



Singapore Examinations and Assessment Board



CAMBRIDGE  
International Education

**Singapore–Cambridge Secondary Education Certificate (2027)**

# **G3 Business (Syllabus K344)**

**(First year of examination in 2027)**

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## INTRODUCTION

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The G3 Business syllabus will introduce students to business concepts and techniques across a range of different types of businesses.

Students will be able to:

- understand different forms of business organisations, the environments in which businesses operate and business functions such as marketing, operations and finance
- appreciate the role of people in business success.

They will also gain lifelong skills, including:

- the ability to calculate and interpret business data
- communication skills needed to support arguments with reasons
- the ability to analyse business situations and reach decisions or judgements.

## AIMS

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The aims describe the purposes of a course based on this syllabus.

The aims are to enable students to:

- discover different business structures and explore the influence of key internal and external stakeholder groups, to gain an insight into business decision-making
- develop a confident working knowledge of business activity, using key terms, concepts and theories
- develop numeracy skills by applying formulas to interpret and analyse business data
- gain essential literacy and enquiry skills through using and interpreting business information
- analyse and evaluate a range of data and make informed, evidence-based recommendations in a variety of business contexts
- investigate and understand the impact of digital technology in the production of goods and services
- explore environmental issues and methods of sustainability within business, both locally and globally
- discover the impact and importance of business, inspiring an interest that could lead to further study or employment.

## ASSESSMENT OBJECTIVES

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The assessment objectives (AOs) are:

### **AO1 Knowledge and understanding**

- Demonstrate knowledge and understanding of business concepts, terms and theories.
- Use business terminology.

### **AO2 Application**

- Apply knowledge and understanding of business concepts, terms and theories to a given business.

### **AO3 Analysis**

- Select, organise and interpret business data and information in written, numerical and graphical forms.
- Analyse business information.

### **AO4 Evaluation**

- Make justified decisions, reach conclusions and make recommendations based on evidence.

## SCHEME OF ASSESSMENT

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The assessment objectives are weighted to give an indication of their relative importance. They are not intended to provide a precise statement on the number of marks allocated to a particular assessment objective.

| Paper   | Duration             | Assessment Objectives                    |                    |                 |                   | Total |
|---------|----------------------|--|--------------------|-----------------|-------------------|-------|
|         |                      | AO1<br>Knowledge<br>and<br>Understanding | AO2<br>Application | AO3<br>Analysis | AO4<br>Evaluation |       |
| 1       | 1 hour<br>30 minutes | 40%                                      | 30%                | 20%             | 10%               | 50%   |
| 2       | 1 hour<br>30 minutes | 30%                                      | 30%                | 25%             | 15%               | 50%   |
| Overall |                      | 35%                                      | 30%                | 22%             | 13%               | 100%  |

## ASSESSMENT

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### Syllabus Components

Candidates take **two** compulsory components, Paper 1 and Paper 2. Both question papers draw on topics taken from the whole of the syllabus.

| Component   | Description of papers   | Duration          | Weighting |
|---|---|-------------------|-----------|
| <b>Paper 1<br/>Short Answer and<br/>Data Response</b> | Short Answer and Data Response<br>80 marks<br><br>Four questions requiring a mixture of short answers and structured data responses.<br>Candidates answer all questions.<br>Externally assessed | 1 hour 30 minutes | 50%       |
| <b>Paper 2<br/>Case Study</b>                         | Case Study<br>80 marks<br><br>Four questions based on a case study, provided as an insert with the paper.<br>Candidates answer all questions.<br>Externally assessed                            | 1 hour 30 minutes | 50%       |

## CONTENT OVERVIEW

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### 1 Understanding business activity

- 1.1 Business activity
- 1.2 Economic sectors
- 1.3 Enterprise, business growth and size
- 1.4 Types of business organisation
- 1.5 Business objectives and stakeholder objectives

### 2 People in business

- 2.1 Human resource management (HRM)
- 2.2 Organisation and management
- 2.3 Methods of communication
- 2.4 Motivating employees

### 3 Marketing

- 3.1 Marketing and the market
- 3.2 Market research
- 3.3 Marketing mix
- 3.4 Legal controls

### 4 Operations management

- 4.1 Production of goods and services
- 4.2 Technology and production of goods and services
- 4.3 Sustainable production of goods and services
- 4.4 Costs, scale of production and break-even analysis
- 4.5 Quality of goods and services
- 4.6 Location decisions

### 5 Financial information and decisions

- 5.1 Business finance
- 5.2 Cash flow forecast
- 5.3 Profit and loss
- 5.4 Statement of financial position
- 5.5 Analysis of accounts

### 6 External influences on business activity

- 6.1 Economic issues
- 6.2 Business and the international economy
- 6.3 Business and the environment
- 6.4 Business and ethical issues
- 6.5 Pressure groups

# SYLLABUS CONTENT

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In all of the following, candidates are required to apply their understanding to a variety of business situations. Candidates should be able to make simple decisions based upon the analysis and evaluation of the information provided.

## 1 Understanding business activity

This topic introduces key business concepts, including the nature of business activity and economic sectors. Enterprise and entrepreneurship, measuring business size, and why some businesses grow while others remain small, are also important issues. Types of business organisation, business objectives and stakeholder objectives, and the role of stakeholder groups are also considered.

### 1.1 Business activity

#### 1.1.1 The nature of business activity

- factors of production: land, labour, capital and enterprise
- concept of adding value and how added value can be increased
- concept of opportunity cost

### 1.2 Economic sectors

#### 1.2.1 Types of economic sector

- primary, secondary and tertiary sectors
- private and public sectors

### 1.3 Enterprise, business growth and size

#### 1.3.1 Enterprise and entrepreneurship

- characteristics of successful entrepreneurs
- purpose and key elements of a business plan: overview/summary, objectives, resources, market research, marketing, finance, people, operations
- the importance of having a business plan
- why governments support business start-ups
- how governments support business start-ups, e.g. grants, advice, low-cost loans, training schemes

#### 1.3.2 The methods and problems of measuring business size

- methods of measuring business size, e.g. number of people employed, value of output/sales, volume of output/sales, capital employed (profit is not a method of measuring business size)
- problems when measuring business size

#### 1.3.3 Why some businesses grow and others remain small

- why the owners of a business may want to grow the business
- how and why businesses can grow internally, e.g. develop new products, develop new markets
- how and why businesses can grow externally: mergers and takeovers, including horizontal integration, vertical integration
- advantages and disadvantages of methods of growth
- problems linked to business growth
- why some businesses remain small

#### 1.3.4 Why some businesses succeed and others fail

- reasons why businesses succeed or fail, e.g. management skills, availability of finance, suitability of product, demand for products, changes in the economy, level of competition

#### 1.4 Types of business organisation

##### 1.4.1 Different types of business organisation

- sole traders, partnerships, private limited companies and public limited companies
- advantages and disadvantages of different types of business organisation
- recommend and justify a suitable type of business organisation to owners/management for a given situation
- different forms of business organisation: franchises, joint ventures, social enterprises
- advantages and disadvantages of franchises for the franchisor and franchisee
- advantages and disadvantages of joint ventures

#### 1.5 Business objectives and stakeholder objectives

##### 1.5.1 Business objectives

- businesses can have several objectives, e.g. survival, growth, profit, market share
- the importance of business objectives

##### 1.5.2 The role of stakeholder groups

- internal stakeholder groups: owners (sole traders, partnerships, shareholders), managers, employees
- external stakeholder groups: customers, suppliers, lenders/banks, government, local community
- objectives of different stakeholder groups
- how these objectives may conflict with each other

## 2 People in business

This topic focuses on human resource management and includes recruiting and selecting employees, employment contracts and legal controls, and training. How businesses are organised, managed and leadership styles are considered as well as the reasons why reducing a workforce may be necessary. Also included are methods of communication and examples of communication barriers in business. Finally, this topic covers the importance of having a well-motivated workforce and methods of motivation.

#### 2.1 Human resource management (HRM)

##### 2.1.1 Recruiting and selecting employees

- stages in the recruitment process: job descriptions, person specifications, job advertisements (including employment agencies and online recruitment)
- selection methods, e.g. curriculum vitae (CV)/resumé, application forms, references, testing/assessment centres, interviews
- advantages and disadvantages of internal and external recruitment
- recommend and justify who to employ in a given situation

##### 2.1.2 Employment contracts and legal controls over employment issues

- the main contents of an employment contract: duties and responsibilities, working hours, holiday entitlement, sick pay
- the benefits of employment contracts for employers and employees
- legal controls over employment issues: unfair dismissal, discrimination, health and safety, legal minimum wage
- effects of legal controls over employment issues on employers and employees

##### 2.1.3 Training

- importance of training to a business and to employees
- types of training: induction training, on-the-job training and off-the-job training
- advantages and disadvantages of the three types of training

## **2.2 Organisation and management**

- 2.2.1 Simple organisational structures
- the main functional areas of a business, e.g. operations, marketing, finance, human resources
  - simple hierarchical structures: tall and flat levels of hierarchy, long and short chains of command, wide and narrow spans of control
  - interpret simple organisational charts
  - different ways of flexible working, e.g. home working and flexible hours
  - advantages and disadvantages of part-time employees and full-time employees
- 2.2.2 The functions of management
- planning, organising, coordinating, commanding and controlling
  - advantages and disadvantages of delegation
- 2.2.3 Leadership styles
- the main leadership styles: autocratic, democratic and laissez-faire
  - advantages and disadvantages of the main leadership styles
  - recommend and justify an appropriate leadership style for a given situation
- 2.2.4 Why reducing the size of the workforce may be necessary
- concept of downsizing
  - reasons for reducing the size of the workforce, e.g. automation, reduced demand for products, need to lower costs
  - concept of redundancy
  - recommend and justify which employee(s) to make redundant in a given situation
- 2.2.5 The role of trade unions
- what a trade union is
  - benefits to employees of being a trade union member

## **2.3 Methods of communication**

- 2.3.1 Why communication is important
- why communication is important for a business
  - methods of communication, e.g. meetings (face-to-face or virtual), email, text messages, social media, phone calls (including mobile calls), letters, posters and noticeboards
  - advantages and disadvantages of different methods of communication
  - internal and external communication
  - recommend and justify which method of communication to use in a given situation
- 2.3.2 Communication barriers
- examples of communication barriers
  - reasons for communication barriers
  - problems caused by communication barriers
  - how communication barriers can be reduced or removed

## **2.4 Motivating employees**

- 2.4.1 The importance of a well-motivated workforce
- why people work
  - the benefits of a well-motivated workforce: improved labour productivity, reduced absenteeism, lower labour turnover and greater willingness to accept change / new methods of working
  - main motivational theories: Maslow, Taylor, Herzberg
- 2.4.2 Methods of motivation
- financial methods of motivation, e.g. time-based, piece-rate, salary, bonus, commission, profit sharing, fringe benefits
  - non-financial methods of motivation, e.g. job enrichment, job rotation, training, opportunities for promotion, praise, employee of the month
  - recommend and justify an appropriate method of motivation for a given situation

### 3 Marketing

This topic covers marketing and the market, including niche markets and mass markets, why markets change and the use of market segmentation. Market research and the marketing mix, including the four Ps, are covered as is marketing strategy, including entering new markets in other countries. Examples of ecommerce and its advantages and disadvantages are considered as is the purpose of legal controls related to marketing.

#### 3.1 Marketing and the market

##### 3.1.1 The role of marketing

- identifying customer needs
- satisfying customer needs
- maintaining customer loyalty
- building customer relationships
- anticipating changes in customer needs

##### 3.1.2 Understanding market changes

- why consumer spending patterns may change
- why some markets are becoming more competitive
- how businesses can respond to changing spending patterns and increased competition
- calculate market share

##### 3.1.3 Mass markets and niche markets

- concepts of mass markets and niche markets
- advantages and disadvantages of mass markets and niche markets

##### 3.1.4 Market segmentation

- how markets can be segmented according to: age, income, location, gender, lifestyle
- advantages and disadvantages of market segmentation

#### 3.2 Market research

##### 3.2.1 Methods of market research

- why businesses use market research
- primary research methods, e.g. questionnaires or surveys, interviews, focus groups, observation
- the concept of sampling and why it is useful to businesses
- advantages and disadvantages of primary market research methods
- secondary research methods, e.g. competitor websites, government sources, market reports, trade magazines
- advantages and disadvantages of secondary market research methods
- factors influencing the accuracy of market research data
- analyse simple market research data

#### 3.3 Marketing mix

##### 3.3.1 Product

- the importance of brand image
- the role of packaging
- advantages and disadvantages of developing new products
- the main stages of the product life cycle: introduction, growth, maturity, decline
- interpret a product life cycle diagram
- extension strategies a business could use: new markets, new uses for a product, adapting the product or packaging, increased advertising / sales promotion
- advantages and disadvantages of different extension strategies
- recommend and justify an extension strategy to use in a given situation

- 3.3.2 Price
- pricing methods: cost-plus, competitive, penetration, skimming, dynamic
  - advantages and disadvantages of different pricing methods
  - recommend and justify an appropriate pricing method for a given situation
- 3.3.3 Place
- advantages and disadvantages of different distribution channels: direct to customers, through retailers, wholesalers, agents
  - recommend and justify an appropriate distribution channel for a given situation
- 3.3.4 Promotion
- reasons for promotion
  - methods of sales promotion, e.g. vouchers, reward schemes, competitions, special offers / discounts
  - methods of advertising, e.g. social media, direct/targeted emails, leaflets, billboards
  - recommend and justify which method of sales promotion to use in a given situation
  - recommend and justify which method of advertising to use in a given situation
- 3.3.5 Ecommerce
- examples of ecommerce, e.g. mobile phone / internet banking, online shopping, online ticketing
  - advantages and disadvantages of ecommerce for businesses
  - advantages and disadvantages of ecommerce for customers
- 3.3.6 Marketing strategy
- importance of the different elements in the marketing mix
  - recommend and justify an appropriate marketing mix for a given situation
- 3.3.7 Entering new markets in other countries as a method of growth
- advantages of entering new markets in other countries, e.g. increase sales, spread risk
  - disadvantages of entering new markets in other countries, e.g. cultural differences, lack of knowledge, legal requirements

#### **3.4 Legal controls**

- 3.4.1 Legal controls related to marketing
- the purpose of legal controls to protect customers: misleading promotion, faulty goods
  - the effects of legal controls on marketing

## 4 Operations management

This topic focuses on the production of goods and services and includes the main methods of production, the role of technology and the importance of sustainable production. Costs, the scale of production, as well as break-even analysis are included alongside economies of scale and quality production. This topic concludes with the main factors which influence location decisions.

### 4.1 Production of goods and services

#### 4.1.1 Production processes

- calculate labour productivity
- why efficiency is important for a business
- how to increase efficiency, e.g. increasing automation and technology, improving labour skills
- concept of lean production and how to achieve it: just-in-time (JIT) inventory control and Kaizen
- advantages and disadvantages of lean production methods
- why businesses hold inventory
- factors affecting how much inventory businesses hold

#### 4.1.2 The main methods of production

- job, batch and flow production
- advantages and disadvantages of job, batch and flow production
- recommend and justify an appropriate production method for a given situation

### 4.2 Technology and production of goods and services

#### 4.2.1 The use of technology in the production of goods and services

- how technology is changing production methods through automation and mechanisation, e.g. Computer-Aided Manufacture (CAM) and 3D Printing
- how technology is improving productivity in the service sector, e.g. contactless payments
- advantages and disadvantages of changes in technology for businesses and employees

### 4.3 Sustainable production of goods and services

#### 4.3.1 Methods of sustainable production of goods and services

- how businesses can be more sustainable: using renewable energy, using fewer resources / less waste, reusing, recycling, developing environmentally friendly products, using environmentally friendly packaging
- advantages and disadvantages of businesses becoming more sustainable

### 4.4 Costs, scale of production and break-even analysis

#### 4.4.1 Identify and classify costs

- classify and calculate costs using examples, e.g. fixed, variable, average and total
- use cost data to help make simple decisions, e.g. which product to produce, whether to continue or stop production, what price to set, help choose suppliers

#### 4.4.2 Economies and diseconomies of scale

- concept of economies of scale: purchasing, marketing, financial, managerial, technical
- concept of diseconomies of scale: poor communication, lack of commitment or loyalty from employees, weak coordination, lack of control

#### 4.4.3 Break-even analysis

- concept of break-even
- complete or amend a simple break-even chart
- interpret a break-even chart
- calculate break-even output
- define, calculate and interpret the margin of safety
- use break-even analysis to help make decisions: effect of changes in price, changes in fixed costs, changes in variable cost per unit
- limitations of break-even analysis

#### **4.5 Quality of goods and services**

- 4.5.1 Why quality is important and how quality may be achieved
- what quality means and why it is important for businesses
  - concept of quality control
  - concept of quality assurance
  - advantages and disadvantages of quality control and quality assurance
  - recommend and justify whether to use quality control or quality assurance in a given situation

#### **4.6 Location decisions**

- 4.6.1 Main factors which influence location decisions
- factors which influence the location decisions of a manufacturing business
  - factors which influence the location decisions of a service business
  - factors that a business could consider when deciding which country to locate its operations in
  - recommend and justify an appropriate location for a business in a given situation

### **5 Financial information and decisions**

This topic considers the need for, and sources of, business finance, the importance of working capital and the use of cash flow forecasts. The main features of a statement of profit or loss are covered as well as statements of financial position. Finally, this topic includes analysis of accounts, profitability and liquidity, and different users of accounts.

#### **5.1 Business finance**

- 5.1.1 The need for business finance
- the main reasons why businesses need finance: start-up capital, capital for expansion/growth, replacing existing non-current assets, investing in new technology, working capital
  - short-term and long-term finance needs of a business
  - concept and importance of working capital
- 5.1.2 The main sources of finance
- internal sources of finance: owners' investment, retained profit, sale of unwanted assets, working capital
  - external sources of finance: share capital or issuing shares, venture capital, bank overdrafts, leasing, hire purchase, bank loans, trade credit, government grants, crowdfunding
  - advantages and disadvantages of internal and external sources of finance
  - the main factors to consider when selecting a source of finance: size of business, legal form of business, amount required, length of time, existing loans, cost, purpose
  - recommend and justify an appropriate source of finance for a given situation

#### **5.2 Cash flow forecast**

- 5.2.1 The importance of cash and cash flow forecasts
- why cash is important to a business
  - what a cash flow forecast is and why it is important
  - main features of a cash flow forecast: cash inflow, cash outflow, net cash flow, opening balance, closing balance
  - amend or complete a simple cash flow forecast
  - interpret a simple cash flow forecast
  - how a short-term cash flow problem may be overcome: overdraft, delaying supplier payments, asking customers to pay more quickly, delay purchase of non-current assets

**Note:** candidates will not be assessed on constructing a cash flow forecast.

### 5.3 Profit and loss

- 5.3.1 What is profit and why it is important
- what profit is
  - importance of profit to private sector businesses: reward for risk-taking, source of finance, measure of success, attract investors
- 5.3.2 Statement of profit or loss
- main features of a statement of profit or loss: revenue, cost of sales, gross profit, expenses, profit
  - make simple calculations based on a statement of profit or loss: revenue, cost of sales, gross profit, expenses, profit
  - make decisions based on simple statements of profit or loss

**Note:** candidates will not be assessed on constructing statements of profit or loss.

### 5.4 Statement of financial position

- 5.4.1 The main elements of a statement of financial position
- non-current assets, e.g. property (land and buildings), machinery
  - current assets, e.g. inventory, trade receivables, cash
  - non-current liabilities, e.g. bank loans
  - current liabilities, e.g. trade payables, overdraft
  - concept of capital employed
  - make simple calculations based on statements of financial position: total assets, total liabilities, working capital
  - make decisions based on simple statements of financial position

**Note:** candidates will not be assessed on constructing statements of financial position.

### 5.5 Analysis of accounts

- 5.5.1 Profitability
- concept of profitability
  - calculate and interpret the following profitability ratios:
    - gross profit margin
    - profit margin
    - return on capital employed (ROCE)
- 5.5.2 Liquidity
- concept of liquidity
  - calculate and interpret the following liquidity ratios:
    - current ratio
    - acid test ratio
- 5.5.3 Users of accounts
- users of accounts and ratio analysis: internal, e.g. owners (sole traders, partnerships, shareholders), managers, employees
  - users of accounts and ratio analysis: external, e.g. suppliers, government, lenders/banks
  - how users of accounts may use financial information to help make decisions, e.g. whether to lend to or invest in a business
  - limitations of using accounts and ratio analysis

## 6 External influences on business activity

This topic focuses on the business cycle and on the effects of changes in government policy, including taxes, interest rates and exchange rates. The importance of globalisation is recognised as well as the advantages and disadvantages of multinational companies (MNCs). Environmental issues and ethical issues are considered along with the role of pressure groups.

### 6.1 Economic issues

#### 6.1.1 Business cycle

- main stages of the business cycle: growth, boom, recession, slump
- how each stage of the business cycle may affect a business
- effects of changes in the levels of employment, inflation and economic growth on a business

#### 6.1.2 Effects of government policy

- effects of changes in taxes on business profit
- effects of changes in taxes on people's income
- effects of changes in government spending
- effects of changes in interest rates
- how businesses may respond to changes in taxes and interest rates

### 6.2 Business and the international economy

#### 6.2.1 The importance of globalisation

- reasons for globalisation: improved transport links, technological change including communication, free trade agreements, newly industrialised countries
- opportunities and threats of globalisation for businesses
- import tariffs and import quotas
- effects of import tariffs and import quotas on businesses

#### 6.2.2 Multinational companies (MNCs)

- advantages to a business of becoming an MNC
- advantages for the country where an MNC is located, e.g. jobs, exports, increased choice, investment
- disadvantages for the country where an MNC is located, e.g. increased competition, environmental damage, exploitation of natural resources, repatriation of profits

#### 6.2.3 External costs and benefits

- external costs and external benefits of business decisions

#### 6.2.4 Exchange rates

- appreciation and depreciation of an exchange rate
- how changes in exchange rates can affect businesses which import and export products and services, e.g. price, costs, competitiveness

**Note:** candidates will not be assessed on exchange rate calculations.

### 6.3 Business and the environment

#### 6.3.1 Environmental issues

- how business activity can negatively affect the environment, e.g. pollution, depletion of resources
- why businesses may respond to environmental issues, e.g. improved reputation, increased sales
- how businesses may respond to environmental issues
- effects of legal controls over business activity affecting the environment: how, what and where to produce or sell, influence on costs

#### **6.4 Business and ethical issues**

##### **6.4.1 Ethical issues**

- ethical issues which may affect businesses, e.g. child labour, paying fair wages to employees, paying fair prices to suppliers, using suppliers who do not damage the environment
- how businesses may respond to ethical issues
- advantages and disadvantages of a business being ethical

#### **6.5 Pressure groups**

##### **6.5.1 The role of pressure groups**

- how pressure groups can influence business decisions

# FORMULAS AND RATIOS

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Formulas and ratios to support the teaching of this syllabus.

## Marketing

Market share  $\frac{\text{Sales revenue of a business}}{\text{Total sales revenue for the whole market}} \times 100 = \underline{\hspace{2cm}} \%$

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## Production

Labour productivity  $\frac{\text{Output per period (units)}}{\text{Number of employees}} = \underline{\hspace{2cm}} \text{units per employee}$

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Total variable cost  $\text{Variable cost per unit} \times \text{number of units} = \$ \underline{\hspace{2cm}}$

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Variable cost per unit  $\frac{\text{Total variable cost}}{\text{Number of units}} = \$ \underline{\hspace{2cm}}$

---

Total cost  $\text{Total fixed costs} + \text{total variable costs} = \$ \underline{\hspace{2cm}}$

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Average cost  $\frac{\text{Total cost}}{\text{Number of units}} = \$ \underline{\hspace{2cm}}$

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Break-even output  $\frac{\text{Fixed costs}}{\text{Contribution per unit}} = \underline{\hspace{2cm}} \text{units}$

Contribution per unit = selling price per unit – variable cost per unit

---

Margin of safety  $\text{Actual number of sales} - \text{break-even number of sales} = \underline{\hspace{2cm}} \text{units}$

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## Business finance

Revenue  $\text{Selling price per unit} \times \text{number of units sold} = \$ \underline{\hspace{2cm}}$

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Gross profit  $\text{Revenue} - \text{cost of sales} = \$ \underline{\hspace{2cm}}$

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Profit  $\text{Total revenue} - \text{total costs} = \$ \underline{\hspace{2cm}}$

OR

$\text{Gross profit} - \text{expenses} = \$ \underline{\hspace{2cm}}$

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Working capital  $\text{Current assets} - \text{current liabilities} = \$ \underline{\hspace{2cm}}$

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Profit margin  $\frac{\text{Profit}}{\text{Revenue}} \times 100 = \underline{\hspace{2cm}} \%$

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Gross profit margin  $\frac{\text{Gross profit}}{\text{Revenue}} \times 100 = \underline{\hspace{2cm}} \%$

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Return on capital employed (ROCE)  $\frac{\text{Profit}}{\text{Capital employed}} \times 100 = \underline{\hspace{2cm}} \%$

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### Liquidity ratios

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Current ratio      Current assets : current liabilities

OR

$$\frac{\text{Current assets}}{\text{Current liabilities}}$$

Answer can be presented either as a ratio : 1 or as a number

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Acid test ratio      Current assets – inventory : current liabilities

OR

$$\frac{\text{Current assets} - \text{inventory}}{\text{Current liabilities}}$$

Answer can be presented either as a ratio : 1 or as a number

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## BOOK LIST

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These books are endorsed by Cambridge University Press and Assessment for use with this syllabus.

| Author   | Title/Publisher  | ISBN          |
|--|--|---------------|
| Houghton, M<br>Burslem-Curl, L<br>Jain, V and<br>Fisher, M | Cambridge IGCSE™ and O Level Business Digital Coursebook (2 Years), Cambridge University Press, 2025             | 9781009813488 |
| Houghton, M<br>Burslem-Curl, L<br>Jain, V and<br>Fisher, M | Cambridge IGCSE™ and O Level Business Coursebook with Digital Access (2 Years), Cambridge University Press, 2025 | 9781009813501 |
| Burslem-Curl, L  | Cambridge IGCSE™ and O Level Business Digital Teacher's Resource, Cambridge University Press, 2025               | 9781009813518 |
| Burslem-Curl, L  | Cambridge IGCSE™ and O Level Business Digital Teacher's Resource Access Card, Cambridge University Press, 2025   | 9781009813525 |
| Smith, A and<br>Jain, V                                    | Cambridge IGCSE™ and O Level Business Workbook with Digital Access (2 Years), Cambridge University Press, 2025   | 9781009813549 |
| Borrington, K and<br>Stimpson, P                           | Cambridge IGCSE and O Level Business Sixth Edition (Paperback), Hachette, 2025                                   | 9781036010645 |
| Borrington, K and<br>Stimpson, P                           | Cambridge IGCSE and O Level Business Studies Sixth Edition Boost eBook (Digital; 2 years), Hachette, 2025        | 9781036010539 |
| Borrington, K and<br>Stimpson, P                           | Cambridge IGCSE and O Level Business Workbook Third Edition, Hachette, 2025                                      | 9781036010720 |
| Borrington, K and<br>Stimpson, P                           | Cambridge IGCSE and O Level Business Sixth Edition Boost (Teacher's guide), Hachette, 2025                       | 9781036010713 |