

Subject :	Economics		Year Group:	12		
	Sept to Feb Half Term	Sept to Feb Half Term	Sept to Feb Half Term	Sept to Feb Half Term	Sept to Feb Half Term	Sept to Feb Half Term
Scheme title	Economics 1.1	Economics 1.2	Economics 1.3	Economics 1.4	Economics 1.5	Economics 1.6
Knowledge in Sequence	<ul style="list-style-type: none"> <li>Students should develop an understanding of the economic problem, understanding that there are unlimited wants but a finite amount of resources. The concept of factors of production will also be introduced here including capital, land, labour and enterprise.</li> <li>Economics is the 'science of choice' and students need to be aware of the choices which have to be made at local, national and international level. The concept of a trade-off and how this applies to the different economic agents will be investigated.</li> <li>Students need to have a theoretical understanding of opportunity cost and be able to apply the concept to unseen contexts in terms of decision making by the different economic agents, for example the opportunity cost to an individual of remaining in higher education or more complex scenarios such as the impact of changes in government spending.</li> <li>The financial objectives of profit maximisation, sales maximisation and satisficing will be explored along with several other nonfinancial objectives. The different financial motives as firms expand can be investigated, and students can explore the difference between profit maximisation and profit satisficing for different local, national and international businesses.</li> <li>Students will be taught the concept of stakeholders and how different stakeholders have different interests in the business, we will then progress onto how stakeholder conflicts can develop due to diverging interests and how businesses seek to address these conflicts.</li> <li>Students will look at a range of businesses that have CSR policies to compare and contrast them, for example BP, BAT, Disney, Tesco and The Body Shop.</li> </ul>	<ul style="list-style-type: none"> <li>Students will explore the role of an entrepreneur in setting up new businesses by taking risks and organising factors of production.</li> <li>Entrepreneurs are motivated by different reasons for setting up their businesses. In this section we will explore different reasons why entrepreneurs set up businesses.</li> <li>The factors of production are another fundamental economic concept which can be applied to either a product or a service and helps to support the theory of the allocation of scarce resources. Enterprise is the creative idea or risk taken by an entrepreneur. The quality of the idea often affects the success or failure of a business. The entrepreneur has to organise the other three factors of production in order to produce goods and services and, if successful, receives profit.</li> <li>A modern economy is based on specialisation, trade and exchange. The division of labour is a form of specialisation. Employees specialise in given occupations and machines specialise in certain tasks. Regions and countries specialise in producing goods and services. If people and other resources concentrate on things which they do relatively well, then output increases and economic growth occurs.</li> <li>This topic introduces the wider business environment in which all businesses operate. This is to give students an understanding of the factors which impact on businesses and their decisions, these factors include but are not limited to interest rates, unemployment, exchange rates, inflation and taxes.</li> </ul>	<ul style="list-style-type: none"> <li>Students will be taught about the concept of demand and supply and the factors that affect it. These factors cause shifts in the demand and supply curve and helps students to apply these theoretical concepts to the real world and offer explanations as to how and why prices change in markets.</li> <li>Students will learn about how the price mechanism allocates scarce resources efficiently. They will learn about the rationing, signalling and incentive functions that the price mechanism plays in allocating resources.</li> <li>Students will learn about the importance of market research and the role of primary and secondary research in helping businesses to establish customer needs and market conditions. They will also learn about market segmentation and be able to discuss its pros and cons.</li> <li>Students will learn about different aspects of how businesses operate in the market by using market maps, how they add value and use product differentiation to overcome competition.</li> </ul>	<ul style="list-style-type: none"> <li>Students will learn about the role of banks in channelling savings towards investments and providing all types of credit. They will learn about the importance of interest rates and collateral.</li> <li>The concepts of risk and liability will be introduced and how this affects the actions of households and businesses in the wider economy.</li> <li>Students will learn about the role of credit and its importance in the economy. They will learn about the different types of credit available to businesses and their sources.</li> </ul>	<ul style="list-style-type: none"> <li>Students will learn about why markets fail and the types of market failure – public goods, external costs and benefits, merit and demerit goods.</li> <li>Students will learn about the need for government intervention in the face of market failure and the different types of government failure with an evaluation of each.</li> <li>Government intervention can lead to government failure and students will learn about the causes of government failure.</li> </ul>	<ul style="list-style-type: none"> <li>Students will learn about how to calculate revenue and costs, they will learn about different types of costs.</li> <li>Students will be introduced to the concept of breakeven and how its calculated, they will also learn about the meaning of contribution and how its calculated.</li> <li>Students will learn about different types of profit (gross, operating and net) and how each one is calculated along with their respective margins. They will also be introduced to the statement of comprehensive income.</li> <li>Students will learn about the importance of cash and good cashflow for a business. They will be introduced to the concept of a cashflow forecast and how this helps businesses manage their cashflows.</li> </ul>
Skills	Scarcity Factors of production Taxes and government spending Profits and revenues Wages and costs	Profits	Markets Taxes & subsidies	Types of ownership Profit and losses Costs and revenues	Public goods Merit and demerit goods Information failure	Public goods Merit and demerit goods Information failure
Key Words	Corporate Social Responsibility Cost efficiency Customer satisfaction Economic Agents Employee welfare Market Share Opportunity Cost Profit maximisation Opportunity cost Return on Investment Sales maximisation Satisficing Scarcity Social objectives Stakeholder Stakeholder Conflict Survival Trade-off	Adding Value Capital Corporation Tax Creative Corporation tax Destruction Division of labour Economies of scale Entrepreneur Enterprise Ethical Exchange rate Inflation Interest rate Factors of Production Income tax Profit motive Invention Labour Land Social entrepreneurship Specialisation Taxes unemployment VAT	Adding Value Complementary good Cost of production Demand Demand curve Equilibrium Market Growth Mass market Niche market Price Mechanism Product differentiation Real Income Substitute good Supply Supply curve Technology	Bank Leasing Limited Liability Loan Online Collaborative Funding Overdraft Owner's capital Retained profit Risk Sale of assets Share Capital Trade credit Unlimited Liability Venture Capital	External Benefit External Cost Government Failure Government Intervention Indirect Taxation Information Gap Legislation Market Economy Market Failure Private Benefit Private Cost Regulation Social Benefit Social Cost Subsidy Unintended Consequences Voluntary Agreements	Average Cost Break-even Analysis Contribution Contribution Fixed Costs Margin of Safety Sales revenue Sales Volume Total Costs Variable Costs Cash Flow Gross profit Gross profit margin Operating profit Operating profit margin Profit Profit for the Year Statement of Comprehensive Income
End Point	Final assessment on 1.1	Final assessment on 1.2	Cumulative assessment 1.1-1.3	Final assessment on 1.4	Final assessment on 1.5	Cumulative assessment 1.1-1.6
Assessment method	Mid-point assessment 4 and 8 markers on 1.1.	Mid-point assessment 4, 8 and 12 markers on 1.2	Mid-point assessment 4, 8 and 12 markers on 1.3	Mid-point assessment 4, 8 and 12 markers on 1.4	Mid-point assessment 4, 8 and 12 markers on 1.5	Mid-point assessment 4, 8 and 12 markers on 1.6  Final assessment on 1.6