



Profit, loss, and record-keeping



This sequence is intended as a framework to be modified and adapted by teachers to suit the needs of a class group.

Resources needed

- Profit, loss and record-keeping – Visualiser
- Now you're in business – Worksheet

Suggested activity sequence

- 1 Use the *Visualiser* to outline the concepts of businesses, profits, loss and factors that lead to business success.
- 2 Explain to students that they will be opening a dog-walking business.
- 3 Ask:
 - What risks might you encounter in this business?
 - What earnings might you receive?
 - What expenses might you have?
- 4 Use a *grouping strategy* to organise students into groups of 2 or 4.
- 5 Explain the task to students. If necessary, model the task to students on the board. In this example, the rate per each 10 minutes is \$2.00.

	Scenario description	Money earned	Expenses	Total money
Monday	Cam – 1 dog, 40 mins	\$8.00		\$8.00
Monday	Bought a ball		\$5.00	\$3.00
Tuesday	Chi – 1 dog – 10 mins	\$2.00		\$5.00

- 6 Groups complete the *Worksheet*.
- 7 Invite groups to share their findings. Prompts, drawn from the worksheet, include:
 - Did your dog-walking business make a profit or a loss in its first week? What actions could you take to increase your profits?
 - What are some of the things you have to know in order to keep an accurate journal?
- 8 Students write a short statement explaining why keeping business records is important to business success and how not doing so might lead to business failure.
 - Why is it important to keep a journal? How will keeping a journal contribute to business success?