



Jeffree A Young Enterprise Company

Company Report and Interim Accounts 2011



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**Young Enterprise
Milton Keynes Board**





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Executive Summary

Company Name

The name “Jeffree” was chosen because this was the name of the character that appears in our designs. We chose a unique and modern spelling rather than the traditional usual spelling of Geoffrey/Jeffrey. We also liked the inclusion of ‘free’ in the name as it indicates freedom and escapism.

Mission Statement

Jeffree wants to bring fun and energetic designs and products to the business community. We combine familiar products promoting the brand and raising funds, with bespoke designs for our business partners.

Product Statement

Jeffree has produced a variety of designs for use with bags, key rings, Christmas cards, bookmarks, posters and photo frames. Jeffree also creates bespoke designs for organisations and school departments, for use on items such as postcards and t-shirts. Our team includes our primary designer who creates original ideas to be reviewed, enhanced and selected by the team. Each design is very different; however, they all incorporate vibrant colours and similar motifs. Jeffree, our character, is incorporated into all of the designs as Jeffree is part of our brand image; Jeffree is a brand rather than a single product.



Company Performance

The team made a decision early on not to raise funds by carrying out cake sales or other activities not linked to our products. We borrowed £40 from the school for the insurance, which we paid back by creating and selling Jeffree Christmas cards and bookmarks over the Christmas period. These sales raised £145.50. Each team member also purchased £10 of shares, totalling £130.

At first sales were slow; initially the company sold products such as picture frames, posters, key rings and bags at break and lunch times to students in the school. Soon after, we introduced the bespoke design section of the company, since many teachers expressed an interest in using our designs for congratulatory postcards within their department. Subsequently the Science department and Humanities departments ordered 500 and 250 customised postcards respectively. The school also commissioned the team to create a design for the school's first Business Breakfast invitation. Sales began to pick up after this point as more and more students and teachers became aware of and interested in Jeffree. The website, with its colourful design and animation, also promoted the team and the products.

Four members of the team took the trade stand to the City Business Breakfast at the MK Dons stadium in December. They distributed leaflets and spoke to business representatives. The Chief Executive of Willen Hospice was there and contacted us shortly after to commission a design for their 30th anniversary T-shirt. We met with the leadership team from Willen Hospice and agreed possible ideas and terms; £25 per hour for the design and a percentage of each of the T-shirts which will be sold in Marks and Spencer, Debenhams and John Lewis, as well as in all local Willen Hospice shops. The t-shirts are currently being printed. The team have invoiced Willen Hospice for £200 design fees.

We made nearly £200 at the Young Enterprise trade fair in Milton Keynes. We continue to sell our products at school and are currently arranging a date to sell our products in Midsummer Place via a contact obtained at the City Business Breakfast. We are also investigating new products to compliment the brand, using designs by other artistic members of the team.

Summary of Financial Results

We have made sales of £661.45 and purchases of £176.11, giving us a gross profit of £510.97 (including closing stock). With share investment of £130, investors will receive a return of almost 400%. We are still negotiating with Willen Hospice about the amount we will receive approximately per t-shirt sold. If we get 50p per t-shirt sold, and sell an estimated 300 T-shirts, this will bring £150 to the company, and therefore increasing our current gross profit to £660.97.

Company Personnel



Jessica Williamson
Managing Director



Amy Whitney
Finance Director



Jeffree



Elizabeth Noble
Company Secretary



Heather Stanhope
Marketing Director



David Vann
Sales Director



Andrew Robertson
HR Manager



Amy Goodman
IT Director



Gagan Ubi
Operations Director



Judy Yeung
Marketing



Georgia Stanley
Sales



Ella Hill
HR



Zahra Malik
IT



Manasai Bapat
Operations

Communications

The Jeffree team realised early on that good communication was the key to an effective team. To achieve a good communication system, our HR department made sure everyone had each other's email addresses. These emails included discussions about the products we were going to sell and marketing techniques we should set in place. This communication system worked for regular emails such as weekly minutes and agendas, but not for ad-hoc communication, so we had to think of another way to communicate. To achieve this, our IT department created a Facebook account, enabling the team to have discussions and remind each other about events and tasks.

Product Selection

We brainstormed ideas which included custom made jewellery and ornaments made from scrap metal and creating cushions. After further investigation, we realised there would be health and safety issues with the scrap metal items and by conducting market research, we found that the cost for producing cushions would have been too expensive. However, as part of the discussions about cushion designs, the team discussed creating designs for the



cushions using a unique image and created the Jeffree character. The designs themselves quickly became the main product. We decided to make a range of easily affordable products such as key rings, framed pictures, bags and posters. Although creating customised designs wasn't part of our original plan, we were approached by departments in school, asking us to create personalised designs on postcards for the department



Science postcard

Methods of marketing and production

Once our product had been selected, we began identifying our target audience. We considered the different age groups available in our community and came to the conclusion that young people, such as students, would be the market we could reach easily given that we are students ourselves. We put together a market survey questionnaire containing possible designs and prices and sent this to each of the form groups within the school and asked them to vote on the design and price they thought would be most suitable. We also visited shops within Milton Keynes and researched the average price of a canvas bag.

Once we had received the answers from this questionnaire, we began researching the costs of printing a design. We found that lots of colour increased the cost, giving us very little profit, so we decided that a black and white image would be the most cost effective. In order to purchase the bags, we used the money made from selling our Christmas products at the school talent. We didn't manage to order the bags until the end of the year, so we missed the Christmas market, as they arrived in January.

In addition to bags, we had decided to sell key rings as they were a quick and easy way to bring in money to the company. Once the designs were put together, the key rings were assembled by the members of our team. We attached a key ring to each bag to add value to them, at very little extra cost. The team also produced and packaged Christmas cards, bookmarks, framed pictures and posters.

To promote our company, the IT department designed and created a website that was very similar in style to the main designs our company has produced. We also created leaflets to distribute at trade fairs and business breakfasts that contained all of our products and contact details. When we began selling our products at school, we designed a leaflet that was eye catching in order to attract attention. We also spoke in assemblies, reminding students that our products would be available to purchase.

When deciding on the price of our products, we looked carefully at the feedback provided by the students and our research. We initially decided on £6.50 for the canvas bags, giving us £3.49 in profit per unit. However, once we started selling at school, many students and teachers thought that £6.50 was too expensive. To combat this problem we had a 'sale' and decreased the price to £5 and found that more and more bags were being sold at that price. At the trade fair, we promoted a "bag bundle", selling a bag, poster, key ring and framed print, all for £8. We sold over 15 bag bundles.

Taking the brand forward

We hope to enlarge our range of products to include badges and poster collections aimed at the student market. This will include a range of floral designs. The bespoke departmental postcards and notelets are soon to be promoted to other schools and colleges, as well as continuing with Hazeley School. Our main target market for the future will be local businesses and organisations who could benefit from our fun and up to the minute designs.

Problems Encountered During the Year and Solutions

When we went to our first breakfast meeting at the MK Dons Stadium, we used a trade stand to promote our bespoke designs. We strategically placed our stand in a section of the room which everyone had to walk past, and handed out leaflets. The problem we had with this was that we had underestimated the amount of representatives that would be attending the business breakfast, and so run out of leaflets. We combated this problem by talking to the receptionist of the hotel, who kindly agreed to photocopy black and white copies of our leaflet, so we had more to hand out. From this we learnt that we should always be over prepared, as if we did not hand out all of the leaflets, we could have handed them out elsewhere.



We also had the issue of team members not doing their job on time and this held up other members' tasks, such as the delay ordering the bag. However, once everyone had settled into their role, jobs were completed and others offered to take over the job if the original member was struggling with other commitments. People started working as one team, rather than individuals.

Company Achievements

Our first achievement was to purchase the materials we needed for our first batch of products without carrying out any activities that were not related to the team products. We created cheap paper based products such as posters, cards and bookmarks. We used the shares every team member had purchased in order to do this.

We were really pleased to have a trade stand at the MK Dons City trade fair and get the contact that helped us to create the t-shirt design for Willen Hospice. Our designs will soon be on sale on t-shirts in several shops in MK.

We were also very successful in sales at the trade fair, making almost £200. Although we didn't win the Best Trade Stand award that day, we were able to improve our sales technique and put our company out into the community by launching a poster competition for children, which again raised our profile and began to introduce Jeffree to a younger market.

Individual Achievements

Jessica Williamson, Managing Director - *My main role as Managing Director is to run meetings and represent the company. I also make sure everyone knows what they have to do and when their tasks need to be done. From this role I have managed to improve my motivational skills and have increased my confidence when talking to a room full of people. I have also enhanced my organisational skills, as well as time keeping and team management. I have thoroughly enjoyed being the Managing Director for our team, finding out how a business is set up and run, as well as enhancing many skills which can be used later in life.*

Amy Whitney, Finance Director - *As Finance Director I kept track of the money coming in and going out of the company. Through this I have learnt how to keep accounts and manage money, something that will be very beneficial later on in life. I have also gained confidence by approaching and talking to customers. I have become more organised through being part of the Young Enterprise team and have improved my team work skills by giving help to others if they needed it. I have thoroughly enjoyed being part of the team.*

David Vann, Sales Director - *My role in our team is to be in charge of the selling of our products. Along with the help from the team, I create the final designs for the products. This allows me to express my creativity. Seeing the products being created and bought by the public has brought me a great sense of achievement. I have gained a lot out of this experience; I have learnt how to work in a team to achieve full potential, as well as gained an increasing confidence. I hope to continue the Jeffree brand in the future.*

Company Development

Our Young Enterprise company is relatively efficient, as when the team are given jobs, they are generally completed by the due date. However, there have been some occasions when this has not been the case. However, on these occasions, the jobs were completed by other members of the team. The team have become very quick at producing the products (making up the key rings, trimming and framing the pictures and adding key rings to the bags).

Although everyone turns up on time for the production meetings, there have been times when people would turn up and stood around, not contributing, waiting to be given a job to do. Though as their confidence within the team grew, this issue resolved itself.

Our marketing and sales abilities have improved greatly as we learnt what makes a good sales representative and what appeals to the public. For example, we realised that the products although appealing and colourful, would not sell if displayed badly. As a result the team set about creating various creative ways in which to display our products and how to get them noticed within the community and the school. At the Trade Fair, we had two members of the team walking around the mat with a basket of products and stickers with the Jeffree logo, this got the product noticed and gave the public a chance to view and



purchase the products (when they may not have if they had passed that stall). The poster competition and sweets on the stand also encouraged the children to come to the stand.

Team Development

When we assigned the roles and positions, everyone already had an idea as to what department they wanted to work in and everyone managed to fit in around each other, with each person settling into their role fairly quickly. We were all friends before the formation of the team so we were able to work with each other well and this gave us an advantage in that we were able to talk to and help each other. It also meant that team members were willing to take over a job if it was proving to be difficult for someone.

Each department worked well and each member was able to apply their skills to the tasks they had been set; the members of the Human Resources team were able to use their 'people skills' to talk to different people and to organise the team when it came to selling out products. The more creative people in the team were able to use this skill to design the board for the trade stand, leaflets, posters and the actual designs Jeffree produces. Overall, we have developed individually and as a team.

Customer Focus

Our company set out to create bright and vibrant designs for a young teenage market. To ensure that our product was in fact appealing to our target audience, our marketing team created a questionnaire that we sent to several classes within our school. The questionnaire contained all of our designs and asked about prices. When deciding on which company to order the bags from, we requested a sample from the one we were most likely to purchase our products from; the team wanted to ensure the bags we purchased from them were of a suitable quality for our customers. We created a Customer Care policy and gave customers a good experience at the trade stand with a competition, sweets and an animation on a laptop.



Trade Fair in Milton Keynes

Interim Accounts

Profit and Loss Account for the period ending 13th March 2011:

Company Accounts for The Hazeley Team

Profit and Loss Account

For the period ended: 13-Mar-2011

Current Rate of Corporation Tax		10%	
		£	£
A	Sales		£661.45
B	Purchases	£176.11	
C	Production Wages	£0.00	
D	Closing Stock	£25.63	
E	Cost of Sales (B + C - D)		£150.48
	(A - E)		£510.97
	<i>Gross Profit</i>		
F	Salaries, commissions and Bonuses	£0.00	
G	Stationery	£3.74	
H	Rent & Hire	£0.00	
I	Miscellaneous Expenditure	£0.00	
J	Registration Fee	£80.00	
	Total Expenses (F + G + H + I + J)		£83.74
	Gross Profit Less Total Expenses		£427.23
	<i>Operating Profit (or Loss)</i>		
	Miscellaneous Income		£80.00
	<i>Net Profit (or Loss)</i>		£507.23
			£
	Net Profit Brought Down		£507.23
	LESS Corporation Tax Payable to Young Enterprise		£50.73
	Profit after Tax *		£456.50

* Please note that at the end of the year Young Enterprise can not refund tax owed to companies which means that your profits may be overstated if the balance sheet shows that there is YE VAT owed to your company

Balance Sheet for period ending 13th March:

Company Accounts for The Hazeley Team

Balance Sheet

As at: 13-Mar-2011		
Current Assets:		£
Stock		£25.63
Debtors		£280.00
YE VAT Owed *		£0.00
Cash at Bank		£125.00
Cash in Hand		£262.98
TOTAL A		£693.61
Less:		
Current Liabilities:		£
Bank Overdraft	£0.00	
Loans	£0.00	
Creditors	£0.00	
YE Corporation Tax	£50.73	
YE VAT Due	£56.38	
TOTAL B	£107.11	
BALANCE (C)		£586.50
Represented by:		
Issued Share Capital:		
130 shares at £1		£130.00
Profit & Loss Account *		£456.50
Shareholders' Funds (D)		£586.50
<i>Note: The total at C should equal the total at D</i>		
<p>If the company has not liquidated at the time of the Company Report, this document must be signed by a third party, such as an Adviser, certifying the accuracy of the figures</p> <p>I have examined the accounts of the company and agree that the above figures are an accurate representation of the company's position.</p> <p>* Please note that at the end of the year Young Enterprise can not refund tax owed to companies which means that your profits may be overstated if the balance sheet shows that there is YE VAT owed to your company</p>		
Signed:	(Adviser)	Date:
Print Name:		