

STATEMENT OF PROFIT & LOSS

	W\$000	W\$000
REVENUE		5413
Materials	3158	
Direct Labour	<u>1497</u>	
COST OF SALES		<u>4655</u>
GROSS PROFIT		758
OPERATING EXPENSES:		
R & D	200	
Marketing	204	
Warranty	0	
Administration	287	
Overheads	<u>1076</u>	
Total Expenses		<u>1767</u>
OPERATING PROFIT		-1009
Net Financial Cost		<u>73</u>
PROFIT BEFORE TAX		-1082
Taxation		<u>000</u>
PROFIT AFTER TAX		-1082

STATEMENT OF FINANCIAL POSITION

	W\$000	W\$000
NON CURRENT ASSETS:		
Property, plant & equip.	1750	
Development Costs	740	
Total Non Current Assets		2490
CURRENT ASSETS:		
Inventory	0	
Receivables	890	
Cash at bank	<u>101</u>	
Total Current Assets		<u>991</u>
TOTAL ASSETS		3481
CURRENT LIABILITIES:		
Payables	859	
Bank borrowings	0	
Accruals	40	
Provisions	<u>230</u>	
TOTAL CURRENT LIABILITIES		<u>1129</u>
NON CURRENT LIABILITIES		
Long Term Loan	1000	
NET ASSETS		<u>1352</u>
EQUITY:		
Share Capital		120
Share Premium Account		0
Retained Profits		<u>1232</u>
TOTAL EQUITY		<u>1352</u>

STATEMENT OF CASH FLOWS

Profit after tax	-1082
Add: Depreciation	+194
Add: Amortisation	+200
Change in working capital:	
1. Inventory Change	+611
2. Receivables Change	+482
3. Payables Change	-004
4. Accruals Change	+040
5. Provisions Change	+230
Less: Capital Expenditure	-700
Less: Dividends Paid	-000
Add: Proceeds from share issue	+000
Add or Less: Change in bank loan	<u>+000</u>
Net Cash Flow	-029

PERFORMANCE INDICATORS

Staff Morale	6
Staff Skills	7
Staff Turnover (%)	8
Product Quality	6
Consumer Satisfaction	6
Retailer Satisfaction	7
Brand Awareness (%)	20

KEY RATIOS

Return on Net Assets (%)	-80.0
Gross Margin (%)	15
Operating Expenses to Sales (%)	32.6
Revenue on Capital Employed	2.30
Acid-Test Ratio	0.88
Inventory Days	0
Receivables Days	60
Payables Days	67
Interest Cover	-12.6
Earnings / Share (W\$)	-9.02
SharePrice(W\$)	3

SUPPLY AND DEMAND

Sales Volume I (units)	1263
Lost Sales I (units)	947
Sales Volume II (units)	0
Lost Sales II (units)	0
Production I (units)	1100
Production II (units)	0
Total Capacity (units)	1644
Service Revenue (W\$)	0
Warranties Sold	0
Call Outs	0
Repairs Requested	0
Unfulfilled Repairs	0

MESSAGES:

Auditors report your Gross Margin is too low.
Your retailers complain about the late deliveries.
Shareholders are concerned about your current financial performance.

Completed R & D: 10, 14,

MARKET SUMMARY

	<u>Team 1</u>	<u>Team 2</u>	<u>Team 3</u>	<u>Team 4</u>	<u>Team 5</u>	<u>Team 6</u>
<u>Supply :</u>						
Production I (units)	1534	1200	1450	1534	1100	1400
Production II (units)	0	0	0	0	0	0
Closing inventory I (units)	0	0	610	0	0	129
Cl. inventory II (units)	0	0	0	0	0	0
Lost sales I (units)	643	22	0	522	947	0
Lost sales II (units)	0	0	0	0	0	0
<u>Demand :</u>						
Price I	4799	6000	7000	4800	5350	6000
Price II	0	0	0	0	0	0
Market Share (%)	18.3	18.7	10.0	19.9	15.1	18.0
Sales Volume I (units)	1534	1563	840	1666	1263	1507
Sales Volume II (units)	0	0	0	0	0	0
Salaries (W\$ p.p. p.a.)	10.1	10.0	10.5	10.2	10.4	10.5
<u>Financials :</u>						
Revenue (W\$)	5909	7502	4718	6409	5413	7236
Net Profit (W\$)	-524	188	-8	-482	-1082	483
Net Assets (W\$)	1642	2682	3111	1893	1352	5661
Bank Borrowings (W\$)			998			