

WAXYCANS



WaxyCans

Ousedale School

Link Teacher: Fran Bottoms

Business Advisor: Claire Savage

Interim Accounts



WAXYCANS

<u>Contents</u>		Objective setting / planning / review	7
Company Roles	2-5	Problem solving	7
Communications	5	Product Development	7
Company Administration	5	Skills and Understanding	8
Customer Focus, Marketing, Sales	6	Team Work	8
Innovations and entrepreneurship	6	Finances	9

Our product



'Candle in a can': coloured candles made in small drinks cans.

Mission Statement

We wanted to create a unique product in order to promote recycling in a modern, fashionable way.

Summary of financial results

In this section of the report, it covers the financial details of our company. Below shows the interim reports as of the 15th March 2011 this includes the Profit and Loss Account and also the Balance Sheet. As you can see that at this moment in time, Waxy Cans currently owe Young enterprise £13.80 in Corporation tax and £18.78 in VAT. Once tax has been paid company profits amounts to £124.18, however we are still continuing to sell our product therefore by the end of year reports may differ from the interim reports on the accounts above

Summary statement of company performance

As a company, we feel we have achieved our overall goal by this point, despite a slow start. At the beginning of the company year we found it challenging as a group to set up the accounts and create the right product, however through commitment and thinking 'outside-the-box' we pulled together as a team to achieve success. Each team member has excelled in their chosen role, helping to maximise profits and increase awareness of our product.

Company Roles

Managing Director

As Managing Director my main job was to coordinate the team as a whole and to ensure we worked productively together. I lead every Thursday meeting at lunchtime with help from our Secretary who wrote up the minutes and agenda for every meeting. The Waxy Cans group is full of strong characters and it was my role to allow them to be as productive as possible while still making sure we work as the close knit team.



Anna Swindells

MD

From my experience as M.D I have learnt it's important to work as a team and I have also learnt the importance of organisation. Through the Young Enterprise experience

scheme I helped in the organisation of our stand at the trade fair and made sure our team met all deadlines. I will continue to ensure we work well together and progress with our product and secure sales for the future.

IT Directors

As the IT directors, one of our main roles was to produce the logo, to do this we started first by all contributing ideas of possible logos and settling on one as a group we liked. Then as a company we decided on our colour scheme and applied this to the logos. On the computer we presented potential logos and edited them with group input until the group was happy with one. Another role was to make the website and promote our brand and also provide contact information for any queries people had. We set up an email account for this to happen. Another role was to collect pictures of the candle making process to show on the website what our product was, and how we made it.



Lily Scowen – IT Director

Susan McGivern- IT Co-Director

Operations Directors

Operations' main role within our Young Enterprise team was to research and develop our product. Another critical job we had to do was to research the best suppliers. One of our main issues was that very little companies supplied all the raw materials we needed for our product; also we were looking for a UK based company. This made it very difficult to compare the cheapest way to get our materials. One website we found <http://4candles.co.uk/> allowed us to buy all the raw materials apart from the cans. We bought some of our cans from ASDA and got given some from friends and families in order to go with our recycling theme. For this, we also had to work with finance to ensure we had the finances to buy these materials. We were only able to buy these after we raised money. To do this, our team had a stall at a local annual event at which we had a game and a cake sale: providing us with the money we needed to start production.



For Operations, it was also an important task to produce a safe plan for production. When we first came up with our idea to make a candle inside of a can, we made many different prototypes. Many of these were flawed but finally we came up with the finished prototype for our product.

In order to make the candles, we had to collect lots of cans that were empty and had been washed out. We had a group of 6 people from the company to make the products and they all had their own things to do. We then had to melt the different coloured waxes in a pan and pour it into the cans. We then had to put in the wicks. At first, we had a problem with keeping the wicks in the same place because they kept moving and tended to be off-centre. However, we managed to make a holder out of two cocktail sticks and sellotape that enabled us to leave the wicks in the cans whilst they cooled and they didn't move. After the wax had set, we found that the middle of the can had dipped slightly, this meant we had to top up the wax until it was full to the top.

The making of the candles



Beth Peach – Op. Director

Emily Ramsden – Op. Co-Director

Sales and Marketing Directors



Amanda Loader- Sales Director

Emma Davies – Sales Co-Director

Our target audience was young people: we felt young people are more interested in recycling and being young people ourselves this is a target audience we can associate with. To do this we used words on our posters we felt young people would respond to ('retro', 'stylish' etc.). We also used our website to promote the product as young people frequently use the internet. As Sales Directors we had to frequently communicate with IT as they designed the website and the posters and Operations, to make sure the product was suited to our target audience.



Freya Wilson - Marketing Director

Finance Director

My role in our company was Finance Director; I had a number of important roles, many of which affected important decisions within the company. The main part of my role was to safe hold the company money, record receipts and payments and work with HSBC bank on the company account. At the start of the academic year I had to open the company account which to begin with we found we needed more signatures from our business advisor which meant we had difficulty sending the correct paperwork off. Subsequently I had to work with MD Anna and our Company Secretary Sarah to catch up on lost time and send off the YE registration fee before the deadline.

Throughout the rest of the year I have recorded our receipts and payments on the company homepage on the Young Enterprise website. Every other weekly board meeting I updated the group on our financial situation using the Profit and Loss accounts and Balance Sheets like below to help them understand.

During the making of our product I also had to consult Operations Managers and our MD to find the best prices possible to produce our finished products. Here we had to work together within each department to come to a compromise on how much wax, wick and coloring for example we could afford.



*Kim Smith
Finance Director*

Company Secretary



*Sarah Gould-
Company Secretary*

Although not originally Secretary, I could communicate well with others, and had good communication skills, and was therefore allocated the role. Throughout my time as Secretary, I ensured that I was as organised as possible, and always strived to key points at meetings. My main duty was to ensure that the whole company remained in contact, and also acted with co-operation. I drew up the notifications and agenda, and recorded the minutes of every meeting. I thoroughly enjoyed being Company Secretary, and although there have been some stressful moments, especially when working close to deadlines; I think it has made me a more organised and communicative person.

Human Resources

I organised any rota we needed for the trade fair and fund raising activities as well as the making of the candles. I also organised groups and dealt with disputes that occurred while making our product ensuring everyone had equal opportunities. I also rearranged the group and ensured that all roles were covered and that our company was operating as easily as possible. I ensured that safety was monitored and that our company complies with employment law. I also looked at people's individual skills and ensured they were being used to their full ability. I think I was quite effective in my role and achieved everything I was meant to.



*Lucy Marven-Dawes-
Human Resources*



Communications

As a group, we found that communication is a key part of our group's success. In order to communicate well, we split up into smaller groups and one person from each group fed back to the managing director. We also had regular meetings with different topics each time to ensure that everyone knew what they had to do and what was going on. To help with communication, we also created a closed Facebook group which meant that we could all talk about and ask questions on different aspects of the company at all times. We found that the most effective way of communicating was posting the agenda for the next meeting and the minutes from the previous meeting on the Facebook group, where people could highlight issues and add their own points that they felt needed talking about.

When we first started our company, we only had the meetings as a way to communicate. However, in order to make best use of the time we felt that creating a Facebook group would be an improvement to communications. This also meant that all members of the group were able to communicate easily, meaning the workforce could easily communicate with the manager and allowing issues to be dealt with quickly rather than waiting for weekly meetings. Most of our shareholders were our parents which meant that keeping them informed was reasonably easy and we ensured that we updated them weekly about the company and any new ideas we had. We understood that we have a responsibility to our share holders, as they are part of the company.

Company Administration

One of our first tasks after forming our team was to allocate roles. We looked at the strengths of each company member and decided on a suitable role which would use that person's assets. For example, Anna is a good leader, who can motivate other people, and would also treat matters fairly, and therefore the company decided that she would be a good Managing Director. Also, Lily has a creative flair and is innovative and great with computers, and for these reasons the team and she decided she should be IT Director. Some of the roles were flexible, however, throughout the first few weeks as a company, as a couple of people decided not to be part of Young Enterprise, and the company had to reallocate certain roles, such as Company Secretary. The company met every Thursday and occasionally on other days of the week as well, when an emergency meeting was needed. A copy of the minutes and the agenda was

posted onto the Facebook group, which was an extremely efficient way of communicating. We found it was useful to distribute certain tasks to each member at every meeting, and the following week the whole company would discuss what had been done and what needed to be done. This was when changes in the finances would be announced, and important issues would be raised.

One of the main issues with the product that Waxy Cans decided to make was the health and safety issues of the product being a candle, and also made from a can. We strived to make our product safe, and after discussing many options, we managed to file the sharp edge of the can down

Customer Focus, Marketing and Sales

Our company is customer focused because we understand the desired needs of the customer. Our market research led us to believe that our product is unique, as it combines the idea of reusing and recycling with design, in a candle. We researched types of candles wax and wicks, different cans and their sizes, as well as how to make the candle and the variety of equipment needed. After noting down prices and collecting images, we discussed as a group our best options. When developing our marketing plan we considered many elements. Firstly, the customer: what would draw their attention to our product? Where could we advertise our product to a large market? In addition, we considered packaging and theme colours. After carrying out a questionnaire we gathered sufficient feedback to adapt our product to better suit our target market. Aside from families and school, our product serves a market elsewhere, as many other people have taken interest in our product. Our website helps us to expand our market.

The company understands that our product has been a success due to our determination and strive for perfection. Our original, creative product ties in with the current affairs of global warming, as our product is made from reused materials, and can be recycled. The retro design of our candle also works well from an aesthetic point, and most importantly of all, the candle burns. The prices that we have set are very reasonable too. To maximise sales we employed different sales and promotional techniques. Firstly, we created a poster with our 'WaxyCans' logo, along with our website name, information and pictures. This was essential to promote our product. Our website is easy and eye-catching, and customers can find information or order online. At the Dicken's fair and Trade fair we were able to sell our products face to face, as this is a more personal approach and any questions can be answered from the customer. 'WaxyCans' t-shirts were created with the logo on the front to draw attention to our stall and product.

Health and safety issues were extremely important, so after creating our prototype we tested our product to see how hot the can was after its maximum burning time. We also issue health and safety cards inside the bag when selling our product. When making the product we were careful to wear gloves, approach hot equipment with caution and take care with handling the candles. We feel we have accomplished a strong sense of team spirit after achieving our goals and working through difficulties. Our enthusiasm keeps every member uplifted and ready to progress. We faced some difficulties, such as how to cut the top of the cans and how to keep the wicks central. We overcame these by group decisions and experiments. If a problem arrived then we would address it as a team. Our secretary was very efficient at writing plans for our meetings which allowed us to manage and record our weekly activities. The administration worked well as everything from our meetings was typed up for IT use, so it was easy to store and locate. The quality of our product was evident at our trade stand, as all members of the team dressed professionally and sold our product with confidence. Each candle was presented neatly and packaged suitably for the customer. Our enthusiasm was proved by our

friendly approach to customers and our passion for our product.

Innovation and entrepreneurship

As a group, WaxyCans scheduled a large amount of our time discussing how to make sure our product would be unique. From the outset of the project we're determined that we wanted our product to be something different and have an obvious unique selling point. We also decided that we wanted our product to promote a good cause or message, considering affiliations with charities and so on. After lots of discussion we decided we wanted our product to be environmentally friendly. We finally settled on the idea of making candles from recycled drinks cans. This idea change and development many times before we settled as a group on a final design, which was using small Coca Cola, Fanta and Sprite mixer cans.

Our product is very different from others we have seen because of the recycling aspect. As a group we have put a lot of thought into trying to be as environmentally friendly as possible. Our product is made from recycled cans. These cans can then be recycled again after being used as a candle. At the trade fair we also sold full drinks cans which we then asked people to bring back allowing us to use them to make more of our product, and keep the cycle running. We know Milton Keynes is extremely proud of its recycling programmes and decided to use this to develop our product. Our product is also aimed at young people, therefore making them recycled and environmentally friendly appeals to younger people who may be more concerned. Our unique selling point is that our product is extremely environmentally friendly and we have endeavoured to produce it and sell it in the most environmentally friendly way and will continue to do so.

Objective setting / planning / review

Our initial business plan was to make a substantial profit and double the value of our shares. As a group we reviewed our aims every six weeks (unless something else took precedent in our meetings such as the Trade Fair) and updated our aims to realistically suit the direction of our company. All company members understand the importance of being aware of the aims, as we need to know what we, as a company, are aiming for.

Problem Solving

A big problem that we faced was how to take the lid off the cans but prevent the can from being too sharp and therefore being dangerous. We solved this problem by using trial cans of the same size we would later use and tried to take the lid off with a can opener. This worked well and only left a few sharp edges so to resolve this; we used a metal file to smooth the edges.

We considered making candles in a bigger cans using a false bottom but this caused more problems in terms of safety and practicality (whether it would be best to use the false bottom, what it would be made of and would it be too light and fall over) so we decided on using a smaller sized and cans so we could fill the whole can with wax. We used a trial and error method by trying out possible solutions on trial cans and seeing which was most effective.

Product Development

Firstly for our product we brainstormed a number of different ideas for product and services, with ideas focused heavily on being unique. Originally, we had a very different product. We began to work on the idea of creating a product to promote safe sex. As a group we agreed that our product would be underwear with a slogan written onto the band of the underwear.

However, we believed that with this idea we may face some difficulties. For example, we decided that the product we had, alone, would not create enough interest and demand.

Then we began brainstorming more ideas to create a new product. Our product was adapted from many different stages to make our final product. We all chose that the issue of encouraging people to recycle was one we were all very aware of and as already mentioned we felt this helped to make our product innovative. In our meeting, the idea of candles had been talked about. As a group we adapted both these ideas to come up with our 'Candle in a Can'.

Our main focus then was to adapt this product to create one that would work in all senses of our business and one that people would want to buy. The target audience for our product was mainly teenagers to young adults. As our team are all either 16 or 17 we worked on this to create a product that we would be interested in and took into account our friends' opinions. Firstly, we were going to use many different types of the big drink cans like Fanta, Sprite, Coke, Dr Pepper and many others. Along with these we decided to use tins like Baked Bean tins. This was changed to then just be the large Coke, Fanta and Sprite drink cans. However, this created problems in terms of prices (our customers would not really get value for money) and safety. These issues were resolved by using the miniature cans instead. It took less wax, less time to make and cost approximately 71p to produce. Our final product was then candles in miniature cans of Coke, Sprite and Fanta.

Skills and Understanding

As a group, we all feel that we have a better understanding of how a company works and how the different functions interact than we did when we first started the company. When we created the company we found that we didn't keep on top of our finance and let the workload build up. However, now we make sure that we update the financial records weekly or when necessary, to make sure that we don't miss out any transactions.

At the beginning, roles such as sales and marketing did not interact with finance and therefore, this meant they were unsure on the amount of money they had to spend on materials and advertising. Due to us updating the financial records, we are all aware of the amount of money we have now and therefore we know how much we can afford to spend.

Teamwork

One of the main requirements to being an excellent Young Enterprise group is teamwork. Our group worked together, helped each other and inspired one another throughout the whole process of this experience, to create a successful product and company. By noticing our strengths as individuals, we applied this to fit which person matched which role. As we allocated certain roles to the people that best fit the criteria, we made sure each individual knew exactly what was expected of them as the role they were taking. Overall we worked as a team really well, listening to others opinions and developing ideas so they get stronger. The leadership of the group was very clear, Anna Swindells, the managing director, clearly led all team meetings and was securely backed up by Sarah Gould when asking questions and organising certain jobs. When it came to developing the leadership skills, this was more to do with each individual having an equal amount of work to do as each other; the importance of delegating tasks fairly was recognised and dealt upon by the team leader.

Profit and Loss Account

For the period ended: 15-Mar-2011

Current Rate of Corporation Tax		10%	
		£	£
A	Sales		£95.00
B	Purchases	£113.53	
C	Production Wages	£0.00	
D	Closing Stock	£88.00	
E	Cost of Sales (B + C - D)		£25.53
	(A - E)		£69.47
	Gross Profit		
F	Salaries, commissions and Bonuses	£0.00	
G	Stationery	£0.00	
H	Rent & Hire	£0.00	
I	Miscellaneous Expenditure	£0.00	
J	Registration Fee	£60.00	
	Total Expenses (F + G + H + I + J)		£60.00
	Gross Profit Less Total Expenses		£9.47
	Operating Profit (or Loss)		
	Miscellaneous Income		£128.51
	Net Profit (or Loss)		£137.98
			£
	Net Profit Brought Down		£137.98
	LESS Corporation Tax Payable to Young Enterprise		£13.80
	Profit after Tax *		£124.18

* 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

© 2005 Young Enterprise



Balance Sheet

As at: 15-Mar-2011		
Current Assets:		£
Stock		£88.00
Debtors		£0.00
YE VAT Owed *		£0.00
Cash at Bank		£142.26
Cash in Hand		£0.00
TOTAL A		£230.26
Less:		
Current Liabilities:		£
Bank Overdraft	£0.00	
Loans	£0.00	
Creditors	£0.00	
YE Corporation Tax	£13.80	
YE VAT Due	£18.78	
TOTAL B	£32.58	
BALANCE (C)		£197.68
Represented by:		
Issued Share Capital:		
73.5 shares at £1		£73.50
Profit & Loss Account *		£124.18
Shareholders' Funds (D)		£197.68
<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:		