



Sample portfolio: level 2 distinction

**NCFE Level 1/2 Technical Award in Business
and Enterprise
QN: 603/2955/5**

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Introduction

The material within this portfolio relates to:

Unit 02 – Understanding Resources for Business and Enterprise Planning (K/616/8938)

This portfolio is designed to demonstrate an example of the evidence that could be produced for Unit 02 of the NCFE Level 1/2 Technical Award in Business and Enterprise. It's designed to provide guidance on how a portfolio could look, rather than being prescriptive.

In this example there are written accounts and visual evidence, but the evidence could also be presented in an audio/video format. Where the learner has provided visual evidence (for example screen grabs, copies of research), this has been clearly annotated to give context as to why it has been included. Each piece of evidence has been presented with the assessment criteria number shown at the top of the page.

This portfolio contains manufactured learner evidence and assessor feedback produced by NCFE. External Quality Assurer guidance has also been provided for each piece of evidence relating to an assessment criterion. The guidance comments on how the evidence meets the assessment criterion and what could be improved to obtain a higher grade.

Synoptic Project Tasks

Project Brief

A local entrepreneur has established a charity that supports growing local businesses and enterprise start-ups. This charity makes finance and support available to entrepreneurs with a new business idea or a desire to develop an existing business. Having been inspired by the success of this entrepreneur, you have decided to apply to the charity as your business is expanding to sell a new product.

Your expanding business

NCFE Toys Ltd are a manufacturing company making drones. They have been operating for three years, having brought a revolutionary product to the market, the 'D-Rone'. While initial sales had rapid growth, they have now started to decline.

A decision has been made to discontinue the 'D-Rone' and launch a new model the 'D-RoneX'. This new model has updated features including a high-definition camera. At the same time NCFE Toys Ltd are reviewing their business operations overall. They anticipate that sales revenue in year one will be £160,000 with cost of sales of £185,000. In year two sales revenue is anticipated to be £290,000 with cost of sales of £180,000. In year three sales revenue is anticipated to be £320,000 with cost of sales of £190,000. The financial information for the previous three years is also given on the next page.

As NCFE Toys Ltd anticipate high levels of demand for the new product they may require a larger factory for production to satisfy this demand. NCFE Toys Ltd have set aims and objectives for the launch, but need to consider their research methods, marketing mix, operations and resource planning.

Learner Log and project evaluation

As you work through the project you are **required** keep a learner log to record your approach to your work, including:

- how you prepared
- what resources you used
- how you managed your time.

You **must** use your completed learner log to carry out an evaluation of the project.

Evidence

You are required to submit the following for assessment:

A business plan to present to NCFE Toys Ltd charity committee.

The following sections should be included:

Section 1

Company description.

Section 2

Marketing analysis.

Section 3 Marketing.

Section 4

People and operations.

Section 5

Financial plan.

Section 6

Your learner log, including your evaluation.

Types of evidence

Below is a list of suggested types of evidence that you could include:

- written/word-processed documents
- presentations
- diagrams
- annotated evidence
- posters
- leaflets
- video/audio evidence
- spreadsheets.

Income Statement for NCFE Toys Ltd 2015–2017

	2015 (£)	2016 (£)	2017 (£)
Sales revenue	80,000	290,000	120,000
Cost of sales	15,000	35,000	60,000
Gross profit	65,000	255,000	60,000
Expenses			
Rent	8,000	8,000	8,000
Wages	55,000	60,000	30,000
Vehicles	6,000	7,000	5,000
Utilities	1,500	2,000	1,000
Advertising	500	1,000	200
Telephone	200	300	200
Total Expenses	71,200	78,300	44,400
Net Profit	(6,200)	176,700	15,600

Learner Evidence

Section 1: Company Description

Name and Business Summary

The name of the business is NCFE Toys Ltd and we manufacture drones. We have been operating for three years and we have been really successful with our main product called D-Rone. It was a revolutionary drone which was really popular. We experienced rapid growth with this product, but sales have recently started to decline. This is because the drone market has now moved on and technology has progressed greatly in the last two years.

Other companies have brought out newer models and have attracted the consumer away from the DRone. To combat this, we have developed a new product to beat the market competition and keep up to date with technology and innovation. Our new product is called D-RoneX and contains a high-definition camera as well as other new and updated features. We anticipate that our newer specification model will attract the consumer and will be a success.

As we anticipate a high level of demand for the D-RoneX and expect it to become the most popular drone on the current market, we need to make sure that we keep up with demand and make enough products to meet that demand. Therefore, we expect that we will need a larger factory. As we are still quite a new company, we do not expect to make a great deal of profit in the first year although our projections for future years are looking very positive and suggest that high profits will be achieved.

Considering a SWOT analysis, the strengths of my company NCFE Toys Ltd is that we have good technical skills and design skills. We designed and manufactured the original D-Rone model which proved to be a great success. We can use this experience to develop the D-RoneX model and enhance the features further. This is the greatest opportunity for us in the drone market; that technology is constantly improving, adapting and changing and so we have continuous opportunities for our models to be updated and for us to maintain demand from our customer base.

A weakness of our company is that we are still a relatively new business and it may be a full year before we see any profits. We will have to upscale our business with a newer and bigger factory and we do not currently possess those skills. Threats to our business include competitors providing a high specification drone for a lower price, in addition to any new government legislation to regulate either the purchase or use of drones. As well as more regulation for us as a business, government legislation may deter some consumers from purchasing a drone from our business.

Aims and Objectives

The aim of the business is to become the leading manufacturers of drones across the world. In order to meet this aim, we need to achieve a set of objectives.

- To acquire a bigger factory within the next six months so that we can then launch the D-RoneX model. The model will be advertised online and through social media in advance of the launch.
- It will take up to 12 months after the launch of the D-RoneX for the sales to grow.

- When rapid sales have been achieved, we must begin to develop a newer model which can then be released before the D-RoneX sales begin to decline. We need to stay on top of technological advancements so that we do not lose customers to competitors.

Legal Structure

NCFE Toys Ltd is a private limited company with 3 shareholders. The business is a legal entity and each shareholder has limited liability. This means that my home and my personal finances are kept separate to the business; if the business should become in danger of bankruptcy, for example, then I will only lose the amount of money which I have invested into the business.

Section 2: Marketing Analysis¹

I am going to complete Marketing Analysis so that I can explore and study the market which is relevant to my company.

Target Market

My target market for the D-RoneX product is both men and women aged between 16 and 30 years old. The target market will enjoy the latest, up to date and state of the art technology.

A drone can cost from as little as £30 or as expensive as £1,500. The target market for the D-RoneX model would typically pay between £250 - £350 for a drone. This shows that my customers want a mid-priced drone which is expensive enough to contain the latest features but is not one of the extremely expensive and unaffordable drones on the market. The new D-RoneX model will be priced at £299.99 to meet the expectations of the customer base, attracting them into purchasing our product.

The target market will want features such as a high-definition camera, to be able to fly for 40 minutes uninterrupted and to be able to reach at least 5 km in distance. These features have been included in the new D-RoneX model to meet the needs, demands and expectations of the target market and to attract the customer into purchasing the product.

The target market for the D-RoneX model will be individuals who purchase products online, not in stores. Drones are specialist items which appeal to a growing niche market as opposed to the mass market, therefore selling the product online will reach a very wide audience regardless of their individual location.

Industry Profile

A drone is a pilot-less aircraft and is sometimes called a UAV, or an unmanned aerial vehicle. Originally developed for the military, drones are fast becoming an accessible consumer product although is still a niche item. Typically, a drone is controlled by remote control by an individual on the ground. The price of drones is becoming cheaper as more companies produce them and as technology becomes more accessible, for example through utilising smartphone parts to add to drones. Drones are becoming more regulated, however, so it is important to keep up to date with laws

¹ Note for Tutors: Please ensure that learners utilise independent research skills within their assignment, discovering real figures and references to support their findings.

and regulations. This may also deter some potential customers who do not want the hassle of abiding by drone regulations.

It was reported that 1,500,000 drones were sold last year. This indicates that there is a good demand for our drone products and that longevity and potential profit and growth are available within the market. NCFE Toys Ltd must keep up to date with technology and drone models, however, to keep the customer attracted and interested in our drones.

Future trends are looking very positive for the drone market, with Pricewaterhouse Cooper predicting that by the year 2030, drones will play a significant role in the UK and will impact the market greatly. It is stated that by the year 2030, there will be at least 76,000 drones across our skies at any one time. This suggests that there is future growth for our drone models across the NCFE Toys Ltd company and that there is the potential to capitalise and exploit the drone market for years to come.

Competitive Environment

There are many, many companies selling drones across the UK. Competition is high and so we need a unique selling point (USP) to attract the consumer and make our D-RoneX stand out from the rest of the market. There are specialist drone companies as well as toy companies and model companies who manufacture and/or sell drones either online or in store.

There are many similar companies across the UK, such as Smyths and Halfords, selling drones as an additional line to their usual products. In addition, there are also specialist drone companies such as Drones Direct, although the average consumer may be more comfortable purchasing a drone from a company such as NCFE Toys Ltd, Smyths or Halfords as they are more approachable and commonplace companies. Prices may also be higher and there may be additional jargon used with drones from specialist companies.

A potential customer may be deterred from purchasing our drone product because there has been negativity across the media which has portrayed drones as a nuisance and sometimes as being dangerous. To combat this, we need to market our drones as being as consumer friendly as possible, highlighting the benefits of the drone and the advantages it can bring the consumer. UK regulations are becoming tighter when purchasing and using drones across the sky and this may be another deterrent for the potential consumer.

Furthermore, too much jargon may deter the consumer; they may not understand how to use the product and they may feel as though a drone is too complicated for them to use. To combat this and to ensure that the D-RoneX model reaches the average consumer in a bid to become a commonplace product, the language used on the product and across the advertising must be plain and easy to understand. Easy to understand instructions must be included, also.

The position of the industry sector indicates that drones are popular purchases from many companies, although exact selling figures just for the drone are not available. This information suggests that the D-RoneX model and future drones manufactured and sold by NCFE Toys Ltd will be a success and that profit growth is probable. We have to make sure that the product is advertised well and that we have a USP and something different from the other drones on the market in order to stand out and attract the consumer.

As we manufacture our own drones, we will only need suppliers for materials and perhaps some parts. We have experience in this field as we manufactured the original D-Rone and experienced growth and success with this model. We will use the same suppliers as we previously developed a good relationship with them and so it will be easy to source such materials.

Section 3: Marketing

Effective marketing attracts the customer which in turn produces sales. This is a vital component for NCFE Toys Ltd where there are many other drones being sold across many other products.

Product

The D-RoneX is a drone which has been updated from our original D-Rone model. It features a high-definition camera and the latest state of the art capabilities. This is what our target market wants; the latest technology but at a price which is not too expensive. It will be designed to meet the desires of the 16 - 30-year-old target market, featuring WiFi connectivity and being able to reach up to 5km in distance with 40-minute running time. This is what our target market wants.

Understanding the current and potential demand of the drone market can help the business to assess the demand for the new D-RoneX, ensuring that stock levels remain constant so that we have enough stock for demand but not too much for the stock to become obsolete. If stock runs out then the customer may purchase a drone from a competitor, or if we have too much stock which we cannot sell then we will lose money on those drones.

There is high demand for the latest drones in the market at the moment. We will use our past experience in addition to the knowledge that customers are still making demands for updated models and so we will aim to keep around 350 D-RoneX models in stock every week. We will review the sales figures regularly and either increase or decrease this amount of stock if demand either increases or declines.

Place

Most specialist drone companies sell online and do not possess a store. This is so that no matter where a potential customer lives, they can access the products. As a result, the only premises we will need is a factory, and not a store as well. A large factory will enable us to manufacture the product and store the products in a distribution section of the factory. We will distribute orders from here when purchased online. If we had purchased or leased a store as well, we may not have made a very high number of sales, but our costs would have been quite high. This may have meant that we would have lost money which would have impacted the business. It is a possibility that we could sell a bulk order of drones to a store who sells gadgets and other technology, enabling our product to reach the high street without costing us any store expenses. This is the correct choice for our customers and for our company; expenses are kept low and we can fully concentrate on the manufacture of high-quality products.

Price

Competitors sell their drones for as little as £30 or as much as £1,500, providing a diverse market rate. On average, a drone costs around £150 although for this price a customer will get a good drone but without any special features. As the price range of drones is so diverse, a price range of £250 - £300

for a new, high specification model is a reasonable range. We have settled on a price of £299.99 to meet the demands of the customer.

I will use the projected figures to find the profit margin. Whilst the first year's figure provides a large profit margin, it is not sustainable. Healthier profit margins are predicted for the second and third years.

First year:

$$\begin{aligned}\text{Gross Profit} &= \text{£80,000 sales} - \text{£15,000 cost of sales} \\ &= \text{£65,000}\end{aligned}$$

$$\begin{aligned}\text{Profit Margin} &= \text{Gross Profit divided by sales} \\ &= \text{£65,000} / \text{£80,000} \\ &= 0.8125\% \\ &= 81\%\end{aligned}$$

Second year:

$$\begin{aligned}\text{Gross Profit} &= \text{£290,000 sales} - \text{£180,000 cost of sales} \\ &= \text{£110,000}\end{aligned}$$

$$\begin{aligned}\text{Profit Margin} &= \text{Gross Profit divided by sales} \\ &= \text{£110,000} / \text{£290,000} \\ &= 0.37931034484 \\ &= 0.38 \%\end{aligned}$$

Third year:

$$\begin{aligned}\text{Gross Profit} &= \text{£320,000 sales} - \text{£190,000 cost of sales} \\ &= \text{£130,000}\end{aligned}$$

$$\begin{aligned}\text{Profit Margin} &= \text{Gross Profit divided by sales} \\ &= \text{£130,000} / \text{£320,000} \\ &= 0.40625 \\ &= 0.41 \%\end{aligned}$$

The first year profit margin is very high but the net profit for the year was -£6200. This shows that the cost of sales was low, resulting in a good level of gross profits for the number of sales. However, when other expenses are deducted, a negative is achieved. This is not sustainable. The second and third-year profit margins are very healthy and suggest additional growth and profitability.

Promotion

Our 16 - 30-year-old target market prefers drones to be advertised in a futuristic way, so they feel as though they are purchasing a piece of futuristic technology. They like shades of silver and black to be used in both the advertising and in the design of the product, appearing both futuristic and gender-neutral to appeal to both men and women.

We will promote the D-RoneX model through online advertising and through social media as this is the likeliest place where our target market will see the product. It is also the cheapest advertising methods.

We will not place a TV advert as this will be too costly and we will not target a wide audience unless we pay an extremely high amount for a prime time TV slot. The target market we are aiming at will be more likely to spend time online rather than watching standard TV channels; they will be more likely to watch streaming services such as Netflix rather than ITV. Therefore, a TV advert will not suit our product. Furthermore, the D-RoneX is still quite a niche product, not a mass-market product which is typically advertised on TV.

Similarly, radio advertising is not suitable for our product as our target market will more than likely use downloads as opposed to the radio in order to listen to music. In addition, for a product like a drone, it is more helpful for the customer to see the product to attract their attention, and of course, this cannot happen through radio advertising.

Leaflets and billboards will not reach a wide audience and so these methods of advertising are not suitable either. Therefore, we will advertise online and perhaps across drone and toy websites, in addition to creating a Twitter account to attract attention online. We will budget £200 per month to advertising which is much more than the historical information shows that we paid across 2015 - 2017 although advertising is important to attract the target market.

I expect to reach a wide range of people through online advertising and social media, adding links so that the customer can easily click to purchase a D-RoneX model.

Section 4: People and Operations

We are hoping to acquire a new factory which will help us to employ more staff and manufacture more products.

If successful in this, we will seek to employ 2 employees to manufacture the products, 1 employee to package and distribute products and 1 employee for administration purposes. We will operate on an 8.30am - 5.30pm basis, Monday to Friday, employing staff for 40 hours each per week once breaks are excluded. We will pay the manufacture employees £9 per hour, the packaging/distribution employee £8 per hour and the admin employee £8 per hour. This will mean that our yearly wage cost is around £70,720. If we are extremely successful, we may have the opportunity to employ a night shift of staff for a similar number of hours so that we can manufacture, package and distribute throughout the night. We would have to pay night shift employees a higher hourly wage, however, due to unsociable hours.

Our admin employee will have to possess Level 2 qualifications in English and Maths, and perhaps a Level 2 Business and Enterprise qualification as that would be really helpful for the business. The packaging/distribution employee would perhaps need a Level 2 English qualification in order to read the orders and distribute the orders effectively. The manufacturing staff will have to hold higher qualifications such as Level 3 Engineering or training, however, in addition to Level 2 English and Maths, or previous experience in a similar environment. They will complete a four-week training

course. We will require the necessary machinery and equipment for the manufacture of the drones. We will also need loading equipment and packaging materials for the packaging/distributing department. We will need a computer with WiFi access and a telephone and desk/chair for the admin employee. We will also need to consider refreshment facilities for the employees in addition to toilets and maybe a staff room.

I have considered all the legal requirements for my business. The business is a private limited company with three shareholders and is a legal entity. We pay tax and VAT in addition to paying business insurance. We adhere to the Safety, Health and Welfare at Work Act 2005, particularly to protect our employees within the factory and abide by the Equality Act 2010 to prevent discrimination. We also protect our customers with the Data Protection Act 2018. It is paramount that our employees and our customers are kept as safe as possible in every way imaginable. Furthermore, if we decide to build the factory on a section of land, we will need to consider planning consents and apply through the correct channels.

Section 5: Financial Plan

In order to set up the business for expansion, a factory will cost in the region of £15,000 per year to lease. This cost will depend on whether the factory can be paid monthly or yearly. Equipment will cost in the region of £6,000 per year if leased. This will cost £500 per month if paying monthly.

Leasing is a better option than purchasing as we can work on short contracts to assess how the business is growing and what the profits are like. Purchasing a factory may cost over £200,000 and then it may become too much of a cost in term of mortgage repayments if the business does not do as well as expected.

A computer and office equipment will cost around £700 as a one-off cost and packaging supplies will initially cost £900. Materials for the drones will cost £2,000 for an initial supplier order.

Other costs to consider are wages. Although wages is a running cost, we need to have at least a month of wages in advance to be able to pay staff at the end of the month. One month of wages costs £5,893.

Once operating, wages should cost £5,893 per month although will be a variable cost depending upon the hours worked by the staff members. The running cost of renting the factory will be a fixed cost of around £1,250. Costs for vehicles will be £500 per month, leasing one vehicle for distributing products and picking up supplies and one vehicle for warehouse purposes. Advertising will cost £200 per month to advertise online. Utilities such as electricity and water will cost £1,250 per month whilst a telephone line and WiFi will cost £20 per month.

To finance the business, we are seeking funding as the business went into decline in 2017, as evidenced in the income statement. We cannot progress any further without funding. It may be possible to access a bank loan although that would be an additional cost which may not be the best option for the business.

Setting-Up the Business

- Therefore, to set up the business, it may cost us one-month factory rent, plus a one-month lease deposit, totalling £2,500.
- It will cost one-month equipment lease payment of £500 plus a one-month deposit, totalling £1,000.
- Vehicles will cost a one-month instalment of £500 plus a one-month deposit of £500, totalling £1,000.
- A computer and office equipment will need a one-off cost of £700.
- One-month of wages will cost around £5,893.
- The total cost to set-up the business is therefore £11,093.

Running The Business

Monthly costs will be as follows: •

£1,250 rent

- £500 equipment lease
- £500 vehicle hire
- Wages around £5,893
- Utilities £1,250 • Telephone/WiFi £20 • Advertising £200.

Total monthly running costs are £9,613 or £115,356 per year.

Gross Profit and Net Profit

Gross profit is the profit calculated after deducting the cost of sales from the sales revenue whilst net profit is the actual ending profit after all other expenses have been deducted from the gross profit.

First-year predictions:

Sales Revenue £160,000 - Cost of Sales £185,000 = Gross Profit -£25,000

This suggests that the business will be making a loss. If using the predicted expenses/running costs above, we can calculate the net profit.

Gross Profit -£25,000 - Expenses £115,356 = Net Profit -£140,356

This suggests a loss of £140,356 in the first year. To keep the business running, we should be prepared for this and make sure that we have at least £141,000 contingency within the business to cover this shortfall. This is a very high amount for a new business.

Second-year predictions:

Sales Revenue £290,000 - Cost of Sales £180,000 = Gross Profit £110,000

Gross Profit £110,000 - Expenses £115,356 = Net Profit -£5,356

The second-year predictions suggest that the business will still experience a loss of £5,356 which is not great for the business. As the gross profit for the year is healthy, the expenses may be too high and it may be beneficial for the business to lose an employee such as the admin employee, saving £16,640 per year.

Third-year predictions:

Sales Revenue £320,000 - Cost of Sales £190,000 = Gross Profit £130,000

Gross Profit £130,000 - Expenses £115,356 = Net Profit £14,644

The business is predicted to experience a net profit of £14,644 in the third year, although it may not be high enough to be deemed a viable business.

Section 6: Evaluation and Learner Log

To evaluate, the target market for the product could have been more unique and could have provided the drone with a unique selling point (USP). For example, the target market could have been young females and the design and marketing of the drone could have targeted young females directly. Colours and shapes of the drone could have been tailored to that market. A specific example could be if a unicorn-themed drone was created for girls aged 10 - 16-years-old. Or for the female 16 - 30-yearold market, brighter colours and softer shapes may appeal. If the drone had a more specific and unique target market then a more individual drone may be created to stand out from the competition and attract more customers for its individuality. Or, a more unique USP may have been included such as a microphone or colour-changing capabilities.

To evaluate further, drones are emerging as a popular product with strong future growth predicted. Although as a product becomes more popular, competition becomes fiercer and perhaps there are too many drones on the market to make a large profit. Maybe the answer is to become a more specialist drone company and instead of just selling online, to open a large stand-alone store which sells a wide range of drone as well as additional parts and accessories. An example of this type of store is a large 'Go Outdoors' store, located in a large building; even though customers have to drive a distance to get to the store, it attracts customers due to its individuality and specialist nature. This may make the product and the company stand out more from the other online competitors.

The price of £299.99 may be too high to attract the right number of sales. In retrospect, the price of £199.99 may have been more realistic for the customer. There was room to move the sales price lower as the profit margin was already between 38% - 41% and could have been reduced.

When examining the gross profit and net profit predictions for the business, the first year was operating at a loss anyway although this is to be expected for new products to the market. The figures predicted for the second and third years are more useful as we can see that the gross profit is predicted at £110,000 and £130,000 respectively. However, our expenses are then too high and initial predictions have resulted in negative net profit figures, ultimately portraying a loss. An area which could be cut is the need for an admin employee; responsibilities could be shared amongst myself and other shareholders in addition to the packaging/distribution staff member. This would save us a total

of £16,640 if we did not employ an admin employee, resulting in expenses being reduced from £115,356 to £98,012. This will mean that the second year net profit will rise to £11,284 and the third year net profit will rise to £31,284. These results for net profit are much healthier.

Another way to increase profits is to manufacture more products than just the D-RoneX so that there are more products to appeal to more consumers and so that the company can maximise sales. Furthermore, the business could source cheaper office equipment and packaging costs, although it may not be possible to acquire cheaper materials as the quality of the product produced must be high.

In conclusion, the D-RoneX product is a strong product which can result in a healthy profit. Although, I will recommend that we do not have an admin employee in order to save costs and we will consider adding a new feature to the drone to create a USP. Depending upon the finance which is acquired, we will consider creating a specialist store.

Evaluating the Project

When preparing for the project, I first examined the project brief, taking notes relevant to the context of the brief. I knew the time frame which I had available to me in which to complete the project, taking full use of the learning log to plan out my workload. I then researched the drone industry as admittedly I did not know much about drones before beginning this project. I spent time researching what a drone actually is, the price range and different types of drones on the market. I found out what is the lowest price and the highest price of drones available and discovered that the price range is vast. I also researched the many types of drone companies and other companies which also sell drones, discovering that the competition for selling drones is very fierce. This stage of the project went well; I utilised research and planning skills in addition to multiple resources, preparing and managing the project well. The approaches utilised at the planning stage of the project were carried out well.

To manage the project successfully, I took each section required separately. When considering section 1, I prepared a company description and business summary along with aims and objectives relevant to the company. I also considered the legal structure of the business and implemented a SWOT analysis. I then considered a market analysis, drawing together the research which I had carried out, analysing the target market, the industry profile, the competitive environment and the potential suppliers. I ensured that I remained in the context and situation of the project brief, using business skills and utilising techniques learned to create an analysis and effectively manage the project.

To develop the project further, I then considered marketing and the 4 P's in addition to the people required in the business and the day to day operations of the business. Remaining in the context and situation of the project brief was so important, placing myself into the mind of the shareholder of NCFE Toys Ltd. The greatest learning curve was implementing the financial plan, considering how much money it would cost to firstly set up the business and secondly to run the business. I used many business skills and completed appropriate calculations to come to a thorough conclusion. I did not find the calculations very easy at first and made some mistakes in the initial stages. However, I learnt from my mistakes and completed the necessary approaches, taking pride in my accomplishments.

Overall, my project went well. The learning log helped me to organise my workload and stay on track of my goals. Despite making some mistakes along the way, I learnt from them and developed my skills further. I know I have learnt a great deal from the project and now realise that it takes more than just a good product in order to have a successful business. I am proud of my accomplishments and the approaches which I developed along the way. I maintained my timeframe and goals, utilising a

wide range of resources and completing each project stage fully. I now feel more prepared to complete my own business plan in the future when I am ready to start my own business.

SAMPLE

Level 1/2 Technical Award in Business and Enterprise

Unit 02: Internal Synoptic Project- Learner Log

This learner log should be completed to record your approach to tasks 1–4 of the synoptic project.

It will be used as part of the overall evaluation in Task 5 of the full synoptic project.

All of the work you submit **must** be your own. Please complete the details below clearly and in BLOCK CAPITALS.

Learner name CANDIDATE A

Centre name NCFE SCHOOL

00001

Learner number

00001

Centre number

Learner signature Candidate A

Learner Log

Hrs	How I prepared	What resources I used	How I managed my time	Section complete
1-3	I planned out what the Company Description required (name, business summary, A & O, legal structure).	Bus & Ent notes Online research Learner Log	I stuck to my plan and made sure that I covered each point.	Section 1
4-6	I planned out the aspects of Market Analysis to cover (target market, industry profile, competitive environment, potential suppliers)	Bus & Ent notes Online research Learner Log	I stuck to my plan and made sure that I covered each point.	Section 2
7-10	I planned out what was required for Marketing (product, place, price, promotion)	Bus & Ent notes Online research Learner Log	I stuck to my plan and made sure that I covered each point.	Section 3
11 - 13	I planned out what was required from people and operations	Bus & Ent notes Online research Learner Log	I stuck to my plan and made sure that I covered each point.	Section 4
14 - 17	I planned out what was required for the financial plan (how much money was required to set up the business and how much to run the business)	Bus & Ent notes Online research Learner Log	I stuck to my plan and made sure that I covered each point.	Section 5
18 - 20	I planned out what I would need to cover in an evaluation	Bus & Ent notes Learner Log Whole assignment to evaluate	I stuck to my plan and made sure that I covered each point.	Section 6

Assessor Feedback to Learner – AO1

Learner Name	Learner A	Qualification No & Name	NCFE Level 1/2 Technical Award in Business and Enterprise (603/2955/5)
Assessor Name	Assessor A		

Please list the tasks and assessment objectives which were achieved

You are required to submit the following for assessment:

- A business plan to present to NCFE Toys Ltd charity committee.

The following sections should be included:

Section 1

Company description.

Section 2

Marketing analysis.

Section 3

Marketing.

Section 4

People and operations.

Section 5

Financial plan.

Section 6

Your learner log, including your evaluation.

Feedback from Assessor to Learner

Well done Candidate A. You have recalled and communicated accurate and comprehensive knowledge of aspects of business and enterprise, using accuracy and consistency throughout. You have researched specific elements of business enterprise such as target markets, the 4 P's and gross profit and net profit. Band 3.

Comments from Learner

I have really enjoyed creating a business plan and enjoyed adapting the plan throughout. I particularly enjoyed working out the profit margin calculations.

Has the learner achieved or not yet achieved?

Achieved

Any further actions? (Please initial and date once actions have been completed)

Learner Signature	<i>Candidate A</i>	Date	February 2019
Assessor Signature	<i>Assessor A</i>	Date	February 2019

SAMPLE

External Quality Assurer commentary

Band awarded for this assessment criterion – Band 3

Justification for the awarded grade:

AO1: The learner has recalled and communicated accurate and comprehensive knowledge and understanding from a wide range of business and enterprise principles, using specific terminology accurately and consistently throughout the business plan. The learner has researched specific elements of business and enterprise such as target markets, the competitive environment, the 4 P's and profit margins.

Explain what would be 'excluded' for this work to have been –

Band 2

To be graded band 2, the learner would have only sometimes used accuracy when recalling and communicating appropriate knowledge and understanding from a range of business and enterprise principles, sometimes using specific terminology.

Assessor Feedback to Learner – AO2

Learner Name	Candidate A	Qualification No & Name	NCFE Level 1/2 Technical Award in Business and Enterprise (603/2955/5)
Assessor Name	Assessor A		

Please list the tasks and assessment objectives which were achieved

You are required to submit the following for assessment:

- A business plan to present to NCFE Toys Ltd charity committee.

The following sections should be included:

Section 1
Company description.

Section 2
Marketing analysis.

Section 3
Marketing.

Section 4
People and operations.

Section 5
Financial plan.

Section 6
Your learner log, including your evaluation.

Feedback from Assessor to Learner

Well done Candidate A. You have used accuracy to apply knowledge and understanding of business and enterprise principles relevant to the context and situation, immersing yourself into the drone industry when researching the competitive environment. Band 3.

Comments from Learner

I have really enjoyed creating a business plan and enjoyed adapting the plan throughout. I particularly enjoyed the second section on market analysis where I researched the drone market and industry.

Has the learner achieved or not yet achieved?	Achieved
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Any further actions? (Please initial and date once actions have been completed)			
Learner Signature	<i>Candidate A</i>	Date	February 2019
Assessor Signature	<i>Assessor A</i>	Date	February 2019

SAMPLE

External Quality Assurer commentary

Band awarded for this assessment criterion – Band 3

Justification for the awarded grade:

The learner has accurately applied knowledge and understanding of business and enterprise principles which is relevant to the context and situation, researching the drone industry and utilising the context and situation of the project brief. The learner has portrayed an effective scenario, considering the employees which the company may need and then considering what employees the company can actually afford.

Explain what would be 'excluded' for this work to have been –

Band 2

The learner would have used accuracy only some of the time, using some accuracy when applying knowledge and understanding of business and enterprise, providing some relevance to the context and situation. The learner may not remained in the context of the project brief at all times and they may have included some irrelevant applications.

Assessor Feedback to Learner – AO3

Learner Name	Candidate A	Qualification No & Name	NCFE Level 1/2 Technical Award in Business and Enterprise (603/2955/5)
Assessor Name	Assessor A		
Please list the tasks and assessment objectives which were achieved			
<p>You are required to submit the following for assessment:</p> <ul style="list-style-type: none"> A business plan to present to NCFE Toys Ltd charity committee. <p>The following sections should be included:</p> <p>Section 1 Company description.</p> <p>Section 2 Marketing analysis.</p> <p>Section 3 Marketing.</p> <p>Section 4 People and operations.</p> <p>Section 5 Financial plan.</p> <p>Section 6 Your learner log, including your evaluation.</p>			
Feedback from Assessor to Learner			
Well done Candidate A. You have critically analysed and evaluated data and information such as using the income statement information in the project brief, systematically reaching reasoned and valid conclusions, deciding what you need to do in order to make your company and your product a success. Band 3.			
Comments from Learner			
I have learnt a lot throughout the project and I have realised that you need more than just a product to make a successful business.			
Has the learner achieved or not yet achieved?	Achieved		

Any further actions? (Please initial and date once actions have been completed)			
Learner Signature	<i>Candidate A</i>	Date	February 2019
Assessor Signature	<i>Assessor A</i>	Date	February 2019

SAMPLE

External Quality Assurer commentary

Band awarded for this assessment criterion – Band 3

Justification for the awarded grade:

The learner has critically analysed and evaluated data and information such as the sales revenue and cost of sales data in addition to the income statement information. The learner has systematically reached reasoned and valid conclusions, evaluating what aspects of the business plan will work and which aspects need revising.

Explain what would be 'excluded' for this work to have been –

Band 2

The learner would not have critically analysed and evaluated selected data and information, but would have still appropriately analysed and evaluated selected data and information. The learner would have reached suitable conclusions as opposed to reasoned and valid conclusions.

Assessor Feedback to Learner – AO4

Learner Name	Candidate A	Qualification No & Name	NCFE Level 1/2 Technical Award in Business and Enterprise (603/2955/5)
Assessor Name	Assessor A		

Please list the tasks and assessment objectives which were achieved

You are required to submit the following for assessment:

- A business plan to present to NCFE Toys Ltd charity committee.

The following sections should be included:

Section 1

Company description.

Section 2

Marketing analysis.

Section 3

Marketing.

Section 4

People and operations.

Section 5

Financial plan.

Section 6

Your learner log, including your evaluation.

Feedback from Assessor to Learner

Well done Candidate A. You have demonstrated and applied relevant business and enterprise technical skills effectively, applying and using appropriate processes, tools and techniques. You have appropriately processed relevant calculations, for example by calculating the gross profit and net profit predictions, to develop complete and effective outcomes. Band 3.

Comments from Learner

I learnt a lot from calculating numbers in the project and feel as though my maths skills have improved. I am able to use maths skills in business and some business skills in maths.

Has the learner achieved or not yet achieved?		Achieved	
Any further actions? (Please initial and date once actions have been completed)			
Learner Signature	<i>Candidate A</i>	Date	February 2019
Assessor Signature	<i>Assessor A</i>	Date	February 2019

SAMPLE

External Quality Assurer commentary

Band awarded for this assessment criterion – Band 3

Justification for the awarded grade:

The learner has demonstrated and applied relevant business and enterprise technical skills effectively by applying and using appropriate processes, tools and techniques, incorporating gross profit, net profit and profit margin calculations into the business plan. The learner has demonstrated and applied relevant business and enterprise skills to develop complete and effective outcomes, providing a good evaluation of the business plan.

Explain what would be 'excluded' for this work to have been –

Band 2

The learner would have applied mostly relevant business and enterprise technical skills, applying mostly appropriate processes, tools and techniques, providing a mostly complete and working outcome.

SAMPLE

Assessor Feedback to Learner – A05

Learner Name	Candidate A	Qualification No & Name	NCFE Level 1/2 Technical Award in Business and Enterprise (603/2955/5)
Assessor Name	Assessor A		

Please list the tasks and assessment objectives which were achieved

You are required to submit the following for assessment:

- A business plan to present to NCFE Toys Ltd charity committee.

The following sections should be included:

Section 1
Company description.

Section 2
Marketing analysis.

Section 3
Marketing.

Section 4
People and operations.

Section 5
Financial plan.

Section 6
Your learner log, including your evaluation.

Feedback from Assessor to Learner

Well done Candidate A. You have managed the project well, preparing and planning a wide range of project stages in addition to timeframes and resources. You have used your learner log well and you have evaluated a range of your approaches, skills and accomplishments. Band 3.

Comments from Learner

I found the learner log really useful to help me to manage the project and my time well.

Has the learner achieved or not yet achieved?

Achieved

Any further actions? (Please initial and date once actions have been completed)

To develop in the future, you could maintain a record of all references, resources and websites you have used, preparing a bibliography. This will help you to prepare for Level 3.

Learner Signature	<i>Candidate A</i>	Date	February 2019
Assessor Signature	<i>Assessor A</i>	Date	February 2019

SAMPLE

External Quality Assurer commentary

Band awarded for this assessment criterion – Band 3

Justification for the awarded grade:

The learner has managed the project through a learning log, preparing and planning a wide range of project stages, time frames and resources. Each section of the business plan has been taken in stages and resources have been utilised to manage the project effectively. The learner has evaluated a range of their approaches, skills and accomplishments.

Explain what would be 'excluded' for this work to have been –

Band 2

The learner would have used a more narrow range of project stages, time frames and resources when managing the project. The learner would have evaluated only some of their approaches, skills and accomplishments.

Marking Guide

/\ word missing	sp spelling	p punctuation	gr grammar
ex poor expression	T wrong tense	? meaning unclear	
Cp capital letter	// new paragraph	! not sure what this is—incoherent	

Overall Grade

Using the grading calculator on NCFE's website and the grades allocated the overall grade is below:

AO1 – Band 3

AO2 – Band 3

AO3 – Band 3

AO4 – Band 3

AO5 – Band 3

Overall grade = Level 2 Distinction

SAMPLE