

Year 11 Business Studies

Assessment Task

Task type: Business Plan for a small-medium enterprise

Weighting: X%

Due date: Day Month Year

Outcomes to be assessed:

P4 assesses the processes and interdependence of key business functions

P8 evaluates information for actual and hypothetical business situations

P9 communicates business information and issues in appropriate formats

Your answer will be assessed on how well you:

- Demonstrate knowledge and understanding of business structures, influences, functions and processes.
- Communicate using relevant information, business terminology and concepts.
- Present a well-written and organised answer.

Task:

Write a creative business plan for a new small-medium enterprise (SME) in the form of a business report (up to 3,000 words). In addition, you can include up to 5 single sided A4 pages of appendices.

If entries are of a high enough quality, they will be submitted in the 2018 Plan Your Own Enterprise Competition. This is run by Business Educators Australasia Inc. and the Commonwealth Bank.

Good business plans always include the following components:

Business Name: Make it fun and creative, design a logo if applicable.

Prime Function: What does the business do? Describe the product, service or idea.

Location: Where will the business be located?

Legal structure of the business: Will it be sole trader, partnership, or small company?

Business mission: What does your business want to achieve/accomplish? Why will it exist? For guidance read the mission statements of companies you know.

Staffing requirements: How many staff are required and what will their qualifications and subsequent training needs be? What skills and knowledge will be required of management?

Marketing plan: Based on the market research you have undertaken, what is the target market for your product/service or idea? What competition does your business face and how will you counteract them/it? How will you promote your business to your target market?

Pricing: Provide background on how you have determined your pricing.

Financial plan: The financial plan should include:

- A list of set-up/start-up costs and how these will be funded (eg. from savings, bank loan or family loan).
- A sales forecast – the level of sales revenue for the first 12 months of operation based on the expected selling price and the number of sales.

- A monthly cash budget for the first year of the business which will show:
 - a) The predicted balance of the cash account at the end of each month.
 - b) All cash expected to flow in to the business during each month (from sales and any other cash inflows expected such as capital contribution, loan from the bank, loan from family, interest on bank deposits).
 - c) Expected payments for set-up/start-up costs.
 - d) All cash expected to flow out of the business each month (related to running the business).
 - e) Monthly cash to be drawn by the owner (a salary equivalent). The cash flow budget is a forecast of estimated cash receipts, estimated cash payments and the resulting cash position for the business at the end of each month. This helps with planning decisions for the business and would be an essential financial document to present to the bank if you were seeking outside finance for your business.

Future prospects: What is your expectation for the future of the business? Will it expand nationally/internationally; diversify into complementary products/services?

Appendices: You may include appendices (an equivalent of five single sided A4 pages) which might contain documents that support your business plan such as drawings of your product or your business premises, detailed evidence of market research undertaken by you (ie. survey responses, photos of competitors' products) or additional financial data.

NOTE: Additional financial information can be included with the body of your business plan or as part of the appendix. The type of additional information to be included if you wish to be a finalist in the PYOE competition is:

- A break-even analysis which includes:
 - A list of fixed costs (those which do not vary with the level of sales).
 - A list of variable costs (the cost of obtaining the goods for sale, or the direct costs involved in providing the service).
 - Contribution margin (the amount which each sale contributes to covering the fixed costs).
 - Break-even point (the point at which all costs are covered but no profit or loss is made).
- Projected profit for the year OR a projected Balance Sheet at the end of the first year of operations to provide the basis for analysis of expected performance.

Name: _____

Marking guidelines – Business Plan

Criteria	Mark
<ul style="list-style-type: none">• Demonstrates thorough and detailed knowledge and understanding of business structures, influences, functions and processes.• Presents a sustained, logical and cohesive response in the form of a business plan using relevant business terminology and concepts.• Clearly communicates complex, detailed and relevant information.	A 17-20
<ul style="list-style-type: none">• Demonstrates sound knowledge and understanding of business structures, influences, functions and processes.• Presents a logical and cohesive response in the form of a business plan using business terminology and concepts.• Communicates complex, detailed and relevant information.	B 13-16
<ul style="list-style-type: none">• Demonstrates some knowledge and some understanding of business structures, influences, functions and processes.• Presents a business plan using business terminology and concepts.• Communicates relevant information.	C 9-12
<ul style="list-style-type: none">• Demonstrates basic understanding of at least some business structures, influences, structures and processes.• Presents a basic business plan using some business terminology and concepts.• Communicates some relevant information.	D 5-8
<ul style="list-style-type: none">• Demonstrates limited understanding of business.• Presents a basic business plan using limited business terminology.• Information may not be relevant.	E 1-4

Teacher comments: _____

Teacher's signature and date: _____