



BSBESB407

ASSESSOR GUIDE

Manage finances for new business ventures

Assessment 2 of 2

Project

Assessment Instructions

Task overview

This assessment task is divided into three [3] tasks. Read each question carefully before typing your response in the space provided.

Additional resources and supporting documents

- To complete this assessment, you will need:
 - Bounce Fitness Credit Policy
 - Bounce Fitness Credit Collection Procedure
 - Financial Procedures Sydney Center template
 - Investment Proposal template
 - Latest Statements template
 - Profit and Loss Cashflow template
 - Sydney Centre Credit Policy and Procedure template



Assessment Information

Submission

You are entitled to three [3] attempts to complete this assessment satisfactorily. Incomplete assessments will not be marked and will count as one of your three attempts.

All questions must be responded to correctly to be assessed as satisfactory for this assessment.

Answers must be typed into the space provided and submitted electronically via the LMS. Hand-written assessments will not be accepted unless previously arranged with your assessor.



Reasonable adjustment

Students may request a reasonable adjustment for assessment tasks.

Reasonable adjustment usually involves varying:

- the processes for conducting the assessment [e.g. allowing additional time]
- the evidence gathering techniques [e.g. oral rather than written questioning, use of a scribe, modifications to equipment]

However, the evidence collected must allow the student to demonstrate all requirements of the unit.

Refer to the Student Handbook or contact your Trainer for further information.



Please consider the environment before printing this assessment.

Task 1

Casy study

For this assessment, you will play the role of Jacinta Scotts, Sydney Centre Manager (Bounce Fitness).

Bounce Fitness is made up of four fitness centres. The Head office is currently established in Cairns, Queensland. The other centres are in Brisbane (Queensland), Sydney (New South Wales) and Melbourne (Victoria).

Each centre has been asked to come up with an idea for a new business venture. You and your team decided to develop and deliver an online strength-training program. The CEO, Margaret House, has asked you to implement a financial strategy for the new online program using new and emerging digital technologies. Your financial strategy will be reviewed by the board of directors to evaluate the success of the new business venture.

About the online strength training program

The new business venture is an online strength-training program. Members, as well as non-members, can join through the website. Customers will be charged \$25 per month through direct debit, and they will have access to videos, articles as well as nutrition tips and diet plans.

Advertising and promotion channels:

- Social media posts (Facebook and Instagram)
- 100 flyers on the reception desk
- Five (5) Posters inside the fitness centres in key locations

After analysing the project requirements with the marketing team, we were advised that the overall cost would be \$2,000 for 8 weeks to launch and promote the new business venture. After the initial 8 weeks, they believe that they will only need an extra \$500 per month to keep promoting the online programs. The current monthly cost for advertising all the services Bounce Fitness offers is \$2,500 per month.

The marketing team conducted a survey to see if current members would be interested in joining an online program. They also conducted research to identify the expression of interest for online programs in the market, and they expect 150 sales in the first month, with the number increasing in the following months.

Development

The five (5) fitness instructors who are currently working for the Sydney Fitness Centre will develop 30 videos with strength training exercises. Each video will be roughly 25 – 30 minutes long.

If the program is successful, the fitness instructors will develop more videos to build up the online library.

The videos will be recorded in one of the rooms used for the classes.

The Bounce Fitness Web Design team will have to organise where the content will be uploaded and how customers will be charged. After analysing the project requirements with the IT team, we were advised that the overall cost would be \$12,000, and they would need to work on it for 8 weeks. The IT team will need to be paid for ongoing IT Support \$100/per month after the first two months.

Human resource requirements

Two of the fitness instructors are working full time and three of them are working on a casual basis for 15 hours per week. Their wages are below:

Full-time: \$6,400/month

Casual employees: 40/hour

The casual fitness instructors are currently working 15 hours per week but will be required to work 5 hours extra to assist with the development of the videos and the website content for 8 weeks. So, the Sydney centre will need to spend \$4,800 (\$40 x 5 hours x 3 fitness instructors x 8 weeks) on wages for the new business venture \$2,400 per month for the first 2 months.

We will need to engage a team to develop our videos professionally. We found an experienced team of videographers that agreed on \$600 per video. Their services include filming, editing and use of the latest equipment.

Our plan is to develop 10 more videos in December. We have already booked the same videographers, and we have decided to engage our casual fitness instructors for 5 hours per week for 4 weeks in December. This hopefully will boost our sales by 30% for the following months.

Available Funds: \$20,000

What value will the new business venture offer:

The new online strength training program will assist the implementation of the Bounce Fitness business plan by supporting the achievement of the financial goals for each fitness centre described in it.

Financial Goals for each centre for the coming year

- Return on investment of at least 15%
- Increase net earnings by at least 10%
- Achieve a market share of 15% in each area
- Increase sales 5% by June 30 through marketing initiatives
- 30% new memberships after December

Activity 1

Firstly, you will need to identify the financial information requirements for the new business venture by reading the information provided in the case study and filling out the table below.

Assessor Instructions

Students must identify the financial information requirements for the new business venture by reading the information provided in the case study and filling out the table below.

A sample answer is provided below.

Financial Information Requirements	
Advertising and promotion cost	\$2,000
Development cost	\$12,000
Human resources cost (Fitness instructors and videographers)	Fitness Instructors: \$4,800 Videographers: \$600 x 30 = \$18,000 Total: \$22,800
Total cost	\$36,800
Available funds	\$20,000
How many members do we need per month to pay off the initial cost in the first 12 months (without using available funds)?	123 members [\$36,800 / 12 months = \$3,066, \$3,066 / \$25 = 122.6]

Activity 2

After identifying the financial information requirements, you needed to obtain information regarding online sales tax for the new business venture. To do so you will need to contact the company's accountant. His contact details are below:

The accountant's details:

Name: John Smith
Title: Accountant
Company: Sydney accounting services
Email: johns@saservices.com
Phone: 0412 345 678

Use the template below to write your email. In your email, you need to include:

- include a greeting.
- include a date and time stamp for the email.
- send it to John Smith, Accountant
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - specify the information you would like to obtain for the new business venture
 - give information regarding the new business venture
- complete the email footer specifying your name and position in line with the case study.

[Approximate word count: 50 – 100 words]

Assessor Instructions

Students send an email to the accountant and obtain information regarding online sales tax rates for the new business venture.

Students need to use the template below to write their emails. In their email, you need to include:

In their email, they will need to:

- include a greeting.
- include a date and time stamp for the email.
- send it to John Smith, Accountant
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - specify the information you would like to obtain for the new business venture
 - give information regarding the new business venture
- complete the email footer specifying your name and position in line with the case study.

Students' answers will vary, but their answers need to reflect the content in the sample answer below.

A sample answer is provided below.



Email Template

To:	John Smith, Accountant
From:	Jacinta Scotts, Sydney Centre Manager
CC:	
Date/time:	22.07.2022, 5:35 PM
Subject:	Online Sales Tax
Attachments:	

Dear John,

I am working on a new business venture for Bounce Fitness Sydney Centre, and I need information regarding online sales tax and if there are any implications.

The new business venture is an online Pilates program. Members, as well as non-members, can join on our website. Customers will be charged \$25 per month through direct debit, and they will have access to videos, articles as well as nutrition tips and diet plans.

I am looking forward to hearing back from you.

Kind regards,

Jacinta Scotts



Sydney Centre Manager
Sydney, NSW 2000
Phone: 123 456
Bounce Fitness

Activity 3

Case study

Margaret House, the CEO, asked you to prepare the following financial statements for the new business venture:

- Projected Profit and Loss Statement
- Projected Cash Flow Statement

According to workplace policies and procedures, you will need to distribute these statements to Margaret House, the CEO.

It is a legal requirement to lodge these statements with ASIC [Australian Securities and Investment Commission]. Therefore, Margaret asked you to cc [carbon copy] the accountant, John Smith, in the email.

You need to prepare a projected Profit and Loss and a projected Cash flow statement. Access and fill out the template below:

- Profit and Loss Cashflow template

Parts of the template have already been filled out for you. When filling out the template, you will need to take into consideration:

- Which costs are variable
- Which costs are fixed
- You will need to insert the amount Bounce Fitness will make from sales of the online program. For the first 2 months during the development phase, the amount will be \$0. For the following months, you will need to multiply the expected number of sales by \$25.
- For all the months after December, you will need to add 30% to the amount of the expected sales due to the development of the new videos.
- To fill out the “Wages and Salaries”: You will need to insert the amount that you will need to pay the casual employees per month for the first two months and for the month of December.
- To fill out advertising, you will need to calculate the cost for the launch and promotion as well as the cost after the initial 8 weeks.
- For the Website development, you will need to insert the amount that needs to be spent per month for the first two months
- For the Ongoing IT support, you will need to insert the amount mentioned in the case study.
- When estimating variable cost, the amount you insert should be up to 5% more or less than the first month

Assessor Instructions

Students must prepare a Profit and Loss and a Cash Flow Statement. Parts of the template have already been filled out for you. When filling out the template, you will need to take into consideration:

- Which costs are variable

- Which costs are fixed
- They will need to insert the amount Bounce Fitness will make from sales of the online program. For the first 2 months during the development phase, the amount will be \$0. For the following months, they will need to multiply the expected number of sales by \$25. (150 x 25 \$3,750). From December onwards, they will need to add 30% to the \$3,750 = \$4,875
- They will need to calculate the total amount per month for casual employees using the information in the case study. They will need to insert the following amount of \$2,400 for the first two months as well as December for “Wages & Salaries”. For all the other months, the amount should be \$0.
- For the Website development, they will need to insert the amount that needs to be spent per month for the first two months
- For the Ongoing IT support, they will need to insert the amount mentioned in the case study.
- Advertising cost will be \$1,000 a month for the first 2 months. And then \$500 for the rest of the year.

The following colour coding has been used to show how the student’s responses will be assessed:

- Green: All the assumptions and calculations according to the case study have been inserted in green
- Blue: Fixed costs.
Amounts need to remain the same for the fixed costs. Where adjustments were necessary according to the assumptions, fixed costs need to follow the changes required in the case study.
- Red: Variable costs
Amounts need to change, and students’ answers will vary. However, they will need to be within the range provided (5%)

A sample answer is provided in the assessor’s folder:

- Profit and Loss Cashflow - Sample Answers

Activity 4

You will need to send the statements you prepared to Margaret House, the CEO and CC the accountant John Smith. To do so, you will need to use the template below to write your email.

In your email, you will need to:

- include a greeting
- include a date and time stamp for the email
- send it to Margaret House, CEO
- cc (carbon copy) the accountant John Smith
- include the name of the attachment
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - inform the recipients about the attachments
- complete the email footer specifying your name and position in line with the case study.

[Approximate word count:40 - 60 words]

Assessor Instructions

Students must send the statements they prepared to Margaret House, the CEO and CC the accountant John Smith. To do so, they need to use the template below to write their email.

In their email, they will need to:

- include a greeting
- include a date and time stamp for the email
- send it to Margaret House, CEO
- cc (carbon copy) the accountant John Smith
- include the name of the attachment
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - inform the recipients about the attachments
- complete the email footer specifying your name and position in line with the case study.

Students' answers will vary, but their answers need to reflect the content in the sample answer below.



Email Template

To:	Margaret House, CEO
From:	Jacinta Scotts, Sydney Centre Manager
CC:	John Smith, Accountant
Date/time:	25.07.2022, 3:41 PM
Subject:	Financial Statements
Attachments:	Profit and Loss _ Cashflow_ xlsx

Dear Margaret and John,


I have attached two financial statements in this email as requested:

- Projected Profit and Loss Statement
- Projected Cashflow Statement.

If you have any questions regarding the statements, please do not hesitate to contact me anytime.

Kind regards

Jacinta Scotts

	Sydney Centre Manager Sydney, NSW 2000 Phone: 123 456 Bounce Fitness
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Activity 5

Case study

The total cost of the business venture is \$36,800, and your available funds are \$20,000.

To be able to develop and run the online strength training program you will need to get extra funds from the Head Office. After consulting with your team, you decided to request an additional \$20,000 from the Head Office to invest in the Online strength training program. \$16,800 will be used to cover the costs, and an additional \$3,200 will be requested to cover any unexpected costs.

Margaret asked you to develop a plan explaining how you will manage business capital. In your plan, you will need to explain why and how the new business venture helps with the implementation of the Bounce Fitness business plan.

After you finish developing the plan, she has organised a meeting where you will need to present your plan and negotiate with all relevant stakeholders.

You will need to access and fill out the Investment Proposal template. To complete the template, you will need to use the information provided in the case study.

Assessor Instructions

Students must access and fill out the Investment Proposal Template. To complete the template, they will need to use the information provided in the case study.

Students' answers will vary, but their answers need to reflect the content in the sample answer.

A sample answer is provided in the assessor's folder:

- Investment Proposal – Sample answers

Activity 6

You need to present the Investment Proposal you developed in Task 1 Activity 5 to Margaret House, CEO and Steve Brinkley, Finance General Manager.

In your meeting with them, you need to ensure you:

- include a brief description summarising the purpose of the meeting
- present your Investment Proposal from Task 1 Activity 5
- present your ideas and any requirements clearly, using language and non-verbal techniques appropriate to the audience and environment
- use questioning and listening techniques to check and confirm understanding

You are required to upload a video of yourself and two (2) others engaged in a short meeting. The participants will need to consult with you and confirm they will provide your centre with the funds you requested.

The participants will be Margaret House, the CEO and Steve Brinkley, the Finance General Manager. The participants must be fully briefed as outlined in the role-play instructions.

Role play instructions

The role play/meeting must include two [2] participants, must not exceed 10 minutes in duration and must address all elements of the Observation Checklist below.

In this task, you will participate in a role-play/meeting with two [2] others. These may be sourced using one of the following options:

1. peers who you are already working within the industry your qualification relates to.
2. fellow students who will play the role of the stakeholders. Please contact your fellow students via the Discussion Forum and coordinate your role-play with them directly.

If you are unable to find participants to play the role of the other team members, contact your assessor via the Discussion Forum, who will discuss options for pairing up with other students to complete this task.

Option 1: Peer participants

Should you complete this task with your peers, you must fully brief all participants, providing them with the context of the role-play/meeting, a role outline to play and a copy of the observation checklist so that they can prepare for the recording.

Peers will need to state their name and job title at the start of the recording to inform consent.

Option 2: Fellow student participants

Fellow students participating in the recording must be provided with context to their role and responsibilities in the session and have reviewed the assessment activity and observation checklist so that they can prepare for the recording.

Students will need to state their name and that they are a student [as their job title] at the start of the recording to inform consent.

Participants' briefing instructions:

Margaret House, CEO:

- Listen to the presentation carefully
- Ask what the available funds of the Centre are and what is the total cost of the project
- Confirm your understanding
- Confirm your support for the new business venture

Steve Brinkley, Finance General Manager:

- Listen to the presentation carefully
- Confirm your understanding
- Confirm your support and let them know they will provide the centre with the funds requested

Recording instructions

Your role play must be recorded with all participants captured in a virtual room using a system such as Zoom, Skype or Teams.

Consent to participate in the recording must be captured for all participants at the start of the meeting. This is achieved by the student reading the following statement at the start of the recording, with all participants replying with their name and job title to inform consent.

"This session/presentation is being recorded for assessment purposes for my course with Colab. This session will be recorded and submitted through my course online learning platform to my Assessor for grading. All participant/s in this session indicate their consent to be included in this recording by stating their name and job title."

The time taken to capture consent at the start of the recording does not count towards the recording time limit.

Include this recording as part of your assessment submission.

ASSESSOR OBSERVATION CHECKLIST: Task 1, Activity 6

Students are required to upload a video of themselves, and two (2) others engaged in a short meeting. The participants will need to consult with you and confirm their support of the new business venture. The participants will be, Margaret House, the CEO and Steve Brinkley, the Finance General Manager. The participants must be fully briefed as outlined in the role play instructions.

The meeting should be a maximum of 10 minutes.

Students must demonstrate each of the performance criteria outlined in the observation checklist below.

ACTIVITY	SATISFACTORY YES / NO	ASSESSOR COMMENTS
Task checklist		
Present the Investment Proposal from Task 1 Activity 5		<p>The student has:</p> <ul style="list-style-type: none"> • presented the investment proposal • explained all financial aspects included in the proposal • explained how the new business venture will assist with the implementation of Bounce Fitness business plan
Confirm Margaret and Steve's understanding and support of the new business venture		<p>The student has:</p> <ul style="list-style-type: none"> • confirmed Margaret's and Steve's support of the new business venture
Skills checklist		
Students must articulate clearly using specific and relevant language suitable to audience to convey requirements		<p>The student has:</p> <ul style="list-style-type: none"> • used language and non-verbal techniques appropriate to address Margaret, the CEO and Steve, the Finance General Manager
Students must employ listening and questioning techniques to confirm understanding		<p>The student has:</p> <ul style="list-style-type: none"> • used questioning and listening to receive confirmation regarding the stakeholders' support of the new business venture

Activity 7

You will need to develop strategies and enable adequate financial provision for taxation according to legal requirements and explain how these strategies will be maintained.

Fill out the table below using your own words. To answer this question, you can use the information provided in your learning material.

[Approximate word count: 250 – 300 words]

Assessor Instructions

Students must develop strategies and enable adequate financial provision for taxation according to legal requirements and explain how these strategies will be maintained.

They will need to fill out the table below using their own words. To answer this question, they can use the information provided in their learning material.

Students' answers will vary, but their answers need to reflect the content in the sample answer below.

Type of Tax	Strategy to enable financial provision	Process to maintain your strategies
GST (Goods & Services Tax)	To enable adequate financial provision for goods and services tax, a current liability can be created to hold the GST collected from each sales transaction and the equivalent amount of cash kept in a separate bank account. This ensures that when the GST collected must be remitted to the Australian Taxation Office; sufficient cash is available to make the payment.	<ol style="list-style-type: none">1. Remain informed about the current requirements as the regulations may change.2. Review the ATO's taxation requirements for businesses on at least an annual basis.3. Enlist the services of specialists like tax advisors.
Business Income Tax	To enable adequate financial provision for business income tax, a current liability can be created every month to hold the approximate tax instalment amount, and the equivalent amount of cash kept in a separate bank account. This ensures that when the business income tax must be remitted to the Australian Taxation Office, sufficient cash is available to make the payment.	<ol style="list-style-type: none">4. Test your systems and controls.5. Review your tax governance framework periodically.6. Review your policies and procedures periodically to ensure they are up to date with current tax laws.
PAYG Withholding Tax	To enable adequate financial provision for PAYG Withholding Tax, a current liability can be created to hold the PAYG Withholding Tax	<ol style="list-style-type: none">7. Ensure accounting and tax staff undertake continuing

	<p>deducted from each pay run and the equivalent amount of cash kept in a separate bank account. This ensures that when the PAYG Withholding Tax must be remitted to the Australian Taxation Office, sufficient cash is available to make the payment.</p>	<p>professional development to maintain their skills and knowledge.</p> <p>8. Maintain up-to-date tax modules in your accounting systems.</p>
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Activity 8

Margaret asked you to develop client credit policies for the Sydney centre to maximise cash flow and explain how you will monitor and maintain them. You will need to access and review:

- Bounce Fitness Credit Policy
- Bounce Fitness Credit Collection Procedure

Then you will need to develop a credit policy and credit collection procedure by filling out the Sydney Centre Credit Policy and Procedure template. In your document, you will need to ensure that:

- All sections are filled out based on the information provided in the Bounce Fitness Credit Policy and the Bounce Fitness Credit Collection Procedure
- You change Bounce Fitness to Bounce Fitness Sydney Centre
- The person in charge of account recoveries for your centre will be Martin Saunders, Assistant Manager [Sydney Centre]
- The person responsible for the collection of outstanding accounts and complying with credit policies and procedures will be you, Jacinta Scotts.
- The Finance General Manager will be consulted by you, Jacinta Scotts, when required as per the schedule.
- All the responsibilities in the schedule will need to be assigned to Martin Saunders, Assistant Manager [Sydney Centre], except:
 - “Consult with General Manager to be advised to:” which will need to be assigned to Jacinta Scotts, Sydney Centre Manager
 - “Order Solicitors Letter of Demand”, which will need to be assigned to the General Manager of Finance
- This is the first version of this document created by you and needs to be reviewed every three months. You will need to describe the sections this document includes in the description column.

Assessor Instructions

Students must develop client credit policies to maximise cash flow and explain how they will monitor and maintain them. They will need to access and review:

- Bounce Fitness Credit Policy
- Bounce Fitness Credit Collection Procedure

They will need to develop a credit policy and credit collection procedure by filling out the Sydney Centre Credit Policy and Procedure template. In your document, you will need to ensure that:

- All sections are filled out based on the information provided in the Bounce Fitness Credit Policy and the Bounce Fitness Credit Collection Procedure.
- You change Bounce Fitness to Bounce Fitness Sydney Centre
- The person in charge of account recoveries for your centre will be Martin Saunders, Assistant Manager [Sydney Centre]
- The person responsible for the collection of outstanding accounts and complying with credit policies and procedures will be Jacinta Scotts.

- The Finance General Manager will be consulted by Jacinta Scotts, when required as per the schedule.
- All the responsibilities in the schedule will need to be assigned to Martin Saunders, Assistant Manager (Sydney Centre) except:
 - “Consult with General Manager to be advised to:” which will need to be assigned to Jacinta Scotts, Sydney Centre Manager
 - “Order Solicitors Letter of Demand” which will need to be assigned to the General Manager of Finance
- Students will need to fill out the monitor and review table at the end. They need to insert the following information:
 - Version 1.0
 - Date of creation
 - Description [students’ words will vary but their answer needs to reflect the sample answer in the document]
 - Created by Jacinta Scotts
 - Next review should be 3 months after the date of creation

A sample answer is provided in the assessor’s folder:

- Client Credit Policies template – Sample answers

Activity 9

Case study

Margaret House, the CEO, asked you to select KPIs (Key Performance Indicators) according to Bounce Fitness's business plan to measure the financial performance of the new business venture. More specifically, she would like you to select KPIs that measure the following aspects:

- A KPI that measures how much money a business makes by the sale of products and services before deducting expenses
- A KPI that measures the ratio of net profits to revenue
- A KPI that measures the profitability of your investment and helps assess the profit made from a business investment or a business decision
- A KPI that measures when the revenue will cover the cost

Margaret also requested you provide the calculation formulas for the KPIs you will select.

Fill out the table below by selecting the correct KPI to measure the performance described in column 1 and inserting the calculation formula in column 3. To identify which KPIs to choose, you can use the information provided in your learner material.

Assessor Instructions

Students must fill out the table below by selecting the correct KPI to measure the performance described in column 1 and inserting the calculation formula in column 3.

The learning material has an extensive explanation of KPIs, what they measure and the calculation formulas.

The student will need to be able to identify the correct KPI for each performance description.

Students' answers must match the exemplar answers below.

Performance Description	KPI	Calculation formula
A KPI that measures how much money a business makes by the sale of products and services before deducting expenses	Revenue	$Revenue = Sale\ price \times No.\ of\ Units\ Sold$
A KPI that measures the ratio of net profits to revenue	Net Profit Margin	$Net\ Profit\ Margin = \frac{Total\ Revenue - Total\ Expenses}{Total\ Revenue} \times 100$
A KPI that measures the profitability of your investment and helps assess the profit made from a business investment or a business decision	Return on Investment (ROI)	There are many ways to calculate ROI. $ROI = \frac{Net\ Profit}{Cost\ of\ Investment} \times 100$

		$ROI = \frac{\text{Earning Before Interest and Tax (EBIT)}}{\text{Capital Employed}}$
A KPI that measures when the revenue will cover the cost	Break – Even Point	$\text{Breakeven Point} = \frac{\text{Fixed Costs}}{(\text{Sales price per unit} - \text{Variable Cost per unit})}$

Activity 10

According to Bounce Fitness workplace procedures, you will need to record and communicate the following financial procedures to the relevant personnel:

- Financial provision for taxation strategies
- Sydney Centre Credit Policy and Procedure
- Table with KPIs

You will need to access and fill out the Financial Procedures Sydney Centre template and insert all three (3) financial procedures in the spaces provided.

Then you will need to use the email template below and send them to Margaret House, CEO, Steve Brinkley, Finance General Manager and Martin Saunders, Assistant Manager (Sydney Centre).

In your email, you will need to:

- include a greeting
- include a date and time stamp for the email
- send it to Margaret House, CEO, Steve Brinkley, Finance General Manager and Martin Saunders, Assistant Manager (Sydney Centre)
- include the names of the attachments
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - inform the recipients about the attachments
- complete the email footer specifying your name and position in line with the case study.

(Approximate word count: 40 – 60 words)

Assessor Instructions

Students must record and communicate the following financial procedures to the relevant personnel:

- Financial provision for taxation strategies
- Sydney Centre Credit Policy and Procedure
- Table with KPIs

They will need to access and fill out the template “Financial Procedures Sydney Center” and insert all three (3) financial procedures in the spaces provided.

A sample answer to this document is provided in the Assessor’s folder:

- Financial Procedures Sydney Center – Samples Answers

They need to use the email template below and send them to Margaret House, CEO, Steve Brinkley, Finance General Manager and Martin Saunders, Assistant Manager (Sydney Centre)

In their email they will need to:

- include a greeting
- include a date and time stamp for the email

- send it to Margaret House, CEO, Steve Brinkley, Finance General Manager and Martin Saunders, Assistant Manager [Sydney Centre]
- include the name of the attachment
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - inform the recipients about the attachments
- complete the email footer specifying their name and position in line with the case study.

Students' answers will vary but their answers need to reflect the content in the sample answer below.

A sample answer is provided below.



Email Template

To:	Margaret House, CEO Steve Brinkley, Finance General Manager Martin Saunders, Assistant Manager [Sydney Centre]
From:	Jacinta Scotts, Sydney Centre Manager
CC:	
Date/time:	26.07.2022, 9:55 AM
Subject:	Financial Procedures
Attachments:	Financial Procedures Fitness centre

Dear Margaret, Steve, and Martin,


I have attached the following financial procedures for Bounce Fitness Sydney Centre:

- Financial provision for taxation strategies
- Sydney Centre Credit Policy and Procedure
- Table with KPIs

If you have any questions regarding the statements, please do not hesitate to contact me anytime.

Kind regards,

Jacinta Scotts

	Sydney Centre Manager Sydney, NSW 2000 Phone: 123 456 Bounce Fitness
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Task 2

Case study

The following information was observed after 3 months:

- The development phase lasted for 9 weeks instead of 8, which impacted the cost of the project. The Sydney Centre needed to pay the three (3) casual fitness instructors extra for another week. The extra cost was \$600.
- The delay was caused because the videographers had an issue with their equipment, and unfortunately, there was no contingency plan according to our operational strategies. However, since the agreement was for the videographers to be paid per video and not per day, the amount for the video development remained the same.
- The website design team developed the website requirements on time and did not exceed the expected cost.
- Only 75 people enrolled in the online strength training program through marketing activities. The marketing team advised you that they followed their marketing strategies as discussed, but they did not achieve the expected outcome, which was 150 enrolments.
- In total the first month, the online strength training program had 130 members and not the 150 that was expected.

Activity 1

Margaret asked you to monitor the financial performance targets. You will need to access and update the Latest Statements template with the latest information. More specifically, you will need to make adjustments on:

- The amount of sales of the online strength training program for September in the Profit and Loss Statement. Compared to your projected Profit and Loss Statement, the amount will be different.
- The amount of Wages & Salaries in the Profit and Loss Statement for September, including the extra cost.
- The Net Sales in your Cash Flow Statement
- The amount of Wages & Salaries in the Cash Flow Statement for September, including the extra cost.

Assessor Instructions

Students must monitor the financial performance targets. They will need to access and update the Latest Statements with the latest information. More specifically, they will need to make adjustments to:

- The amount of sales of the online strength training program for September in the Profit and Loss Statement. Compared to your projected Profit and Loss Statement, the amount will be different.
Projected P&L: $150 \times \$25 = \$3,750$.
 - Latest P&L: $130 \times \$25 = \$3,250$
- The amount of Wages & Salaries in the Profit and Loss Statement for September:
 - Projected P&L: \$0
 - Latest P&L: \$600

- The Net Sales in your Cash Flow Statement. The amount displayed should be less than the Projected Cash Flow statement, but the number will vary depending on the amounts the students have chosen for the variable costs
- The amount of Wages & Salaries in the Cash Flow Statement for September, including the extra cost.
 - Projected Cashflow: \$0
 - Latest Cashflow: \$600

The following colour coding has been used to show how the student's responses will be assessed:

- Green: All the assumptions and calculations according to the case study have been inserted in green
- Blue: Fixed costs.
 - Amounts need to remain the same for the fixed costs. Where adjustments were necessary according to the assumptions, fixed costs need to follow the changes required in the case study.
- Red: Variable costs
 - Amounts need to change, and students' answers will vary. However, they will need to be within the range provided (5%)

A sample answer is provided in the Assessor's folder:

- Latest Statements – Sample Answers

Activity 2

Margaret has asked you to analyse the data provided in the case study and fill out the table below to establish the extent to which financial goals have been met.

Assessor Instructions

Students must analyse the data provided in the case study and fill out the table below to establish the extent to which financial goals have been met.

A sample answer is provided below.

Financial Goal	Expected cost/revenue	Actual amount spent/income received	Has the financial goal been met [Yes/No]
Advertising and promotion cost	\$2,000	\$2,000	Yes
Development cost	\$12,000	\$12,000	Yes
Human resources cost (Fitness instructors and videographers)	\$4,800	\$5,400 [\$4,800 + \$600]	No
Total income from memberships sold in the first month	\$3,750	\$3,250	No
Total Start-up cost	\$36,800	\$37,400	No

Activity 3

Steve Brinkley, Finance General Manager asked you to monitor marketing and operational strategies for their effects on financial goals. You will need to fill out the table below using the information in the case study.

[Approximate word count: 50 – 70 words]

Assessor Instructions

Students must monitor marketing and operational strategies for their effects on financial goals. They will need to fill out the table below using the information in the case study.

Students' answers will vary, but their answers need to reflect the content in the sample answer below.

Strategy	Was the financial goal achieved? [Yes/No]	What was the effect on the financial goals?
Marketing Strategies	No	The marketing team did not exceed the budget allocated to them. However, their strategy did not meet the expected outcome which was 150 memberships in the first month. Instead, they only achieved 75 enrolments.
Operational Strategies	No	Since there was no contingency plan in case of equipment failure, operational strategies failed to achieve the financial goal. The budget was exceeded by \$600.

Activity 4

Steve Brinkley, Finance General Manager also asked you to calculate and evaluate the financial ratios for the month of September for the new training program. You will need to access the Latest Financial Statements you created in Task 2 Activity 1 and use the information provided in the case study.

Notes: The total cost related to the new online strength training program for the month of September is \$1,628

The net income generated from marketing activities was \$1,875 (from the 75 enrolments x \$25) - \$2,000 cost = - \$125.

[Approximate word count: 100 – 150 words]

Assessor Instructions

Students must calculate and evaluate the financial ratios for the month of September for the new training program. You will need to access the Latest Financial Statements you created in Task 2 Activity 1 and use the information provided in the case study.

Notes: The total cost related to the new online strength training program for the month of September is \$1,628

The net income generated from marketing activities was \$1,875 (from the 75 enrolments x \$25) - \$2,000 cost = - \$125.

They need to use the formulas provided in their learning material to calculate the ratios.

Students' answers will vary, but their answers need to reflect the content in the sample answer below.

Ratio/Financial performance measure	Calculation	Evaluation
Revenue	$\$25 \times 130 \text{ sales} = \$3,250$	The expected amount was \$3,750. The financial goal was not met.
Net Profit Margin	$\$3,250 - \$1,628 = \$1,622$ $\$1,622 / \$3,250 = 0.499$ $0.499 \times 100 = 49.9\%$	The Net Profit Margin shows that 49.9% of revenue is turned into net income.
Return on investment for marketing activities	Total net income generated from marketing activities: $-\$125$ Cost of the initial investment in marketing activities: $\$2,000$ Calculation of ROI: $-\$125 / \$2,000 = 0.06$ $0.06 \times 100 = -6\%$	The ROI for the marketing activities was - 6 % which shows that it was not a good investment.

Task 3

Case study

After you sent the latest financial statements and you discussed the calculated ratios with Steve Brinkley, the Finance Manager and Margaret House, the CEO, they asked you to assess your financial strategy to determine whether variations or alternative plans are needed.

According to the report received from the Marketing Manager, the \$2,000 budget was spent as follows:

- \$250 for 100 flyers on the reception desk
- \$250 for five (5) posters inside the fitness centres in key locations
- \$1,500 on social media posts (Facebook and Instagram)

All enrolments came through social media posts. 18 enrolments through Facebook and 57 through Instagram. No enrolments were completed from flyers or posters. However, according to the initial financial strategy, they are meant to continue producing flyers and posters.

The CEO, Margaret House asked for all the marketing activities that did not generate any sales to be cancelled until further notice.

Also, according to workplace policies and procedures, the Marketing Manager must send a marketing performance report quarterly. However, the Finance Manager has asked you to report monthly for the new business venture for the first year so you will need the marketing performance monthly.

Activity 1

You need to assess the financial strategy and determine whether variations or alternative plans are needed according to workplace procedures. Review the information provided in the case study as well as the calculations in Task 2 Activity 4 and answer the questions in the table below.

Assessor Instructions

Students must assess the financial strategy and determine whether variations or alternative plans are needed according to workplace procedures.

They will need to review the information provided in the case study as well as the calculations in Task 2 Activity 4 and answer the questions in the table below.

Students' answers must match the exemplar answers below.

Question	Answer
What was the return on investment from the marketing activities?	- 45.3%
What was the initial budget spent in marketing activities?	\$2,000

Which marketing activities generated the most sales?	Social media posts Facebook 18 Instagram 75
Which marketing activities did not generate any sales and need to be cancelled?	Flyers and posters
How often does the marketing team send the performance report according to workplace procedures?	Quarterly
How often will you need the marketing performance report?	Every month

Activity 2

You will now need to use the email template below to send an email to the Marketing Manager, Kath Jones and inform them about the changes that need to be implemented based on the case study and Task 3 Activity 2.

In your email, you will need to:

- include a greeting
- include a date and time stamp for the email
- send it to the Marketing Manager, Kath Jones
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - inform the Marketing Manager about the changes that need to be implemented
- complete the email footer specifying your name and position in line with the case study.

[Approximate word count: 100 – 150 words]

Assessor Instructions

Students must use the email template below to send an email to the Marketing Manager, Kath Jones and inform them about the changes that need to be implemented based on the case study and Task 3 Activity 2.

In your email you will need to:

- include a greeting
- include a date and time stamp for the email
- send it to the Marketing Manager
- content of the email:
 - specify the subject of the email
 - provide a brief description summarising the purpose of your email
 - inform the Marketing Manager, Kath Jones, about the changes that need to be implemented
 - the changes need to include:
 - cancellation of flyers and posters
 - use of the total budget for social media posts
 - the marketing performance review is to be sent monthly instead of quarterly
- complete the email footer specifying your name and position in line with the case study.

Students' answers will vary, but their answers need to reflect the content in the sample answer below.



Email Template

To:	Kath Jones
From:	Jacinta Scotts, Sydney Centre Manager
CC:	
Date/time:	27.07.2022, 4:48 PM
Subject:	Marketing changes
Attachments:	

Dear Kath,

I am sending you this email to inform you about the changes that need to be implemented in the marketing department that relate to the new online strength training program.

After analysing the marketing performance, it was decided to cancel the creation of flyers and posters as they did not generate any sales. So, the full amount allocated for marketing activities will only be used for social media posts.

The Sydney Centre will also need to receive the marketing performance report monthly as the Finance General Manager, Steve Brinkley has requested to receive a report about the new business venture monthly for the first year.

If you have any questions regarding the statements, please do not hesitate to contact me anytime.

Kind regards
Jacinta Scotts



Sydney Centre Manager
Sydney, NSW 2000
Phone: 123 456
Bounce Fitness

Activity 3

Case Study

Steve Brinkley, the Finance General Manager, asked you to research and implement new and emerging digital technologies to boost the business profitability of the Sydney Centre. According to the Bounce Fitness business plan, this needs to be achieved either by increasing sales or reducing costs.

Steve sent you the New and Emerging Digital Technology table to fill out and send it back to him for review. He mentioned that all the technologies that require promotion, such as TikTok and YouTube, will need to be assigned to the Marketing Team as soon as possible.

The suggested timeframe for the implementation of the technologies is 4 weeks.

You sent an email to your staff asking for suggestions, and you received the following responses:

- Zoom to offer personal training sessions Australia-wide (or even Worldwide)
- Chatbot to help potential customers join the new online strength training program. The web design team will need to implement this activity. By automating this task, Martin Saunders, the Assistant Manager, will finally be able to work part-time and focus on his studies. This activity will reduce human resources costs.

You will need to research the new and emerging technologies listed and fill out the table below. You will also need to use the information provided in the case study. For each technology listed, you will need to provide:

- A description of the technology, what it is, and what are the main features
- An explanation of how the technology will boost profitability according to the business plan
- Which team will work on implementing the technology and by when
- The timeframe

[Approximate word count: 200- 220 words]

Assessor instructions: Students must research the new and emerging technologies listed and fill out the table below. They will also need to use the information provided in the case study. For each technology listed, they will need to provide:

- A description of the technology, what it is and what are the main features. Students' words will vary, but their answers need to reflect the content in the sample answer below.
- An explanation of how the technology will boost profitability according to the business plan. Students need to choose increased sales for TikTok, Zoom and YouTube and cost reduction for Chatbot.
- Which team will work on implementing the technology? Following the information in the case study Tik, TikTok and YouTube need to be assigned to the Marketing Team, Zoom to the Fitness Instructors and Chatbot to the website design team.
- The timeframe should be 4 weeks for every technology as per the case study

A sample answer is provided below.

New and Emerging Technology	Description of the Technology	How will the technology boost profitability	Which team will need to implement the technology	By when
Tik Tok	<ul style="list-style-type: none"> • Video-sharing app • 15 – seconds videos • High levels of engagement • Easy to use 	It will create awareness of the Bounce Fitness Sydney centre and promote our services which will result in increased sales	Marketing Team	4 weeks
Chatbot	<ul style="list-style-type: none"> • A computer program that can chat with its users. • Chatbots simulate conversations by sending automatic messages, synthesizing voice, or offering decision buttons. • Some chatbot software recognizes the intent of users' messages and offers predefined replies 	It will reduce human resources costs as the staff member that was dealing with customer enquiries will now only be employed on a part-time basis since this task will be automated.	Website Design Team	4 weeks
Zoom	<ul style="list-style-type: none"> • A video conferencing platform that allows its registered users to make video calls to one another and participate in group calls. 	Offer professional training services Australia-wide (or even worldwide) and increase revenue by accessing a wider audience	Sydney Centre Fitness Instructors	4 weeks
YouTube	<ul style="list-style-type: none"> • a video-sharing service where users can watch, like, share, comment and upload their own videos. 	It will create awareness of the Bounce Fitness Sydney centre and promote our services which will result in increased sales	Marketing Team	4 weeks

	<ul style="list-style-type: none">• The video service can be accessed on PCs, laptops, tablets and via mobile phones.			
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Assessment checklist:

Students must have completed all activities within this assessment before submitting. This includes:

Task 1: Implement financial strategy		
1	Financial information requirements	<input type="checkbox"/>
2	Email to Accountant – information regarding online sales tax	<input type="checkbox"/>
3	Projected Cashflow and Profit & Loss Statement	<input type="checkbox"/>
4	Email to CEO and Accountant with the statements	<input type="checkbox"/>
5	Investment Proposal	<input type="checkbox"/>
6	Role play	<input type="checkbox"/>
7	Financial provision for taxation	<input type="checkbox"/>
8	Sydney Centre Credit Policy and Procedure	<input type="checkbox"/>
9	KPIs Selection	<input type="checkbox"/>
10	Financial Procedures Sydney Centre and email	<input type="checkbox"/>
Task 2: Monitor financial performance		
1	Latest Financial Statements	<input type="checkbox"/>
2	Financial goals	<input type="checkbox"/>
3	Evaluation of marketing and operational strategies	<input type="checkbox"/>
4	Calculation of ratios	<input type="checkbox"/>
Task 3: Review financial performance		
1	Assess financial strategy	<input type="checkbox"/>
2	Email to Marketing Manager	<input type="checkbox"/>
3	New and emerging technology	<input type="checkbox"/>

Congratulations you have reached the end of Assessment 2!

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