.		
A04: Financial Performance(stakeholder perspective)	Understand how financial ratios are used to enable stakeholders to make decisions about the financial performance of an enterprise.		
A04: Interpreting Financial ratios	Understand how financial ratios are used to enable stakeholders to make decisions about the financial performance of an enterprise.		
	Be able to interpret financial ratios using the headings of profitability, solvency and activity.		
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A04: Market Information	Understand the different financial and market information required by owners, managers, potential investors and suppliers.		
	Be able to identify relevant financial and market information for different stakeholders.		
	Understand that there is a range of information available to support financial information to enable stakeholders to make decisions about the financial performance of an enterprise.		