Coursework Exemplar Material

Cambridge IGCSE
Enterprise
0454
## Content

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1 Introduction

This document is designed to be used alongside the Teacher Guide and the Syllabus for this qualification. The following exemplar coursework assignment is an example of a work that a candidate for the syllabus might produce in order to achieve a mark in the top assessment band for each task. The teacher comments are included as an example of how a teacher might comment upon the work of a candidate and the moderator comments are produced by the Principal Moderator for the syllabus. The comments highlight the strengths and limitations of the work, explain why the work would have been placed in the mark band and show how the work could have been improved. The full details of the tasks and assessment guidelines can be found in the IGCSE Enterprise syllabus.

Assessors are reminded of the need to mark objectively and that all assessment decisions must be made objectively against only the listed criteria. They must consciously steer away from any element of subjectivity, based on their knowledge of the candidate and their expectation of how well the candidate should perform. When marking the work the Assessor must make annotations throughout the assignment and where appropriate show where the candidates have moved through the mark boundaries.
2 Teacher Comment

Task 1

The candidate has completed both of the required tasks using a variety of communication methods; graphs, writing and images. The methods chosen are suitable for both the audience and the information being illustrated. The skills of enterprise have been successfully identified and applied to the work of the entrepreneur. The candidate has attempted to show how the skills of the group will help with the enterprise through the use of a skills map. Research has been used from at least two sources to provide evidence, which is analysed in order to make a decision on the project.

The candidate has gained 8

To improve this work the candidate would need to provide further evidence of research and evidence as to which job roles were allocated to members of the group based upon their skills.

Task Two

Each of the required pieces of evidence is provided:

- action plan
- risk assessment
- financial planning – presentation

The candidate has chosen suitable, professional looking methods of communication to display his evidence and has chosen to produce a formal Business Plan. Each piece of evidence is detailed showing the use of evidence to support judgments and utilising a range of terminology. The risk assessment is very detailed showing clearly how each risk will be managed.

The evidence is supported by a witness statement.

The candidate has gained 19

To improve the work the candidate should provide more detailed supporting evidence for the financial plan such as evidence of research into the costs of raw materials or equipment.
Task 3

The candidate has shown clear evidence of the use of enterprise skills throughout this piece of work. Throughout, the record of tasks completed the candidate has written in a way that illustrates good awareness of entrepreneurial skills listed in topic 3.1.

The candidate has gained 7

To improve this work the candidate could consider including evidence of a diary or time plan. A witness statement to support the description of the negotiation process would add further depth to the evidence.

Task 4

The candidate has presented evidence in a suitable report format with supporting appendix. Evaluation of finance and the planning and implementation of the project have been covered in the report.

There is analysis and evaluation of evidence throughout with both positive and negative outcomes being explained. There is an attempt at each stage to substantiate the decisions and a reasoned recommendation.

The candidate has gained: 15

The report covers all of the aspects required but lacks supporting evidence in places. The financial section would be greatly strengthened by the inclusion of a daily cash flow forecast or other daily records.
3 Moderator Comment

Overview of mark awarded

This is a comprehensive and thorough piece of work. All tasks have been completed with sufficient detail to merit being rewarded marks at the higher end of the mark range. The methodical approach to the work ensured that all aspects of the grade descriptors have been met.

Whilst there is some scope for further improvement, the quality and depth shown would be more than enough for this candidate to access the top band for each specified task.

Summary of marks

Task 1

Mark awarded: Level 3 (8–10)

- A good variety of communication methods was evident. Candidate had included a poster for the entrepreneur. The report used tables and pie charts, in addition to the written content. The language and layout was clearly appropriate for the audience and the task. As both a report and poster had been submitted, level 3 could be accessed.
- In both the report and poster, the candidate showed good knowledge of entrepreneurial skills. There was sufficient evidence to support the demonstration of skills needed for a level 3 mark.
- The candidate had clearly considered alternative projects. However the reasons for their rejection were only briefly explained. This could have expanded upon to boost the level 3 mark.
- The advantages and disadvantages of the smoothie bar idea were evident. Points such as seasonal and legal issues were appropriate to the task, although at times the analysis was simplistic and could have been developed further. A number of simple judgements were made which were supported by the evidence presented. The number of judgements made was clearly better than the 'some attempt' required by the level two mark descriptor. The decisions made were clear and reasonable so level 3 could be rewarded.

Areas for improvement:
1. The visual impact from the poster was limited. The content was covered, but the poster appeared to be more like a report than a poster. The candidate could have added more pictures to break up the text to boost the level 3 mark.
2. The candidate had included a chart highlighting their entrepreneurial skills. More evidence of situations where the candidate has demonstrated these skills would have been beneficial to support their judgement.
3. The analysis was simplistic in places. The candidate could have developed some of the points made to add more depth to their work, to boost the level 3 marks. For example, the problem of health and safety in section 3.2.2. The candidate wrote ‘to avoid people becoming ill’. The candidate could have developed this point, to explain the possible impact of this. It could mean they were closed down or might lead to a bad reputation which could affect sales.

Final mark: 8
Task 2

Mark awarded: Level 5 (19–23)

- The candidate had submitted all the required pieces for level 3 marks to be considered.
- A good variety of communication methods was evident. The action plan, risk assessment and business plan included tables, charts, slides as well as written material. The language and layout were clearly appropriate for the audience and the task.
- The use of the witness statement was helpful. This provided the necessary confirmation that the presentation was the work of the named candidate, and was not a group submission.
- The work submitted clearly matched the descriptor for a top level mark. All aspects of the task had been completed in a thorough manner and reasoned decisions were evident throughout. Although the analysis could have been more detailed in places, this did not detract from the overall quality of the work.

Action Plan:
- This was a highly detailed piece of work. The candidate outlined all the steps taken with an appropriate commentary. The commentary explained delays, issues and outcomes but the analysis of the various stages could have been expanded upon to add more depth to some of the points made. Many of the statements made showed knowledge rather than analysis and evaluation. This was possibly a borderline level 4 /5 piece. However the number and quality of relevant points made meant that a level 5 could be awarded.

Risk Assessment:
- This provided a detailed description of relevant issues. The candidate showed good insight into likely problems which could impact on the success of the venture. This was an excellent piece, clearly at a level five standard.

Business Plan:
- The candidate chose to provide material for a financial plan. They included a breakdown of the sources of finance considered, slides from a presentation supported by a witness statement in addition to a business plan. All pieces were appropriate to their audience and suited the task.
- The detail provided plenty of evidence of excellent application of entrepreneurial skills. The use of the witness statement as proof of communication, problem solving and initiative skills was a good idea.
- The candidate had clearly considered a number of issues and offered sensible and reasoned suggestions to overcome problems.
- Costings were provided, but it was not clear where these figures had come from or whether they were realistic for the task. It would have been beneficial if such information was included to support the analysis and judgements made.

Areas for improvement:
- Action Plan: outcomes were identified but the impact of these outcomes was not always explained. For example, was the lost receipt a problem? If so, what problem did it cause, what was done or could be done to solve the problem.
- Risk Assessment: the candidate could have explained how the likelihood and severity of outcome ratings were decided. The commentary did not necessarily answer this.
For example, not getting permission for a stall is rated at five for severity of outcome. However, it is not clear from reading the justification why it merited a rating of five, rather than just a level four risk.

- Business Plan: costs were included but there was no supporting evidence to explain how the various costs were worked out. The inclusion of such information would have helped boost their level three mark.

Final mark: 19

Task 3

Mark awarded: Level 3 (6–7)

- The candidate appeared to have relied upon the action plan, plan for negotiation and witness statement submitted for task 2 as the basis for this task. The monitoring had been completed in the form of a written review to accompany their action plan, rather than in a log or diary format. In this instance, this was acceptable, particularly as the level of detail and number of points made in the action plan covered all the necessary requirements for this task.
- The methodical approach adopted in the review, addressing key stages was a good idea. This allowed the candidate to explain their contribution and actions taken to overcome problems at various moments in the project. The points made demonstrated a good ability to apply entrepreneurial skills. The detailed nature of the work ensured the candidate had provided sufficient material to support a level three mark.

Area for improvement:
- Additional evidence in the form of a diary or log, together with some photographic material would have been beneficial to support what had been written.

Final mark: 6

Task 4

Mark awarded: Level 5 (17–20)

- The candidate again provided another thorough and detailed piece of work. This, coupled with the detailed risk assessment and financial planning materials submitted for task two, mean that level five marks could be accessed.
- The report included relevant information in a table format. The language and layout were clearly appropriate for the audience and the task.
- The report focused on two relevant themes - finance and planning and information.
- Comprehensive use of all available information was evident, and suitable judgements, based on this, were included.
- The candidate had clearly attempted to look at both positive and negative outcomes of the project. The analysis was generally good but at times was too simplistic. This detracted from the excellence needed for a high level 5 mark. The point ‘if the enterprise failed we would loose £5’ was simply a statement which the candidate could have developed further to show the personal impact of any loss.
• However the comprehensive nature of the report in terms of addressing a wide range of issues was excellent. No key points were missing from this report so it was possible to reward a level five mark.
• A number of recommendations were made which were appropriate to the project. This helped ensure a top level mark, as the level of detail far exceeded the requirements of the level four descriptor.

Areas for improvement:
• The mark could be improved by adding more depth to the analysis. There are various points which could have been expanded upon. For example on 2.2, they ‘failed to write actions which were detailed enough to be followed’. The candidate could have developed this to explain any problems this caused or how was it a problem, or why it mattered? Or when ‘complaints about the taste of some ‘smoothies’ were mentioned, the candidate could have explained the impact on this on the project.

Final mark: 16
Entrepreneurial Skills shown
Throughout his career Richard Branson has shown motivation, resourcefulness, perseverance and a determination to succeed. These skills were clearly shown throughout his many speed world record attempts in boats and balloons.

Self confidence - although he was not academically able and struggles with Dyslexia, Mr Branson has always had the confidence to try new things, even when others said it was a mistake.

Taking initiative—at only 20 yrs old Branson began an enterprise which helped to alter the way music records were sold, leading to large-scale discounting of recorded music. If he had not shown initiative at just 16, by starting his first business, the Virgin brand would not exist. This continues today with his space tourism program.

Taking calculated risks—Mr Branson had to rely on his mother to provide funds when one of his earlier business had problems Many times he has risked losing everything for a new venture. Most people saw Virgin trains as a very risky enterprise and he had to sell Virgin records to finance his new venture, but it has succeeded.

My interest in life comes from setting myself huge, apparently unachievable challenges and trying to rise above them...from the perspective of wanting to live life to the full. I felt that I had to attempt it.”

Richard Branson– Entrepreneur
Born—London England  18th July 1950
Entreprises: Worldwide

Enterprises:
1966—aged 16 started a magazine – Confidence & Creativity
1970—set up an audio record mail order business which altered the way records were sold—Innovation
1972—opened a chain of record Stores, Virgin records
1984— set up Virgin Atlantic Airways expanded the Virgin Records music
1993—launched Virgin Trains—calculated risk
1999— launched Virgin Mobile
2000-launched Virgin Blue in Australia
2004—Virgin Galactic to take the first tourists into space— Innovation /Initiative
2006—Branson pledged to invest into research for environmentally friendly Fuels—Initiative

Source: Richard Branson Autobiography (talking about his decision to launch an airline.)
Task One: Identifying a suitable project
Reported to: Ms A  
Reported by: AAA  
Date: 7 September 2011  

Title: Identifying a Suitable Project  

1. Introduction  

This report will explain the way that our group identified an enterprise project and why we chose the project that we did.  

2. Enterprise skills  

2.1 Methodology  

We asked each member to complete a questionnaire to show their skills as entrepreneurs and their subject strengths (see appendix). The questionnaire was given to us by our teacher and was based on the roles people take in teams. We then linked this to the skills needed to be an entrepreneur. To decide on a project we had a meeting where each person offered an idea for a project. We then voted on each idea. The two most popular were researched (see appendix).  

2.2 Findings: entrepreneurial skills we possess  

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<thead>
<tr>
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<th>Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBB</td>
<td>AAA</td>
</tr>
<tr>
<td>Leadership</td>
<td>✔️</td>
</tr>
<tr>
<td>Self confidence</td>
<td>✔️</td>
</tr>
<tr>
<td>Motivation</td>
<td>✔️</td>
</tr>
<tr>
<td>Team Building</td>
<td>✔️</td>
</tr>
<tr>
<td>Innovation</td>
<td>✔️</td>
</tr>
<tr>
<td>Determination to succeed</td>
<td>✔️</td>
</tr>
<tr>
<td>Creativity</td>
<td>✔️</td>
</tr>
<tr>
<td>Problem solving</td>
<td>✔️</td>
</tr>
<tr>
<td>Resourcefulness</td>
<td>✔️</td>
</tr>
<tr>
<td>Taking initiative</td>
<td>✔️</td>
</tr>
<tr>
<td>Taking calculated risks &amp; responsibility</td>
<td>✔️</td>
</tr>
<tr>
<td>Perseverance</td>
<td>✔️</td>
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</tbody>
</table>

I believe that I have strong entrepreneurial skills, particularly leadership skills. When we completed the team roles sheet I chose my three characteristics. They were that I:  
- feel confident in my ability to direct others to make tough decisions;  
- enjoy setting targets and goals and then helping others to achieve these targets;  
- feel confident in setting up and creating good deals.  

These where all seen as characteristics of a good leader.
I am a confident person and this led me to apply to be the leader of our team. Throughout the project I think that I will be able to develop the team to work well together. In my design class I have been leading a team of four people on a project and it is me that makes sure that the work gets done on time and that no one lets the group down. This shows my determination to succeed. I want my group to gain a grade A for their project and so far the teacher has said that the work is very good. My weak areas are that I am not very creative or innovative. I am not good at coming up with new ideas. I do wait for other people to come up with the ideas and solutions. When we were choosing project ideas I could not think of anything that we could do at first. Although we did all struggle with this, it was EEE and FFF who asked Ms A for some advice. They showed initiative and that is just good teamwork.
3.0 Identifying a project or activity

3.1 How a problem or need that our enterprise could fulfil was researched
 We had a meeting of all of the team to decide on suitable projects. During the meeting we mind mapped all of the projects which we thought we could do (see Appendix for mind map).
 Having decided in our meeting that there were two ideas which might work, lunchtime activities and a snack bar, we decided to research which would be best. Three members of the group were given the task of researching the lunchtime activities and another three researched the snack bar.
 The lunchtime activity group decided to research by interviewing the Head of the Physical Education (PE) department because he is responsible for recording all of the activities which take place in college. He is also the person who organizes the booking of all equipment and sports rooms at lunchtime. They thought that this would be a quick way to find out what is missing from the college timetable. The Head of PE told us that the Heads of Year had done some research into what activities students wanted available, so we then interviewed the Head of Year 10. They also went to the office and got a copy of the activity timetable for the autumn term. This was to see if there was a free day when we could do activities.
 The snack bar people decided that the first task would be to find out if people were interested in a new snack bar and to decide what food to sell. It was decided that the best way to get the view of the whole college would be to ask a sample of students a questionnaire. We could hand these out in the registers in the morning and would be able to get a good sample of students. It was suggested that we use interviews but we thought that it would take too long to interview 50 people and the younger students might be too shy. Ms A suggested that there might be some problems selling food in college because we already have a canteen. She suggested that we should ask the permission of the Principal before we did too much work. We decided that it might be best if we interviewed the Canteen Manager as well; she would know what foods sold well in college, the problems in preparing food and she might even help us if she knew what we were doing. We thought that these interviews would give us enough information to decide if we could sell food in school.

3.2 Findings

3.2.1 Lunchtime activities
 Although this idea would bring in money and fit with our free time, we were forced to reject it. We rejected this idea after research (see appendix) because there were so many activities offered by the school that we could not find a space free for sports or a teacher to help supervise who would always be available. Also we can’t do sports without some training and insurance. The risk of failure was too great for this to be a good enterprise, but some of the team were very disappointed as this would have meant we could be paid money for playing football.
3.2.2 Snack bar

We researched the snack bar idea with a questionnaire to 50 people. This question was asked to identify if enough people did buy food at college to provide a potential market. 50% means that around 750 students visit the canteen.

We asked when people buy food so that we could identify our most likely sales time. We expect that we would have to open at break and lunchtimes. Break would be our busiest time.

Although most people we asked wanted fizzy drinks (23%) or chocolate (36%) to be available these options are not possible. The Canteen Manager told us that due to government policy on healthy eating, colleges could not sell these items. The Manager also told us that she does sell ice cream during the summer term when it is most popular. This left us with the option of pancakes or smoothies. With smoothies being the highest percentage of the two (14%) and a healthy option, we decided to research this option. We thought that the college would be most likely to allow us to do this option.
We confirmed interest with this question. If 60% of the students who eat at college could be tempted to buy we will make a large profit.

Our major competitor is the supermarket smoothie, but we will need to persuade lots of people just to try the drink.

We discussed the idea with the Principal. She was keen to improve the choice of food available at college, but told us that all items sold must fit in with the healthy eating policy. A low fat fruit smoothie bar would be acceptable, but she would want more details before we could be given final permission.

There are some problems with this idea:
- we must follow all health and hygiene – to avoid making people ill;
- we will need to buy some equipment and lots of raw materials;
- it will be quite hard work dealing with customers whilst making smoothies;
- it could get quite messy.

3.2.3 Other ideas
Some ideas from our original six we rejected at the start for the following reasons:
- teaching people IT Skills – the lunchtime IT club does it better than we can;
- birthday cards/t-shirts – lots of groups have sold these in the past and most didn’t make a profit and the design students thought our work might be messy;
- painted glasses – as before
car washing – although a good idea it would mean starting before college and we might be wet and dirty all day, lunchtime is also only 40 minutes long, which is not long enough and after college people want to go home straight away.

3.3 Conclusion
We have decided upon a smoothie bar for the following reasons:
- the survey showed people are interested so it could be profitable;
- it is a healthy option so will have the government and Principal’s backing;
- this is a product that the canteen will not be selling so there is no competition in college;
- we have the skills needed as at least two people already make smoothies at home.

3.4 Our purpose
Our purpose is to:

*Offer a healthy alternative food option to students whilst making a profit.*
Appendix
Questionnaire for team members

1. Which are your three strongest subjects at college?
   1.                                   2.                                   3.

2. Identify the type of team role you usually take by choosing the **three** characteristics from the following list that you most strongly think apply to you when you are working in a team. Do you:

   a. Get frustrated when nothing gets done, so try to encourage others by getting on with what you think are the key tasks? **(Taking initiative)**
   b. Feel confident that you are helping others to carry out their tasks? **(Self confidence)**
   c. Feel confident in your ability to direct others to make tough decisions? **(Problem solving, leadership and taking calculated risks)**
   d. Enjoy bargaining and haggling with others to get good deals? **(Perseverance)**
   e. See yourself as a creative person, able to see new and exciting solutions to problems? **(Creativity)**
   f. Like to report ideas and suggestions to others so that they can make decisions?
   g. Like to carry out administrative tasks which help the group to work better?
   h. Enjoy setting targets and goals and then helping others to achieve these targets? **(Leadership)**
   i. Feel confident in setting up and creating good deals? **(Problem solving)**
   j. Come up with enterprising and new ideas? **(Innovation)**
   k. Like to get involved with the doing things rather than just discussing them? **(Determination to succeed)**
   l. See yourself as someone who others respect and are therefore able to influence people? **(Leadership)**
   m. Enjoy solving disputes when people have different interests? **(Team building)**
   n. Like to experiment with new solutions to problems which most people would not think of? **(Creativity)**
   o. Like to be busy engaging in practical tasks and encouraging others to join in? **(Motivation)**

(Underlined sections added after completion of the questionnaire)
3. Can you give an example of when you showed the following skills:
   a. solved a problem

   b. took the initiative

   c. showed that you were resourceful
Answer sheet

Question 1

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Question 2

Choices:
- b, f and g you see yourself as a Facilitator – responsible for making the team work efficiently, helping others
- a, k and o you see yourself as an Activator – a motivating person who actually gets the job done
- c, h and l you see yourself as a Leader – takes responsibility for others and helps them to give their best
- e, j and n you see yourself as an Innovator – comes up with the ideas
- d, l and m you see yourself as a Negotiator – helps get the resources needed

<table>
<thead>
<tr>
<th>Person</th>
<th>Leader</th>
<th>Facilitator</th>
<th>Innovator</th>
<th>Negotiator</th>
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Questionnaire

Please circle the correct answer

1. Age
   - 11 – 13
   - 14 – 16
   - 17 – 19

2. Gender
   - Male
   - Female

3. At what times do you buy food at college? Circle all that apply
   - Before morning lessons
   - Break time
   - Lunchtime
   - After school

4. Where do you eat at lunch?
   - Canteen
   - Out of school
   - Bring a packed lunch

5. What foods would you like to eat in the canteen?
   - Pancakes
   - Chocolate
   - Ice cream
   - Fizzy drinks
   - Smoothies
   - Other – please state

6. Would you be interested in a smoothie bar at college?
   Yes       No
7. Where do you currently buy smoothies?
   - Supermarket
   - Cafe
   - Newsagent
   - Don't buy

8. What is the highest price you would pay for a smoothie in pence?
   - 100
   - 110
   - 120
   - 130
   - 140
   - 150
   - 160
   - 170
   - 180
   - 190

Thank you for your time
## Lunchtime activities – autumn term

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<td></td>
<td>English – aim higher</td>
<td>Maths - aim higher</td>
</tr>
</tbody>
</table>
Project ideas

- Snack bar
- Car washing
- Events at lunchtime
- Teaching people IT Skills
- Birthday cards & T shirts printing
- Producing decorated glasses
Business Plan

Company Name: Smart Smoothies
College: XXX
Community college
Teacher: Ms A
Advisor: Mr B
### Executive Summary
Smart Smoothies will trade for one week. We are hoping to have a fun and profitable experience which will also help us to learn more about being an entrepreneur.

### Mission Statement
Smart Smoothies will strive to provide high quality, healthy drinks to students at affordable prices, in our own college.

### Aims & Goals
- To remain in operation for the entire period
- To provide good quality healthy drinks and a good service
- To make a reasonable profit or at least break even
- To learn new skills
- To enjoy ourselves and benefit from working as a team.

### People involved in the enterprise
HHH
GGG
FFF
EEE
DDD
CCC
BBB
Me – AAA

### Target customers
We expect our customers to be anyone staying at college for lunch and break time. This includes all of Year 7 to 11, but we think that it will be difficult to attract the sixth form who can leave college at lunch. 50% of people we asked in college said that they use the canteen, so these will be our most likely customers.

---

**Where do you eat at lunch?**

- Canteen: 50%
- Packed lunch: 20%
- Go to town: 30%
Why we will be successful.
Our research has shown that there is no direct competition for smoothies in college and there are potential customers.

Would you visit a college smoothie bar?

We must fit in with the healthy eating ethos of the school and so will sell low fat products. The flavours will be decided by what is in season that day, to ensure the fruit is the best quality. We found from questionnaires that customers wanted strawberry, raspberry, peach and banana flavours. So we will sell these products each day.

Marketing & sales strategy
From our questionnaire we identified that our main competitors were:

<table>
<thead>
<tr>
<th>Company</th>
<th>Product</th>
<th>Price</th>
<th>Promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company W</td>
<td>Fruit Smoothies</td>
<td>£1.45</td>
<td>Poster &amp; flyer</td>
</tr>
<tr>
<td>Company X</td>
<td>Milkshakes</td>
<td>£1.69</td>
<td>Poster, TV</td>
</tr>
<tr>
<td>Company Y</td>
<td>Fruit smoothies</td>
<td>£1.20</td>
<td>Poster, flyers, TV</td>
</tr>
<tr>
<td>Company Z</td>
<td>Fruit milkshakes</td>
<td>£1.50</td>
<td>Posters</td>
</tr>
</tbody>
</table>

We identified the price people were willing to pay.

Therefore we chose a price of £1, because most people were willing to pay up to £1.30 and our cheapest competitor charged £1.20. At a price of £1 we think that we will attract some of the sixth formers who would otherwise go out to our local competitors at
lunchtime. Plus at this price we think that parents will feel it is better to allow their child to buy a fresh smoothie at college rather than a packaged one from the supermarket, which is more expensive.

**Promotional methods.**
As our enterprise will only run for one week during college time, we will only advertise using the media available in college. If in the future we carry the enterprise out using a market stall we will look at alternative advertising methods.
We will use the college bulletin to advertise our stall. It is read out to every class in the morning so will be heard by everyone. Also the messages from the bulletin are posted on a screen in the school foyer throughout the day, so everyone will see our advert.
Posters will be displayed throughout the college on every notice board to remind students of our new stall. The posters will include the prices, flavours and the location of our stall. A big notice and logo will be placed above the stall to attract attention to our location.

**Details of the team.**

<table>
<thead>
<tr>
<th>Enterprise skills</th>
<th>Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership</td>
<td>✔</td>
</tr>
<tr>
<td>Self confidence</td>
<td>✔</td>
</tr>
<tr>
<td>Motivation</td>
<td>✔</td>
</tr>
<tr>
<td>Team Building</td>
<td>✔</td>
</tr>
<tr>
<td>innovation</td>
<td>✔</td>
</tr>
<tr>
<td>Determination to succeed</td>
<td>✔ ✔</td>
</tr>
<tr>
<td>Creativity</td>
<td>✔ ✔</td>
</tr>
<tr>
<td>Problem solving</td>
<td>✔</td>
</tr>
<tr>
<td>Resourcefulness</td>
<td>✔ ✔</td>
</tr>
<tr>
<td>Taking initiative</td>
<td>✔ ✔ ✔</td>
</tr>
<tr>
<td>Taking calculated risks &amp; responsibility</td>
<td>✔</td>
</tr>
<tr>
<td>Perseverance</td>
<td>✔ ✔</td>
</tr>
</tbody>
</table>

**Staff roles:** see action plan in appendix.

**Operations**
**Production facilities and equipment required:**
- 2 blenders
- 3 desks to prepare fruit & blend
- site with at least two sockets for electric power
- a sink to wash up in
- 1 serving area
- 2 knives
- 1 dustbin for food waste
- 1 dustbin for customer use
- a refrigerator for dairy products and fruit
- secure storage cupboard for cups etc
moneybox for float and sales revenue

We have asked if we can use the old canteen area which is no longer used at lunch. It has a secure roll down blind, a serving area and a full kitchen for preparation.

Risk assessment – see appendix

Financial forecasts.

Projected budget

<table>
<thead>
<tr>
<th>Items</th>
<th>Expenditure (£)</th>
<th>Income (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan from school</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>Sale of shares</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>Income from sales</td>
<td>325</td>
<td></td>
</tr>
<tr>
<td>Expected fund raising</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>525</strong></td>
<td></td>
</tr>
<tr>
<td>Raw materials</td>
<td>97</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>49.98</td>
<td></td>
</tr>
<tr>
<td>Training 4[@£20]</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Repayment of loan</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>336.98</strong></td>
<td></td>
</tr>
<tr>
<td>Profit</td>
<td></td>
<td><strong>188.02</strong></td>
</tr>
</tbody>
</table>

Proposed sources of finance – see appendix

Review & evaluation

Each day we will be measuring the financial success of our enterprise by measuring our sales revenue to see if we at least break even. We will be keeping accurate financial records to check this.

We will also have the following other ways of evaluating our enterprise.

- Will our staff achieve their food hygiene certificates?
- Will we keep to the deadlines we have set ourselves?
- Will we gain the required finance?

The methods for monitoring each of these have been set out in the appendix as part of the Action Plan.
Task Two: Planning the project
### Action Plan

<table>
<thead>
<tr>
<th>Task</th>
<th>Time expected</th>
<th>People responsible</th>
<th>Date for completion</th>
<th>Monitoring</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raise finance</td>
<td>21 days</td>
<td>BBB/AAA</td>
<td>10/09/11</td>
<td>Accounts will be kept and discussed each day. Meeting deadline and raising £100 will tell us we have succeeded</td>
<td>We struggled to raise enough to buy our own equipment through fundraising – had to delay project by 1 month</td>
</tr>
<tr>
<td>Research flavours</td>
<td>7 days</td>
<td>CCC &amp; EEE</td>
<td>10/9/11</td>
<td>End results chart which covers a variety of students</td>
<td>Asked 50 students</td>
</tr>
<tr>
<td>Produce results for meeting</td>
<td>3 days</td>
<td>CCC /EEE &amp; HHH</td>
<td>15/9/11</td>
<td>BBB to check results are logical by deadline</td>
<td>Results produced on time</td>
</tr>
<tr>
<td>Organise permission for stall</td>
<td>1 day</td>
<td>DDD</td>
<td>6/9/11</td>
<td>To be completed by deadline – agreement signed</td>
<td>Given by Principal and the Business Manager. Had to reorganise a date due to lack of finance</td>
</tr>
<tr>
<td>Buy equipment</td>
<td>2 weeks</td>
<td>BBB/AAA</td>
<td>24/9/11</td>
<td>HHH to check list correct with a teacher and keep a record of items bought</td>
<td>We could afford to buy because we raised so much money</td>
</tr>
<tr>
<td>Training</td>
<td>2 weeks</td>
<td>Mrs DDD – Cookery teacher</td>
<td>10/10/11</td>
<td>Assignments completed in folder to monitor progress.</td>
<td>We all passed the course – HHH didn’t take the course as he would not be producing smoothies</td>
</tr>
<tr>
<td>Produce adverts</td>
<td>1 week</td>
<td>CCC &amp; DDD</td>
<td>17/9/11</td>
<td>AAA/HHH to check quality &amp; progress of each advert</td>
<td>First adverts had to be thrown away because dates were wrong. Some had spelling mistakes. This cost us money</td>
</tr>
<tr>
<td>Activity</td>
<td>Time</td>
<td>Responsible Persons</td>
<td>Details</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------</td>
<td>---------------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase raw materials</td>
<td>1 day</td>
<td>CCC &amp; EEE</td>
<td>11/10/11 FFF to check correct quantities each day using stock sheet and daily sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>We found a cheaper supplier for fruit so saved money and gained trade credit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Set out stall</td>
<td>20 minutes</td>
<td>Everyone on rota</td>
<td>11/10/11 to 15/10/11 BBB/AAA Ms A to check everything is correct. We will produce a tick list for this</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>per session</td>
<td></td>
<td>GGG, DDD and EEE forgot to turn up on day one so we did not open on time. It took longer than we thought so we had to alter the rota to find people with more free time before lunch</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Make smoothies</td>
<td>2 x 1 hours</td>
<td>FFF / GGG &amp; AAA</td>
<td>11/10/11 to 15/10/11 Raw material stock checked by CCC/DDD &amp; HHH for quality and 1 trained person each day will do quality checks on final products before serving</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>each day</td>
<td></td>
<td>Very slow on the first day because we only had one blender and we couldn’t clean it quickly for different flavours</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Take money</td>
<td>2x 1 hours</td>
<td>BBB /HHH &amp; GGG</td>
<td>11/10/11 to 15/10/11 Accounts checked at end of session by AAA &amp; BBB to check earnings and complete accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Each day</td>
<td></td>
<td>Someone kept giving the wrong change so the money was not right on the first two days</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clearing up</td>
<td>2 times</td>
<td>Everyone on rota</td>
<td>11/10/11 to 15/10/11 GGG/CCC to check correctly done</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>half hour</td>
<td></td>
<td>We took longer than we thought and some of us were late to lessons – we had to alter the rota</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>each day</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts kept</td>
<td></td>
<td>BBB &amp; GGG</td>
<td>Throughout AAA to check correct details included</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>We lost a receipt for some materials so the accounts weren’t perfect. People kept forgetting to write down everything they spent</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Risk Assessment

<table>
<thead>
<tr>
<th>Risk</th>
<th>Likelihood of occurrence</th>
<th>Severity of Outcome</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not getting permission for stall</td>
<td>1</td>
<td>5</td>
<td>The Principal has already stated that she is willing to allow our enterprise as long as it is healthy food. If we don’t get permission we cannot run the enterprise in college and we will have to run a stall in the town market, which will be more expensive and will affect profits. <strong>To reduce this risk</strong> – we will put together a good presentation with evidence to show that the students want a smoothie bar and that the product is healthy.</td>
</tr>
</tbody>
</table>
| Difficulty raising finance to buy stock | 4                        | 4                   | We have never raised finance for an enterprise before and will be competing with other groups who also need to raise finance. **To reduce this risk** – we will use as variety of methods of raising the finance. We intend to:  
  - ask for investors to buy shares  
  - buy shares ourselves  
  - use events such as parents’ evenings to do fundraising events.  
If we don’t raise enough money we will look at ways to cut spending. |
<p>| We fail the Food Hygiene course   | 3                        | 3                   | We don’t need to have this course to sell in college because we will have a teacher with us, but we would need it if we were trying to sell outside of college. We are unlikely to fail because the teacher said most people pass and we can always try again if we do fail. <strong>To reduce this risk</strong> – we will have practice sessions and make sure that everyone turns up to the lessons. Only the people who are doing well will be entered. |</p>
<table>
<thead>
<tr>
<th>Issue</th>
<th>Likelihood</th>
<th>Impact</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers getting food poisoning from the smoothies</td>
<td>3</td>
<td>5</td>
<td><strong>To reduce this risk</strong> - We are having some training to check we are following food hygiene rules. Fruit is less likely to cause serious problems anyway. The major threat is from the dairy products, which we must be careful to store properly. We hope to be able to use the canteen fridge for this; the cook has already said we can.</td>
</tr>
<tr>
<td>Problems getting raw materials</td>
<td>1</td>
<td>4</td>
<td>Since we have at least four possible local suppliers this is unlikely to happen although someone could forget to buy the necessary materials. <strong>To reduce this risk</strong> - we will keep a reminder board of stock required which will be updated each day.</td>
</tr>
<tr>
<td>Lack of customers to make a profit</td>
<td>5</td>
<td>5</td>
<td>We are a new enterprise so may struggle to get customers at first. We will calculate how many customers we have to get to sell all of our fruit before it goes off. If we don’t get enough customers to cover the costs on day one we may not have enough funds available to buy materials for day two. <strong>To reduce this risk</strong> – we will do lots of advertising and promotions to attract customers.</td>
</tr>
<tr>
<td>Item Required</td>
<td>Possible source of finance</td>
<td>Advantages</td>
<td>Disadvantages</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------------------------------------------</td>
<td>------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Two blenders @ £24.99</td>
<td>Owners funds and fundraising events</td>
<td>Does not need to be paid back</td>
<td>We have very little money; maximum we can raise is £100 for the whole enterprise by buying shares ourselves. We might need the money for a contingency fund so should not use a lot of it on equipment.</td>
</tr>
<tr>
<td>Loan from college</td>
<td>Could be interest free. Will allow us to use our own funds for something else.</td>
<td></td>
<td>Will need to be repaid. This might be a problem if we don't make enough money from sales.</td>
</tr>
<tr>
<td>Interest free credit from shop</td>
<td>Allows us to spread the cost of buying equipment</td>
<td></td>
<td>Usually the prices are higher for items bought like this. The only shop we found doing this charges £36 for the blenders. If we don't make the repayment we will have to give the blender back.</td>
</tr>
</tbody>
</table>
| Fees for Food Hygiene courses | Sell shares in company | Money does not need to be repaid  
Can raise as much money as we need if we become a limited company selling to friends/family | Will lose some of the ownership of our enterprise  
Have to share profits with each shareholder  
Decision making will take longer |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4 people @ £20</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Ask college to pay (grant) | Will not have to repay the money at all | Will have to produce a report to justify why we need the money.  
Our results will be reported to our parents and will be on our school record which is bad if we fail. |                                                                                  |
<p>| Raise money with fund raising event | Money will not have to be repaid | We might not raise enough because we are in competition with others. | We will ask the college to pay at least some of the money. We expect that they will pay as the test can count towards the schools results and shows that we are doing lots of activities. We do not think that fundraising will cover the equipment and this amount while leaving enough money for raw materials. |</p>
<table>
<thead>
<tr>
<th>Purchase Raw Materials £97</th>
<th>Trade credit</th>
<th>Usually this service is only offered to customers who have shown that they are reliable payers. It might be hard to find a supplier who will offer us trade credit as a new enterprise.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank overdraft</td>
<td>Can be used when we need it. We will only be charged interest on the amount we borrow. Could be used as contingency fund</td>
<td>Expensive daily rate of interest. Banks will only arrange an overdraft for customers who pay money in regularly.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>We have decided to use our own funds to provide the first set of raw materials and then use revenue earned to buy the next set. We don't think a bank will lend us the money as we do not yet have a bank account. We might only run our enterprise for one week so it would be too short a time to persuade a bank that we are reliable.</td>
</tr>
</tbody>
</table>
## Final decisions on finance

<table>
<thead>
<tr>
<th>Item</th>
<th>Finance method chosen</th>
<th>Justification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees for training £80</td>
<td>Grant from College</td>
<td>The college has paid for other students to do extra courses before and the cookery teacher uses college funds to enter her students for this extra course. This will reduce our costs by quite a lot and improve potential profitability as we will not need to repay it. There is a possibility that the college will reject our request for a grant so we have a contingency plan to request a loan from the college to cover this amount instead. The loan will have to be repaid at some stage but we do not expect to be charged interest because the college does not charge students interest for enterprise loans. We will put this repayment amount into our budget as just in case.</td>
</tr>
<tr>
<td>Raw materials – food (£87) for the week.</td>
<td>Trade credit</td>
<td>HHH has asked his dad, (who owns a supermarket) to allow us trade credit. He has agreed that we can have one week to pay for raw materials such as fruit and milk. This will give us the time to earn money before paying for the materials. We will hopefully only need one day as we can pay for Tuesday’s raw materials from Monday’s sales revenue. We will therefore have extra cash available for other items which we require. If we had not been given trade credit we would have had to use our own raised finance which would reduce our cash available for marketing and other costs.</td>
</tr>
<tr>
<td>Raw Materials – cups/napkins (£10)</td>
<td>Owners funds - capital</td>
<td>We will purchase these from our own funds raised by each buying shares in the enterprise. Each of us has agreed to £5 so we have £40 available. This is capital which will therefore not have to be repaid until the shares in the enterprise are sold.</td>
</tr>
<tr>
<td>Purchase of equipment (£49.98)</td>
<td>Owners funds</td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>We do not want to get into too much debt so will try to pay for this amount from the money we raise from fundraising. Since we are expecting to spend £10 of our share money we will have £30 left towards buying the equipment and so should only need to raise £20 through fundraising, to cover this equipment as well. If we don’t raise enough money we will have to ask for a loan to cover this amount but this will mean we will have to pay interest on the loan.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketing -advertising &amp; promotion (£30)</th>
<th>Trade credit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>We have arranged to have our printing of adverts done by the college print room. They have agreed to complete this for only £15 which will reduce our bill. They will allow us to pay two weeks after the printing is complete so we can use sales revenue earnt to fund this. This will be like a loan but with no interest. We will budget for £30 just in case there are unexpected extra costs. BBB has agreed that he will produce the adverts at home and we can pay him for the materials later if the print room can not do the work. So we will always have free credit for this item.</td>
</tr>
</tbody>
</table>
Plans for Finance Negotiation

**Description of situation:**
We need £80 to finance the entry of students for a Food Hygiene certificate. The presentation will be used to persuade Mr CCC to supply a grant.

**Evidence to be used in discussion:**
PowerPoint which includes:
- evidence that people will buy the product
- Mrs. DDD’s class last year were allowed to do the course as an extra qualification;
- cost of course on handout – with explanation of what it includes;
- we can probably pay back the money – show financial predictions.

**Benefits of Mr CCC accepting the proposal:**
- We will be safer if we follow the course – so less chance of students being ill, therefore less problems for the college.
- We gain extra qualifications through work in our own time.
- The college has an extra resource – we can do catering events in the future.

**Weaknesses of the proposal for Mr CCC:**
- College does not need us to do the qualification – but we will gain good publicity for the college.
- The cost is too great with current finances – we can pay back a loan if necessary.

**Outcome of negotiation:**
We gained a grant of £80

**Why I was successful.**
I think that I had prepared well for this negotiation. My presentation was carefully planned out so that I had lots of information which would support this idea. I had arranged for the cookery teacher to be there so that she could help me with facts if I needed it. I also made sure that the rest of my company were there to offer extra advice and information if needed.

I provided information, and explained how this finance would help us to get started. I then tested Mr CCC’s understanding by asking him questions. I then provided an opportunity for negotiating by showing that we could afford to return the money within a short period of time if necessary.

In the end he agreed that I had made a good case and that the money should be provided to ensure that the enterprise went well.
Witness Statement

Name of College: XXX Community College
Name of Student: AAA
Group size: 8
Date of Presentation: 28 October 2009

Description of presentation — Formal presentation to a small audience of 15 students and 3 members of staff. The purpose was to try to gain funding for the entry of students into a Food Hygiene course to help with enterprise week.

Comments on Student performance:
AAA produced a well laid out and detailed presentation. This included details of what the financial requirements were for his enterprise and how he expected the group to finance each item. AAA handed out a table explaining his proposed finances. He carefully listened when a member of staff asked questions to clarify his understanding of the table and responded with a detailed explanation. Although nervous, he had a clear voice and showed good communication skills and resourcefulness when dealing with questions. A success you gained a grant rather than a loan.

Assessment Criteria:
Communication – excellent, clear and precise throughout
Problem solving – managed to tackle the questions posed very well
Initiative – asking the finance director for further evidence and showing the results of last years fundraising showed real initiative. Was well prepared with all of the evidence needed.

Supporting Items; PowerPoint slides & Business plan

Teacher Signature:

Student signature: Date: 28th October 2011
A new enterprise idea

Smart Smoothies

By AAA
My Proposal

- A healthy smoothie bar in the area outside room 006
- Open at break and lunch
- One week trial
- If successful to be run for one week each term

We are looking for an investment of £50 - £80
Options wanted

What foods do you think should be available in college?

- Pancakes 6%
- Chocolate 14%
- Ice cream 23%
- Fizzy drinks 36%
- Smoothies 9%
- Other 12%
Proven Demand

Would you visit a college smoothie bar?
Financial Projection

Income expected for one week (5 days) - £325
Calculated by:
   65 customers per day
   mainly at lunchtime.
Number of students in college - 1200
Percentage interested - 60% = 720 students
We expects half will actually make a purchase.
With some people off each day = 325 expected
Assuming each person only buys one per day.
Spending required

**Costs**
- Equipments – 2 blenders @ £24.99 each = £49.98
- Raw materials = £97.00
- Marketing = £30.00
- Training = £80.00

**Total** = £256.98

**Sales – costs = profit**

325 – 256.98 = £49.98
# Sources of Finance

<table>
<thead>
<tr>
<th>Item</th>
<th>Finance method chosen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees for training £80</td>
<td>Grant from College</td>
</tr>
<tr>
<td>Raw materials – food (£67) for the week</td>
<td>Trade Credit</td>
</tr>
<tr>
<td>Raw Materials – cups /napkins (£10)</td>
<td>Owners Funds - capital</td>
</tr>
<tr>
<td>Purchase of equipment (£49.98)</td>
<td>Owners funds</td>
</tr>
<tr>
<td>Marketing - Advertising &amp; promotion (£30)</td>
<td>Trade credit</td>
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# Projected budget

<table>
<thead>
<tr>
<th>Items</th>
<th>Expenditure (£)</th>
<th>Income (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan (grant?) from school</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>Sale of shares</td>
<td>40</td>
<td></td>
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<tr>
<td>Income from sales</td>
<td>325</td>
<td></td>
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<tr>
<td>Expected fund raising</td>
<td>80</td>
<td></td>
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<tr>
<td><strong>Total income</strong></td>
<td><strong>525</strong></td>
<td></td>
</tr>
<tr>
<td>Raw materials</td>
<td>97</td>
<td></td>
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<tr>
<td>Equipment</td>
<td>49.98</td>
<td></td>
</tr>
<tr>
<td>Training 4x 20</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Repayment of loan</td>
<td>80</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>336.98</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Profit</strong></td>
<td><strong>188.02 (+80)</strong></td>
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</tbody>
</table>
Why we need you

To guarantee the enterprise can start on time.
Every business needs a contingency fund and your grant will provide us with the cost of entering for the certificates of food hygiene, leaving us with more funds for our enterprise.
Benefits to you

Extra benefits:

- our enterprise team will gain an extra qualification
- we will do well in our enterprise project
- the money could easily be repaid in one week
- this is without us doing any other fundraising, but we intend to raise at least £80
Thank you for listening.

Any questions
Task Three: Implementing the Plan
Actions completed.
I was given a number of tasks as part of the enterprise activity. These were:
- helping to raise finance;
- buying the equipment;
- being trained in food hygiene;
- helping to set out the stall each day;
- making the smoothies;
- checking that the daily records for the accounts were accurate and complete.

I also gave a presentation to the School Finance Manager, to request a grant to pay for the entry of four of the team into a food hygiene certificate.

1. Raising Finance
We needed to raise as many funds as possible in order to make sure that we had sufficient cash flow to cover our expenses and provide for any unexpected expenses. We had expected costs of £336 which included the cost of expected raw materials. We decided that we were each going to buy shares in the company, which would raise £40, but this still meant that we needed to raise as much as we could.

Our teacher, Ms AAA, suggested that open days at school would be a good time to try to raise funds with quizzes and competitions. I decided that it would be a good idea to get all of the group involved and charge people for taking part in games of skill. The teacher said that this was quite a creative way of raising money. At a meeting the group chose three different competitions:
- a music quiz;
- a dance challenge;
- guess how many sweets in the jar competition.

My contribution
I worked with DDD to produce the music quiz. Together we wrote the questions and a list of answers to help us to mark the quiz. I had to ask some teachers for help to check that the questions were not about music that only students of my age would know. DDD than arranged to get the copies printed for free by his brother who had a good printer. I also asked HHH if he could get his dad to let us have some sweets and a jar for the challenge. I thought that this was quite resourceful of me. He did give us some sweets but not enough so DDD and I went to all of the local shops to ask if they would help us. We had to take a letter from our teacher to explain that this was a college project. We were really surprised that the local businesses were willing to listen to us. It was really hard facing each shop owner but we were determined to do well.

On the open nights I was responsible for setting up our stall, making sure that people knew who we were and why we were raising money. I also went around with the music quiz and spent half an hour taking the sweet challenge jar around. I think that throughout this event I was one of the leaders of the group

Problems we had
Unfortunately we had not really thought about our fundraising properly at the planning stage and so we did not put any money in the budget to buy prizes. We had to buy three £10 gift vouchers as prizes and this took up nearly all of the share money we
raised. We also had to print out some posters and this cost us £8 so we only had £2 left of our share money.

We also had a problem with the dance challenge. On the second event night, we had no interest after a whole hour. This was probably because this night was for older students. We decided to stop this challenge before anyone did take part because we did not want one person being the only entrant and winning a £10 voucher for £1 entry fee. We would have been making a loss. However this left us with the problem of what to do with the voucher. Luckily HHH persuaded a teacher to buy it so we got our £10 back.

The quiz was so successful that we did not have enough copies so we had to ask the print room to print out another 150. This cost us an extra £10

As a result of these events we raised £200. This gave us £162 profit after paying for two vouchers (£10) the printing and the adverts (£8). We had raised more than we hoped to on just one activity.

**Keeping to the original plan**

We kept to our plan of doing some fundraising but we had not thought through which events we would use. As a result we had to delay the project so that we could use our open days to raise money. We learnt that next time our objectives should be SMART. In the end we raised much more than we expected. We had not really planned out thoroughly how we would raise the funds when we did our group action plan so it is hard to say if we kept to the plan because we hadn’t really got one. That meant that DDD and I had to plan out what we were going to do with the help of our teacher. This took longer than we thought and we had to keep calling extra meetings to get people to help us. It took real determination to keep going. In the end everyone got involved in the fundraising not just the two people who were supposed to do it. Next time I would write a much more detailed plan for each stage of the activity before we started any work.

**Monitoring**

We got a bit confused about the money we had collected after our first fundraising night. This was because we did not count the money properly at the end of the evening. We just put the money into a tin which our teacher looked after. As a result we forgot that some of the teachers had not paid us. We did not realise that we were owed money until a week later and by then the teachers had forgotten, so it became quite difficult to collect some of the money. We should have kept detailed records each day showing money collected and owed and reminded people as soon as we could. Keeping financial records was a problem throughout the enterprise as I will explain.

**2. Buying the equipment**

This went well because we had raised a lot of finance and so we could pay in cash for the equipment. I did have to buy it on my own though because DDD could not come with me because he had to help his dad with a family celebration.
3. Entering the Food Hygiene certificate

My contribution
This went really well due to my presentation. I solved some of the problem of our finance by gaining a grant. We received a grant to cover all of the costs of entering four people for the certificate. I passed first time due to a lot of hard work.

Problems we had
We originally expected to enter more than four people but everyone kept changing their mind about doing extra work. In the end four of us entered the qualification and complete the booklet to prove we knew what we were doing. Therefore, we did not keep to our original plan, but we altered it anyway because we were not sure how many would be able to do the course.

We did have some problems with arranging training because the cookery teacher had to take some extra sessions for her exam classes and so we had to keep changing the date. I also lost my booklet with the test questions in, but luckily there were spares so I could catch up.

Monitoring
The course booklets provided by the teacher helped us to keep on track with the course, so monitoring was well done for this aspect.

4. Helping to set out the stall and make smoothies

My contribution
I was one of the most committed members of the team. Everyday I helped to collect the extra fruit and milk needed and to clean up the area, even though this was not one of the tasks I was expected to do on our plan. I also helped to check all of the accounts. I sometimes felt that I was the only member of the team who was working, but by Friday we had a really good group of workers who knew what they were doing.

Problems we had.
We had problems with time management when it came to production. On the first day we did arrived 15 minutes before the start of lunch, but this was not enough time to get everything ready. We had not really planned out the stall properly. The adverts were ready, but we wasted time trying to get the keys to the stall area. Also one day a member of staff arrived late and this meant we were all rushing around.

Once we had the keys we had to cut up the fruit and get some blended before lunch, this took at least 20 minutes. We also forgot to get the right amount of change for a float and had to ask for help from the canteen. It was a teacher who suggested this. We did learn from this though and remembered for the rest of the week. I was given the task of collecting the keys and returning them.

We also had a problem because one of the blenders did not work, so we could only use one to make the product. At the end of the session we realised there was a loose wire in the plug, so I did not have to take the blender back to the shop.

Monitoring
We said we would keep a record of all the raw materials we needed and this was a successful part of the plan. Each day we checked what was needed for the next day.
Unfortunately we did not fully predict how successful we would be and on Wednesday we had to close early as we ran out of fruit. We realised that we could have taken orders each day so that we could predict the number of sales. This would have meant we could get some smoothies ready in advance to reduce the queues so increasing our sales revenue. We did this on Thursday and it really helped.

The accounts for each day were well kept so we knew how much money we were making from sales. As a result we did manage to pay for our raw materials after the first day of sales.

5. Health and Safety and Security
This was not the difficulty we thought it would be. The food hygiene course meant that four members of the team knew how to make sure the food was safe. These members explained the key points to the others. By the end of the week we were all very aware of bacteria and cleanliness.

We were not very careful with our funds at the start of the enterprise. We left them in the teacher’s desk for nearly a week. By the end of the enterprise week we were very careful to check all payments and earnings and recorded everything.

See Action Plan in Task Two for further details.
Title: Evaluating the success of Smart Smoothies

1 Introduction
We ran an enterprise activity as a group of eight people. The enterprise activity we ran was a smoothie bar within college. We ran the enterprise for five days at lunch and break time. This report will analyse the success of our enterprise.

2 Findings

2.1 Finance evaluation
Our initial aim was to break even within the five days and if possible to make a profit. This was a SMART objective as it was time based and realistic for our enterprise activity. We did review this objective after producing a budget which predicted that we would make a profit of £188.02 (see Business Plan) this was therefore our new aim. We also predicted that we would raise £100 through our fundraising efforts. So we set this as our objective to help us to achieve the profit we were aiming for.

We managed to exceed all of our targets for finance. Through fundraising at various events we managed to raise £162 after costs, £62 more than we expected. We also made more profit overall than expected at £309.02 (see attached profit and loss account in appendix).

When we closed the company we managed to repay the share capital, pay each shareholder £10 dividend and give £184 to a charity fund. This was much better than we expected at the start.

We used a variety of methods to finance our enterprise: fundraising, grants, shareholders funds and trade credit.

The most successful method was our fundraising events. We had not expected so many people to get involved and as a result we did not have enough copies of the quiz to meet demand. Without a teachers help we would have had to stop selling and lose some of the funds we eventually raised. Unfortunately, this was when we first failed to keep proper records. We forgot to ask some people for the money they owed us for five days. It was embarrassing as they forgot that they had agreed to pay us. In the end we just did not bother to ask some people again, so we could have raised at least £5 more if we had been quicker in asking for the money.

I was really successful with my presentation as this persuaded Mr CCC to give us a grant of £80 to pay the training fees. This meant that we had £80 extra profit because our costs were reduced by this amount.

The buying of shares was successful because it made sure that each of the members of the enterprise had an interest in the overall success. If the enterprise failed we would lose £5.
Trade credit worked really well as we could pay back the money we owed after we had earned the sales revenue and we didn’t have to pay any interest. On day one we had earned enough money to repay the first bill for fruit and milk. We didn’t have to ask for much credit in the print room because we had enough share capital to cover our printing costs. This meant that we gained better service as the printing staff thought that we were reliable. Some of the other enterprise companies did not pay for their printing and had to have two reminders from the teacher to pay.

After our first fundraising event we learnt how important it was to keep accurate financial records. I helped to set up a diary where we recorded all expenditure and income. This meant that we always knew what cash we had available. We also produced a sheet to show the income and expenditure each day (see appendix) By avoiding any loans we did not have to pay interest and managed to keep all of the profits. I think we chose the right methods of finance because of this.

2.2 Planning & Implementation
We planned our tasks at the beginning of the assignment (see action plan) but we failed to write actions which were detailed enough to be followed. Generally our financial planning was a success; we did plan our spending and methods of finance well. As you can see we did not waste any money and made a good profit.

However, at the start we planned to do some fundraising but we did not really plan out when and where we would do that fundraising. As a result we had to delay the start of our enterprise so that we could use open days to do fundraising activities. We then changed our plan to show the newer dates. We also did not plan what activities to do so when it came to starting the fundraising we had to have lots of extra meetings with a teacher to try to develop our plans in more detail. The fundraising was successful in the end but we could have had some problems. When we ran out of copies of the quiz we could have lost all of the extra customers if a teacher had not helped us to print more copies.

We did adapt well though, as we realised early on that the second fundraising event, the dance challenge, was going to be a waste of prize money and stopped it. This meant that we did not have to give away a prize to the only contestant. We also did not plan the stall carefully enough. On the first day we were all at the stall but did not have a clear staff plan to show what tasks everyone would do. This lack of planning meant that everyone was trying to do the same job at once and we forgot to do some things, like check the change available before we started or get the key. This lack of planning also led to the stall not being ready for the start of break on day one. By the final day we had sorted this out and produced jobs for everyone (see appendix sheet).

If we had used our questionnaire better we could have predicted the number of customers and prepared the drinks in advance and made sure that we had enough of each variety. This was not done and caused a problem on Wednesday when we ran out of materials and had to close early, losing potential sales. We did get a bit confused at times when it was busy and sometimes we forgot to follow health and safety procedures like washing knives and blenders. This meant that we had a couple of complaints about the taste of some smoothies.
Once we were up and running we did put the new plans into use and by Friday we had a well organised stall.

3 Conclusion
The financial aspect of or enterprise went well. We chose good sources of finance which meant that we did not have to pay any interest and we made a profit during the week. We were really pleased that we managed to pay some money to charity. Our main weakness was that we did not keep detailed financial records at the start and did not follow up debts quickly. We didn't know that we had earned enough to pay for the raw materials until Ms AAA made us check our money.

The planning of the enterprise was not as detailed as it needed to be. The lack of detailed plans for fundraising etc. meant that we wasted a lot of time. We also failed to plan the stall properly and especially roles. This lack of planning caused some problems which could easily have been avoided. When we implemented the plan we did do as we had wanted. The fundraising and finance raising went really well and we did manage to sell a lot of smoothies. Some of us also gained an extra certificate.

4 Recommendations
In future enterprise activities I will make sure that the records of all money in the company are detailed and kept up to date. I would suggest that a list is kept of everyone that owes money and that they are reminded of this within 24 hrs. If we had done this we would not have had to give up on £5 and it would have meant we were not as embarrassed about asking for the money because we would be sure that the person owed us. We would also know if we had enough cash to pay our bills on time, which would stop us going into debt.

When planning the activities next time I would put much more detail into the plan. I would sort out exactly what fundraising activities should be done and put details of who is doing what. This would save a lot of time when the enterprise is running and would have meant that we could have started earlier.

Using a diary to put college dates and peoples free time would have helped us to plan people's roles better. We hadn't really thought about who would be free before and after lunch to set up each day. We should have done a timetable so people knew what their job was each day. At the end of the week we did have a job list and this really helped us to make sure important tasks were done. This also helped us to get things done at the time they were needed and avoid being late with opening.
Appendix
## Actual Income and Expenditure

<table>
<thead>
<tr>
<th>Items</th>
<th>Expenditure (£)</th>
<th>Income (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant from school</td>
<td>80</td>
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<tr>
<td>Sale of shares</td>
<td>40</td>
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<tr>
<td>Income from sales</td>
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<tr>
<td>Expected fund raising</td>
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<tr>
<td>Total Income</td>
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<td>Raw materials</td>
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<td>Equipment</td>
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<td>Training 4@£20</td>
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<td>Marketing</td>
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<td>Total Expenditure</td>
<td>272.98</td>
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<td>Profit</td>
<td>309.02</td>
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## Expenditure Plan

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<th>Day</th>
<th>Earnings</th>
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<tbody>
<tr>
<td>Monday</td>
<td>£40</td>
<td>£20 advertising</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£49.98 equipment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£30 material</td>
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<td></td>
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<td>Total –£109.98</td>
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<tr>
<td>Tuesday</td>
<td>£55</td>
<td>£10 materials</td>
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<tr>
<td></td>
<td></td>
<td>Total £10</td>
</tr>
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<td>Wednesday</td>
<td>£60</td>
<td>£16 advertising</td>
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<td>£25 materials</td>
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<td>Thursday</td>
<td>£86</td>
<td>£32 materials</td>
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<tr>
<td>Friday</td>
<td>£60</td>
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<tr>
<td>Total</td>
<td>£301</td>
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## Job List Friday

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<th>Person</th>
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<tr>
<td>Collect materials</td>
<td>GGG</td>
</tr>
<tr>
<td>Get key</td>
<td>DDD</td>
</tr>
<tr>
<td>Collect float</td>
<td>DDD</td>
</tr>
<tr>
<td>Cut fruit</td>
<td>BBB &amp; FFF</td>
</tr>
<tr>
<td>Set out stall</td>
<td>HHH</td>
</tr>
<tr>
<td>Make smoothies</td>
<td>CCC, EEE &amp; AAA</td>
</tr>
<tr>
<td>Collect money</td>
<td>GGG</td>
</tr>
<tr>
<td>Clean up</td>
<td>FFF, CCC &amp; EEE</td>
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<tr>
<td>Count money &amp; return to safe</td>
<td>DDD &amp; AAA</td>
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