

FOR CENTRE AND CANDIDATE USE - PLEASE PHOTOCOPY AS REQUIRED

BUSINESS ADVANCED LEVEL**BUSINESS START-UP (OPTIONAL MODULE) 5177****Assignment Cover Sheet for Candidates**

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When submitting a copy of your assignment please complete this Assignment Cover Sheet and an S.A.R., which is completed by your tutor. By completing this form and submitting the assignment for assessment by CIE you confirm that the assignment is all your own work. Any work taken from another source has been appropriately referenced and acknowledged.

CIE Unique Candidate Identifier		
Centre No.	Year	Cand. No.

Candidate Name	Date of Submission

Please read this page and complete the grids on the next three pages, before handing in your assignment.

This form is designed to help you check that your work is complete and that you have covered all the required competence criteria. There are four pages in total. The assignment guidelines, available in the syllabus, provide full information for the completion of the assignment.

For this assignment you must present a written report which includes the following:

- a contents page
- an introduction (purpose of the assignment and an outline of the work to be included)
- indicate how you went about the investigation - a clear explanation of the investigation you have carried out and methods you have used (steps taken to obtain information, e.g. interviews, surveys, visits, research why these methods were chosen and how they proved to be effective)
- a business plan on the development of a business proposal
- a write-up (well summarised findings from the investigation)
- demonstrate adequate coverage of the aims and objectives (these are listed on the next three pages)

In addition, your report should:

- be between 1800 - 2000 words long
- be word processed (legible hand writing is also acceptable)
- have a logical structure with clearly presented and explained sections
- a bibliography (list of reference materials, publications and text books used as reference sources)
- have a clear, legible and business-like layout and format

Have these requirements been met? YES/NO

Comments:

Further details of the assignment requirements can be found in the syllabus section headed 'Assignment Guidelines'. A copy of the syllabus can be found at www.cie.org.uk.

Assignment Contents

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Choose, investigate and present a business proposal. Prepare a report, which must include a business plan, on the development of a business proposal. The plan should include discussion of the product or service and type of business organisation chosen, along with an explanation of how the candidate plans to set up the business. This will include a checklist of activity and sources of business advice and finance.

You should go through the grids and indicate in the boxes where the evidence can be found. You may want to add a comment to explain your choice, but this is not always necessary.

Select and describe the business idea		Page	Comments
1.1	Describe and evaluate a business idea <ul style="list-style-type: none"> • the product or service: the reasons(s) for the choice • new or existing business: the actual (or realistic assumption of) market, customers and competitors; potential for success • mission statement 		

Identify and discuss the personal skills of the candidate

1.2	Identify and describe the personal skills required to establish a business <ul style="list-style-type: none"> • personal ambitions, motivations and commitment; business or career experience; personal attributes (e.g. self-discipline, appearance, manner, attitude, imagination, vision, education); practical skills (e.g. language, computer literate, technical ability); business contacts (networking) 		
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Identify and explain the main sources of business and professional advice

2.1	Identify and explain sources of assistance and advice <ul style="list-style-type: none"> • primary (may include): accountant (business plan, balance sheet and accounts, taxation, payroll); banker (business and financial advice, provision of financial support); business consultant (development of the idea, the business plan, contacts); chamber of commerce (local support, networking, business advice); lawyer (legal structure, business registration, contract, property, debt collection, litigation) • secondary (may include): advertising agent/PR advisor; sales promotion, image); architect (new property design or renovation); estate agent (property sales or lets); insurer (protection against damage and risks); local government (planning); printer (business documents); surveyor (property services); tax authorities (taxation); trade associations (code of conduct, standards, networking, advice, training) 		
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Choose and evaluate the type of business organisation

2.2	Evaluate the features of different types of business organisations <ul style="list-style-type: none"> • features: legal requirements • advantages and disadvantages of: sole trader, partnership, limited company, unlimited company, franchise 		
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Discuss and evaluate the provision of business finance		Page	Comments
3.1	<p>Understand the definition of business finance</p> <ul style="list-style-type: none"> equity: money actually invested in the business; remains within the business debt finance: money borrowed to inject into the business (interest is payable) 		
3.2	<p>Analyse and explain the reasons for business finance</p> <ul style="list-style-type: none"> acquisition of assets: tangibles like land, machinery, buildings (i.e. potential collateral for securing loans); intangibles like brand names, goodwill provision of working capital: day to day finance for running the business e.g. raw materials, general expenses, credit offered to customers 		
3.3	<p>Identify and evaluate the types, sources, and application of business finance</p> <ul style="list-style-type: none"> types: share capital, debentures, loans, overdraft, leasing, hire purchase, trade credit, customer finance e.g. deposits, payment in advance sources: personal resources: cash, savings, investments and property; internal: e.g. partners, profits, depreciation; external: e.g. banks, finance houses, factoring companies, leasing companies application of finance: evaluate need for finance in the short term (<3 years), or the medium term (>3 to <10 years), or long term (>10 years) 		
3.4	<p>Explain and demonstrate understanding of the process of forecasting costs and profit</p> <ul style="list-style-type: none"> direct costs (e.g. materials, labour); indirect costs (e.g. rent, interest charges); definition of profit – gross and net; budgeting e.g. sales forecast break-even analysis; project profit and loss account; cash flow forecast 		

Prepare and explain the action plan or check-list

3.3	<p>Identify and evaluate the types, sources, and application of business finance – as above</p> <ul style="list-style-type: none"> Produce action plan or check list: identify the main activities to be carried out whilst setting up the business (i.e. this is in the form of a 'must do' list). 		
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Produce a business plan and report

4.1	<p>Investigate and explain the nature and purpose of the business plan</p> <ul style="list-style-type: none"> description of business proposals; contains and emphasises realistic targets and strategies; device to help measure and monitor business achievement; a key activity to interest advisors and attract investors 		
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4.2	<p>Demonstrate ability to understand and produce an elementary business plan</p> <p>The plan should address these points:</p> <ul style="list-style-type: none"> • introduction: a summary of the business proposal e.g. a concise overview of the business, the product or service, background to the idea, general objectives • objectives: definition of specific targets and business strategies to achieve them e.g. production levels, sales, profitability; market penetration; pricing; methods of sales and distribution • business activity: full description of product or service e.g. key features, benefits • marketing: demonstrate: demand for the product or service; evidence of a gap in the market (mass, niche, specialist – home/overseas); regular or seasonal demand • profile of the potential (or existing) customers e.g. location, income, class, expectations of the product or service e.g. price, quality, after-sales; indication of competition e.g. location, price, quality, home or foreign • business organisation: organisational structure; key personnel and their roles • operation of the business: identify suppliers (and alternatives); premises; manufacturing or processing methods; equipment; human resources; evidence of ability to meet demand; accounting system • financial information: a critical element in the plan; should be detailed with projections at two years ahead; should contain projected balance sheet, projected profit and loss account, cash flow forecast, and determination of break-even • likely business risks: evaluation of potential problems e.g. unpaid accounts, delivery delays, unreliable supplier, market downturn, change in interest rates • long term plans: any likely extension to product or service line(s) 		
5.1	<p>Prepare a report, including a business plan, for a new business venture</p> <ul style="list-style-type: none"> • details of the assignment requirements can be found in the section of the syllabus headed 'Assignment Guidelines' 		

Self Evaluation

	<p>Comment on:</p> <ul style="list-style-type: none"> • your approach to developing the business plan for your business idea • the strengths and weaknesses of your report 		
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