



# NCFE Level 1/2 Technical Award in Business and Enterprise (603/2955/5)

## Internal Synoptic Project

### December 2019

#### Centre instructions

- To be given to learners on or after **16 December 2019**.
- This internal synoptic project is intended for those learners who will be claiming their certificates in **summer 2020 only**.

#### Learner instructions

- Read the project brief carefully before you start the work.
- You **must** clearly identify all of the work you produce during the supervised time.
- You **must** hand in all of your work to the supervisor at the end of each session.

#### Learner information

- This internal synoptic project will assess your knowledge and understanding from across the qualification.
- The completion time for this internal synoptic project is 21 hours.
- All of the work you submit **must** be your own.

Please complete the details below clearly and in BLOCK CAPITALS.

Learner name \_\_\_\_\_

Centre name \_\_\_\_\_

Learner number

Centre number

## **Project Brief**

### **Quorum Ltd**

Quorum Ltd sell their own brand of high-quality training shoes (trainers). The uppers and soles of these trainers are made from the latest high-tech materials. Quorum Ltd's trainers are worn by young adults as leisure footwear.

The trainers are designed by Quorum Ltd at their head office in Newcastle in the United Kingdom. Production of the trainers is outsourced to a UK footwear manufacturer. Quorum only offer three trainer styles each season. They do however change their product range in March every year.

Quorum Ltd have a warehouse on the same out-of-town trading estate as their head office. The warehouse receives deliveries of the trainers from the manufacturer, holds stock and arranges delivery by couriers to the customer. Quorum Ltd has experienced quality issues with some of the trainers supplied by the manufacturer. This has led to some customer complaints.

Currently, the trainers are only sold on Quorum Ltd's e-commerce web site, to customers in the UK. They have no plans to sell their shoes in other countries.

Sales of the trainers have risen over the last 3 years and the company has expanded its warehouse operations gradually over this period.

Quorum Ltd are concerned that because they sell into the fashion market, they are left with stock that is 'out of fashion' at the end of each fashion season. This is a cost to Quorum Ltd, as stock left over from last season is sold off in an end of season sale, often at below cost price.

Quorum Ltd wants to expand its business into a new market that is not seasonal.

It plans to manufacture a running shoe that could be used in the gym or for light training and jogging. The shoe would be sold with a new brand name – URUN.

By manufacturing their own running shoe, the company think they can react to rapid changes in seasonal demand. They also think they will have better control over the quality of the product through a quality assurance process.

Quorum Ltd thinks the target market would not regard URUN as a fashion item. The company therefore expects the running shoes to have a longer product life cycle than their trainers.

Quorum Ltd will launch URUN in 2020. They will sell the running shoes at £50 per pair. In the first year the company predicts sales of 8,000, with a cost of sales of £15 per pair. In year two, the company predicts sales will rise to 12,000. They also predict that cost of sales per pair will not change.

To manufacture URUN, the company will have to set up its own manufacturing base and will need premises and machinery; they will need to source funding to do this.

Quorum Ltd intends to apply for a bank loan and will need to present its business plan to a bank to secure the loan. You have been provided with financial and sales information to review on the following pages:

- Appendix 1 on page 7
- Appendix 2 on page 8
- Appendix 3 on page 9

## **Learner log and project evaluation**

As you work through the project, you are **required** to keep a learner log to record your approach. You should include:

- 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 that Quorum Ltd could present to a bank when applying for a bank loan. 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
- graphs.

**During the project, you will need to refer to the 'Project Brief' to obtain information.**

## Assessment objectives

The internal synoptic project is a formal assessment that will contribute 60% towards your overall qualification grade and therefore it is important that you produce work to the highest standard that you can.

You will be assessed on your ability to independently select, apply and bring together the appropriate knowledge, understanding, skills and techniques you have learnt throughout your course of study, in response to a brief set in a real-world situation.

The internal synoptic project will be assessed holistically against five integrated assessment objectives. These assessment objectives and their weightings are shown below.

| Assessment Objective   | % weighting |
|--|-------------|
| <b>AO1 – Recall knowledge and show understanding</b><br>The emphasis here is for learners to recall and communicate the fundamental elements of knowledge and understanding.   | 10%         |
| <b>AO2 – Apply knowledge and understanding</b><br>The emphasis here is for learners to apply their knowledge and understanding to real-world contexts and novel situations, including finding creative solutions.                                    | 15%         |
| <b>AO3 – Analyse and evaluate knowledge and understanding</b><br>The emphasis here is for learners to develop analytical thinking skills to make reasoned judgements and reach conclusions.  | 20%         |
| <b>AO4 – Demonstrate and apply technical skills and processes</b><br>The emphasis here is for learners to demonstrate the essential technical skills relevant to the vocational sector, by applying the appropriate processes, tools and techniques. | 45%         |
| <b>AO5 – Manage and evaluate the project</b><br>The emphasis here is for learners to develop the necessary skills of forethought, time management, self-reliance and self-reflection.  | 10%         |

## Grading descriptors

The assessment for each AO is broken down into bands, with each band having an associated descriptor indicating performance at that band.

Assessors must make a judgement using all of the evidence you produce to determine the assessment decisions for the internal synoptic project.

**The internal synoptic project requires effective use of integrated knowledge, understanding and skills from across the full breadth of the qualification content.**

| <b>AO1 Recall knowledge and show understanding</b> |  |
|--|--|
| <b>Band</b>  | <b>Descriptors</b>   |
| <b>3</b>   | Learners recall and communicate <b>comprehensive</b> knowledge and understanding from a <b>wide range</b> of business and enterprise principles.<br>Subject-specific terminology is used <b>accurately</b> and <b>consistently throughout</b> the project. |
| <b>2</b>   | Learners recall and communicate <b>some</b> knowledge and understanding from a <b>range</b> of business and enterprise principles.<br>Subject-specific terminology is used <b>accurately</b> on occasion.  |
| <b>1</b>   | Learners recall and communicate <b>basic</b> knowledge and understanding from a <b>limited range</b> of business and enterprise principles.<br>Subject-specific terminology is <b>basic</b> and <b>inconsistent</b> .                                      |
| <b>NYA</b>   | No rewardable material.  |

| <b>AO2 Apply knowledge and understanding</b> |  |
|--|--|
| <b>Band</b>                                  | <b>Descriptors</b>   |
| <b>3</b>                                     | Learners <b>accurately</b> apply knowledge and understanding of business and enterprise principles which is <b>relevant</b> to the context and situation.                        |
| <b>2</b>                                     | Learners' application of knowledge and understanding of business and enterprise principles is <b>mostly accurate</b> and has <b>some relevance</b> to the context and situation. |
| <b>1</b>                                     | Learners' application of knowledge and understanding of business and enterprise principles is of <b>limited accuracy</b> and <b>relevance</b> to the context and situation.      |
| <b>NYA</b>                                   | No rewardable material.  |

| <b>AO3 Analyse and evaluate knowledge and understanding</b> |   |
|---|---|
| <b>Band</b>   | <b>Descriptors</b>  |
| <b>3</b>  | Learners <b>critically</b> analyse and evaluate selected data and information, <b>systematically</b> judging and reaching <b>reasoned</b> and <b>valid</b> conclusions. |
| <b>2</b>  | Learners <b>appropriately</b> analyse and evaluate selected data and information, judging and reaching <b>suitable</b> conclusions.                                     |
| <b>1</b>  | Learners <b>respond simply</b> to data and information and <b>provide comments</b> .  |
| <b>NYA</b>  | No rewardable material.   |

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| <b>AO4 Demonstrate and apply technical skills and processes</b> |  |
|---|--|
| <b>Band</b>   | <b>Descriptors</b>   |
| <b>3</b>  | Learners have demonstrated and applied <b>relevant</b> business and enterprise skills <b>effectively</b> by applying and using <b>appropriate</b> processes, tools and techniques.<br>Learners have demonstrated and applied business and enterprise skills to develop a <b>complete</b> and <b>effective</b> outcome.                         |
| <b>2</b>  | Learners have demonstrated and applied <b>mostly relevant</b> business and enterprise technical skills by applying and using <b>mostly appropriate</b> processes, tools and techniques.<br>Learners have demonstrated and applied business and enterprise skills and processes to develop a <b>mostly complete</b> and <b>working</b> outcome. |
| <b>1</b>  | Learners have demonstrated and applied <b>basic</b> business and enterprise technical skills by applying and using processes, tools and techniques <b>in a limited way</b> .<br>Learners have demonstrated and applied business and enterprise skills and processes to develop a <b>partially complete</b> outcome.                            |
| <b>NYA</b>  | No rewardable material.  |

| <b>AO5 Manage and evaluate the project</b> |   |
|--|---|
| <b>Band</b>                                | <b>Descriptors</b>  |
| <b>3</b>                                   | Learners have managed the project, including preparation and planning of a <b>wide range</b> of project stages, time frames and resources.<br>Learners have evaluated a <b>range</b> of their approaches, skills and accomplishments.           |
| <b>2</b>                                   | Learners have managed the project, including preparation and planning of a <b>range</b> of project stages, time frames and resources.<br>Learners have evaluated <b>some of</b> their approaches, skills and accomplishments.                   |
| <b>1</b>                                   | Learners have managed the project, including preparation and planning of a <b>limited range</b> of project stages, time frames and resources.<br>Learners have <b>commented</b> on <b>some</b> of their approaches, skills and accomplishments. |
| <b>NYA</b>                                 | No rewardable material.   |

## Appendix 1

| <b>Income Statement for Quorum Ltd</b> |               |               |               |
|--|---------------|---------------|---------------|
|  | <b>2016 £</b> | <b>2017 £</b> | <b>2018 £</b> |
| Sales revenue                          | 1,500,000     | 1,700,000     | 1,900,000     |
| Cost of sales                          | 800,000       | 900,000       | 1,000,000     |
| Gross profit                           | 700,000       | 800,000       | 900,000       |
| <b>EXPENSES</b>                        |               |               |               |
| Rent                                   | 40,000        | 40,000        | 40,000        |
| Wages                                  | 450,000       | 465,000       | 480,000       |
| Vehicles                               | 2,000         | 3,000         | 3,000         |
| Delivery                               | 130,000       | 140,000       | 150,000       |
| Utilities                              | 1,000         | 1,100         | 1,200         |
| Advertising                            | 10,000        | 15,000        | 20,000        |
| Telephone                              | 1,000         | 1,100         | 1,200         |
| Total Expenses                         | 634,000       | 665,200       | 695,400       |
| Net Profit                             | 66,000        | 134,800       | 204,600       |



## Appendix 2

| <b>Forecast data for the new production facility for the new brand URUN trainers</b> |          |
|--|----------|
| Total Fixed costs  | £250,000 |
| Unit Variable cost   | £15      |
| URUN selling price   | £50      |
| <b>Sales forecasts</b>   | Pairs    |
| 2020   | 8,000    |
| 2021   | 12,000   |

### Appendix 3

| <b>Training/Sports Shoes Total UK sales</b> |             |             |             |             |             |
|---|-------------|-------------|-------------|-------------|-------------|
|   | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> |
| Pairs (million)                             | 20          | 25          | 27          | 30          | 33          |
| Average price (pair)                        | 50          | 54          | £57         | £60         | £63         |

This is the end of the internal synoptic project.

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