



Lothian Area Board of Young Enterprise Scotland

Getting Started

&

Programme of events



Stage 1. Getting Started

Briefing Meeting with Adviser (LT)

The Link Teacher forms a team with the Advisers. Before the Young Enterprise Company starts it is essential to set up an initial meeting between the Link Teacher and the Advisers.

The aims of this meeting should be to:

- brief the Advisers about the school/college and give them a map of the campus and a sheet of basic information on: school/college hours; how the Achievers can be contacted; dates of terms and half-terms, other closures, school journeys and special events; Health and Safety procedures;
- show the Advisers the room to be used for Young Enterprise (when run on school premises) and give “domestic” information such as the location of the toilets and how to get refreshments;
- establish complementary roles and a partnership approach;
- brief the Advisers about the Achievers;
- agree an efficient start-up procedure so the company is well underway in time to capitalise on the Christmas market;
- give the Advisers all relevant information if the company is running as part of a curriculum programme;
- explain that, if run as part of the curriculum, the Link Teacher may need to be more involved than he/she would be in an extra-curricular Young Enterprise company;
- agree arrangements to meet regularly, outside of the company’s meetings to plan and to exchange information;
- make sure that Advisers are aware that Achievers may need to be given opportunities during the year, to review personal development and carry out self-assessment in order to put together their Company Programme Record of Achievement (available on the Company Programme Website once registered);
- discuss any personal objectives that the Advisers have and any assistance that can be given. For example, they may be working on management qualifications towards which their Young Enterprise work can count. Or they may want to develop a better understanding of current educational issues;
- ensure that the Advisers have read and understood the “Adviser Code of Conduct” (a copy for reference can also be found in Appendix 4 of this file).
- Remember to exchange contact details including email addresses. If the Link Teacher is able to enter the Business Adviser’s email address at registration the Business Adviser can be emailed their username and password for the Company Programme early.



First Company Meeting (BA)

Preparation

Before the meeting commences set up the room in Board Room style with a place name for each Achiever (pens and notes pads would also add to the occasion). A Business Adviser takes the chair. The Adviser has the documents in the Start Up Pack and issues documents when appropriate.

Agenda

1. Introductions.
2. Adviser's Role.
3. Explain how the Company Programme operates.
4. Explain the Company Programme Kit and website.
5. Explain how a company operates.
6. Decide company name.
7. Roles and responsibilities of function directors.
8. Future meetings.

1. Introductions

Say a little about yourself, job, hobbies and Young Enterprise experience. Ask Achievers and Adviser colleagues to introduce themselves saying a few words about their interests, ambitions and why they are doing the Company Programme. It is important to establish good communications quickly with Achievers to ensure a good working relationship is formed. Time taken at this stage will set the scene for the rest of the programme.

2. Adviser's Role

Go through your role with the Achievers and how you see it working. Remind them it is their programme and you are there to assist when required. You will probably be more directional at first but this will shift as the members become more active in their functions. It will be useful to mention the Link Teacher and the way you will work with them.

3. Explain how the Company Programme operates

Issue the welcome brochure from the Start Up Pack. Use this to briefly explain how the first few weeks of the programme will go.

4. Explain the Company Programme Kit and website

Following registration the Young Enterprise company will receive access to the Company Programme website and their Company Programme Kit. The company should be registered as soon as possible after this meeting. The Company Programme



website allows company members (including the adviser and link teacher) to use tools that will help them run and organise their company, find guidance and support and enable them to communicate with other Young Enterprise companies across the country.

The Company Programme Kit is:

1. A Company Programme Director Diary for each Achiever containing a business diary, some introductory guidance to the programme and sign-posting to the Company Programme website;
2. A Company Administration Folder (one folder for the company) holding essential documentation for the company as a whole. This should be looked after and brought to each meeting by the Company Secretary.

5. Explain how a company operates

Use the welcome brochure and your own experience to talk through the principles of creating a business.

6. Decide the company name

For legal reasons the word “Limited” must not be used and the phrase “A Branch of Young Enterprise” must follow the adopted name.

7. Roles and responsibilities of Function Directors

Refer to the welcome brochure document and ask them to read the Roles and Responsibilities Section and consider their own preferences for the next meeting.

8. Future Meetings

Agree time, day and place for weekly meetings. Consider your own commitments at this stage. Give the Achievers your contact address, email, telephone/fax.

Registering the Company (LT)

Registration is done online and there is a form in the start-up pack to help you with this. Make sure you have gathered all of the relevant information before registering the company at www.young-enterprise.org.uk/company.

Registration will also give company members access to the Company Programme website and the Company Programme Kit which will be sent to the school or college. After registration the company will then be invoiced for the registration fee. Link teachers must take overall responsibility for registering the company. If registration is done online it is often useful to do this with the Achievers but the Link Teacher must be present during the registration process to ensure that details are entered correctly and ensure the security of the company member user accounts.



Handing out Usernames and Passwords (LT)

Once the company has been registered the Link Teacher will be emailed a list of usernames and passwords for the Achievers, Business Adviser and themselves. It is the Link Teacher's responsibility to hand out the usernames and passwords to Achievers individually. The Link Teacher must ensure that Achievers are aware that parts of the site will be monitored (by the Link Teacher and Business Adviser) and that their account may be deactivated if they misuse the site.

During the registration process the Link Teacher is asked to include the email address of the Business Adviser so that their username and password can be emailed to them. If this is not entered at registration then the Link Teacher will also have to make sure that the Business Adviser is given their username and password the next time they meet.

Using the Company Programme Website (LT and BA)

The Link Teacher and Business Adviser user accounts give access to all of the functions and guidance available to Achievers (with full permissions). This includes the specific guidance, resources and videos for Link Teachers and Advisers and the discussion forum.

Registration activates the insurance which covers Achievers for trading with the public.

Companies must not start trading before registration

These accounts will also allow the Link Teacher and Business Adviser to monitor content that Achievers have posted on the "company profile" and "company member profiles" sections which are available to be viewed by other Young Enterprise companies across the country. Link teachers should bear in mind that any content posted on these sections represents not only the Young Enterprise company but the school as well. When the Link Teacher or Business Adviser is logged into the Company Programme website they can update the company registration details at any time.

They are able to:

- edit the company registration details (including company name);
- add/remove Achievers to/from the company;
- deactivate a Achiever's account if they have left the company or misused the website;
- request to be emailed the company members' passwords if they have forgotten them.



Second Company Meeting (BA)

Preparation

In this meeting Achievers will need to sign off a printed copy of the Memorandum and Articles of Association. This can be found in the Company Resources section of the website and must be printed out and brought to the meeting.

If possible, it will be helpful in this session to demonstrate aspects of the Company Programme website. The best way to do this is to display items using a computer (with Internet connection) and a projector. The Business Adviser should be familiar with the Company Programme website before this meeting. Bring the Welcome Brochure for reference. Ask if the Company Programme Kit has arrived. (Agenda assumes this has arrived. If not, follow the Welcome Brochure).

Agenda

Adviser starts the meeting in the chair.

1. Apologies for non attendance.
2. Election of Directors.
3. Go through the Director Diaries and Company Administration Folder.
4. Talk through the Company Programme Website.
5. Decide on permissions for the website.
6. Begin discussion of potential products or services.
7. Complete Memorandum and Articles of Association.
8. Discuss Business Plan.
9. Agree to open a bank account.
10. Any outstanding business including key dates for Achievers' calendar.
11. Date of next meeting.
12. Brief Managing Director for next meeting.

2. Election of Directors

Ask if there are any queries over the Roles and Responsibilities. Agree with group how they want the elections to take place and elect the directors.

3. Go through the Director Diaries and Company Administration Folder

Hand out the director diaries and talk over what they contain. Go through the contents of the company administration folder. This should be looked after and brought to each meeting by the Company Secretary.



4. Talk through the Company Programme Website

The Link Teacher should already have supplied each Achiever with a username and password for the website. Talk Achievers through the guide to using the website found in the director diaries. If possible, demonstrate the website features by logging into the website with your own account. You should arrange a separate session to go over the online accounts system with the Finance Director(s).

5. Decide on Permissions for the Website

Make sure that everyone knows that the Managing Director will have extra responsibilities on the Company Programme website. The Managing Director will have the ability to allow certain company members to have extra permissions on the site.

The company needs to decide which members will have permission to:

- Edit the company Calendar
- Edit the company Tasks
- Upload/delete the company resources • Edit the company accounts
- Edit the company profile • Edit the company member profiles

The Managing Director should think very carefully before setting these permissions and this is an opportunity to discuss how they should be used. It is recommended that only one Achiever (normally the Finance Director) is given permission to edit the online accounts. The Managing Director will be able to change these permissions online at any time.

6. Begin discussion of potential products or services

Refer to the Welcome Brochure. Choosing the product/service is very important. You should ensure all possibilities are explored. Brainstorming is a useful technique to get everyone's ideas and there are some methods for this in the document. Agree actions to research products/services before next week. Finalising the choice of product may take several weeks. Further guidance is available on the website including a theme on innovation and choosing a product or service.

7. Complete Memorandum and Articles of Association

This should have been printed off from the company resources section of the website and needs to be signed by the company members. It should be kept with other company documents by the Company Secretary.



8. Discuss Business Plan

This is an opportunity to introduce Achievers to the idea of a business plan and for them to discuss their initial ideas. Full discussion of the business plan is covered in the third meeting.

9. Any outstanding business including key dates for Achievers' calendar

Some key dates are found in the "Running Your Company" section of the online website guidance. It is a good idea at this stage to check general understanding and that everyone feels involved.

10. Brief Managing Director for next meeting

After the meeting has closed have a brief discussion with the Managing Director and Company Secretary to agree how they will prepare for next week's meeting. Remind the Managing Director that he/she will need to log on to the Company Programme website and set permissions for company members as discussed.

Updating who the Managing Director is Online (BA or LT)

Once the Managing Director has been chosen the Business Adviser or Link Teacher must edit the registration details online to show this (a link at the top of the page once you have logged in). This step is essential in order that the MD can set permissions for their company members. If the MD changes throughout the year the Business Adviser or Link Teacher must change this online.

Opening the Bank Account (LT)

Once the company has chosen a name and elected Directors it can open a bank account. (See guidance in the Company Administration Folder). Depending on the location of the school/college, sometimes Achievers have difficulties in physically getting to the bank and you may have to assist them. If you use your car make sure that you have the necessary permissions and check your car insurance (see the Rules and Guidelines section of the website guidance for more information).



Stage 2. Planning

Third Company Meeting (BA)

Preparation

There are several parts of the website guidance which will be of use during this meeting (and all future company meetings). It would be helpful to have the Company Programme website displayed on a projector for reference.

Agenda

Adviser hands over chair to MD. Adviser gives support. Company Secretary takes minutes.

1. Apologies for non-attendance.
2. Agree on product or service (or plan next steps towards agreement).
3. Consider Health and Safety issues.
4. Agree how capital will be raised.
5. Draw up Business Plan.
6. Draw up a Mission Statement and Self Assessment Objectives.
7. Discuss Operations plan.
8. Any outstanding business.
9. Date of next meeting.
10. Have the Finance Director and Deputy Finance Director worked through the Finance guidance on the Company Programme website?

2. Agree on product or service (or plan next steps towards agreement)

This is a crucial decision for your company to make, to ensure they choose a product which meets the customers' needs. The Welcome Brochure will help you with this process. Making and producing the product is a major and enjoyable part of the Company Programme experience. Young Enterprise discourages simply retailing (i.e. buying and selling products). Commitment to their product/service is a vital factor, which holds a Young Enterprise company together. Ensure that Achievers have checked their product or service against legal and insurance guidelines (found in the online guidance) and particularly the list of prohibited products. Further guidance is available on the website including a theme on innovation and sample product/service ideas.

3. Consider Health and Safety issues

You must be aware of your responsibilities in this area. Refer to the rules and guidelines section of the website guidance.



4. Agree how capital will be raised

Ensure that the Company Secretary issues share books (found in the Company Administration Folder). See also guidance on the Company Programme website and further information later in this section.

5. Draw Up Business Plan

Every new Enterprise needs a Business Plan. It provides the company with a document they can use when approaching prospective shareholders and lenders. It will help to clarify the amount of capital required for the project. The Managing Director is responsible for co-ordinating the production of the Business Plan.

Ensure that the MD is starting to draw together information for the Business Plan, to include the following:

- the prospective venture;
- the key people;
- the products or services;
- the marketing strategy;
- financial requirement.

Get agreement on when to complete and present - possibly each monthly Board Meeting. Further guidance is found on the Company Programme website.

6. Draw up a Mission Statement and Self Assessment Objectives

Once the company has decided on a name and the product or service it is going to provide, it is useful to produce a Mission Statement and self assessment objectives. A Mission Statement is a vision of the kind of company the Achievers are aiming for. It should be short, concise, understated and agreed by everyone in the company.

Self assessment objectives will give the company some guidelines against which to assess themselves. It is an opportunity for the Achievers to consider quality and customer service, ensuring they are aiming for the highest standards possible. More detail on the self assessment objectives is found later in this section.

7. Discuss Operations Plan

Areas to consider include Health and Safety, equipment and tools, hiring out, renting and purchasing. More guidance is found on the Company Programme website.



8. Have the Finance Director and Deputy Finance Director worked through the Finance Step by Step Guide?

A more detailed guide to finances is found in the finance function guide section of the Company Programme website. Do they understand the finance guidance and how to use the online accounts system? Has the Managing Director given them permission to edit the online accounts?

Share Issue (BA & LT)

To raise capital at the beginning of the company “ordinary shares” are sold to contacts, friends and families of the Achievers. Every Achiever must hold at least one share. The share certificate is not a negotiable instrument and any one individual is limited to a maximum of twenty shares. The maximum share value which can be raised is set annually, and can be found in the rules and guidelines section of the Company Programme website.

If the company wishes to raise a higher level of share capital, special authority must be sought from the Area Board. The Company Secretary is responsible for keeping a careful note of the issue of shares. The share books are supplied in the Company Administration folder. Each share certificate has a counterfoil and the completed counterfoils form the basis of the Share Register. Some Companies have mislaid the Share Register in the past so it is a good idea for you to suggest that the company keeps a copy in the school/college safe. Without the Share Register, accurately repaying shareholders after liquidation is impossible.

Company Self-Assessment Objectives (BA)

Objectives are usually developed for all of the major business areas, however it is suggested that you address the following:

- customer satisfaction;
- resources;
- environment;
- profitability.

In all of these areas you should encourage the company members to consider how they can innovate to develop a new and creative solution to achieving their objectives.

Examples of Company Self-Assessment Objectives:

Customer Satisfaction

Example: We will conduct regular customer surveys to ensure we are consistently exceeding their requirements with the objective of achieving “Delighted customers”.

1. The survey data will be communicated regularly to all Achievers and will be discussed at every Board Meeting where any corrective actions will be agreed.



Resources

Example: We will maximise our resources by:

1. Developing a value for money approach in all of our transactions;
2. Accurate planning to ensure “on time” delivery both from our suppliers and to our customers.

Environment

Example: We will protect our environment by:

1. Wherever possible using recyclable materials;
2. Striving to use only environmentally friendly suppliers;
3. Providing our customers with appropriate disposal instructions for after the product has outlived its use.

Profitability

Example: We will strive for profitability by:

1. Constantly measuring where we are against our plan;
2. Comparing ourselves, where appropriate, with similar organisations;
3. Regularly reviewing the effective use of all of our resources.



Stage 3. Up and running

Between Meetings (LT)

Between meetings you are the main channel of communication between all parties so you will need to set up an effective system of passing information to Achievers. Informally between meetings be enthusiastic and take a supportive interest in the company and be there to advise the company if problems arise. Achievers may want to access certain facilities such as technology equipment and it is often a good idea to smooth the Achievers' path with colleagues. Throughout the Company Programme, you and the Advisers will help the Achievers complete their self-assessment and record their achievement.

Weekly Meetings (BA)

Weekly meetings help to establish a routine. The Managing Director should be conducting the meeting using an agenda circulated before the meeting. Most of the session will be spent on production but there is a need for a brief meeting both at the start and at the end of each session, which should be conducted in a formal manner (Refer to the "Up and Running" section of the website guidance). By now the company should have established a routine and be in full production. All the Achievers should now be fully involved and participating effectively and continuously during the entire session.

The Function Directors should use some of the session for their planning and administrative tasks. When they have completed their tasks they should join in the production work of the company. Make sure the company takes full advantage of the Christmas market and is looking for suitable outlets to sell their products. This is the time to let the company develop and to allow individuals to establish their roles and responsibilities. Your role will be to check for de-motivated members, offer guidance when required and intervene when necessary. Intervention is the art of interrupting the group by asking questions, providing information, expressing feelings or otherwise altering the course of action that is being taken.

Remember that the Company Programme is about "learning by doing" but there may be occasions where intervention is necessary to help the group move in the right direction and save time.

Your relationship with and knowledge of the group will help you decide whether to intervene or not.



Monthly Meetings and Reviewing Progress (BA)

Regular dates for monthly meetings should be agreed in advance and all Achievers should attend. This meeting may be part of a weekly meeting or an additional meeting. The Monthly Board Meeting is an opportunity to review progress and make decisions for the future. Reviews fall into two areas, business reviews and personal reviews.

Reviews should be carried out as a group exercise, and not on a one to one basis.

Business reviews cover areas such as sales, product, quality, prices and the customer. The company should review progress against their Business Plan, Mission Statement and Company Self-Assessment Objectives. The Progress Check sections on the website function guidance should help with this. Personal reviews may cover areas like business knowledge, working in teams or some aspect of personal development.

During the formal reviews, invite the Link Teacher to participate. You should encourage the Achievers to think about the skills they have developed. The business review should be done collectively in open discussion but the personal review allows for individual Achiever reflection. For the personal review, ask Achievers to write down their personal achievements and objectives.

Give general guidance on the sort of thing they might be covering. Achievers can then write up their Young Enterprise Record of Achievement after each review. See also “Record of Achievement” in Chapter 6 of this file. Link Teachers are often invited into review sessions, to support discussions or to hear a summary presentation of the company’s progress and plans. They may also have suggestions about how the Achievers can use the evidence gathered in reviews towards accreditation.



Half Year Board Meeting (BA)

This board meeting offers the opportunity for Achievers to change roles. It also provides an opportunity to complete part of their Record of Achievement forms. This meeting is usually held in January, to deal with the election or re-election of Function Directors.

To this end, two special agenda items will be required:

- the resignation of all Function Directors;
- the election of new Function Directors.

All Achievers, including the retiring Function Directors will be eligible for election to the various positions. At this meeting it would be helpful to obtain some indication as to the future commitments of Achievers, so that thought can be given to the efficient winding up of the company without disruption to either academic or company matters. Remind Achievers that they need to start winding up the company six to eight weeks before liquidation.



Stage 4. Sales Christmas Markets and Trade Fairs

Sales (BA)

Before selling begins support Achievers in the preparation of a sales campaign. To this end decisions have to be made regarding the type of customers to target, when, where and how to approach them, what is to be sold and the projected value of those sales. For this they need to estimate how many sales they will make and how much those sales are worth.

Achievers should consider successful marketing techniques for service by:

- having a friendly and enthusiastic manner;
- listening to customers;
- being knowledgeable about their product or service;
- demonstrating how their product or service will help customers;
- closing the sale effectively (gaining a commitment from potential customers).

A pleasing personality and a positive attitude are very good attributes for Achievers to have when selling.

Trade Fairs and Other Outside Events (BA and LT)

During the year the Area Board organises at least one Trade Fair and there are also larger Regional, National and even European Trade Fairs. Some Area Boards organise training sessions on aspects of running a company. All these activities allow Achievers to meet other Achievers from different companies and in the case of Trade Fairs, sell their products. The practical details of organising trips often fall on the Link Teacher and you should familiarise yourself with the necessary permissions and procedures in good time, as these can be quite cumbersome and lengthy.



Stage 5. Ending the Year

The Company Competition (BA and LT)

All Achievers who have managed to run their company for an entire year deserve to be recognised for that substantial achievement. The company competition offers such an opportunity. Therefore all Achievers are encouraged to enter. Winning is a wonderful reward but the competition is more about participation and sharing the experience with others.

The judges will be looking for an innovative approach to the running of the company. Innovation is not just about the product/service but about the way in which the company did things. Past winners haven't always been the most profitable Companies, but have been those best able to communicate their understanding of the process and their enthusiasm for it. Companies entering the competition are not judged solely on profits, but on how well they have grasped the principles of business and what they have personally experienced. So technically to even a company that registered a loss could go on to win the competition. Make sure your Achievers are aware of the competition early on in the programme. This will not only help them work towards the deadlines but record information that will provide evidence for the Competition.

The competition is the chance for you and your company to win the trip of a lifetime attending the prestigious HSBC Young Enterprise Innovation Awards UK Finals in London. From there you could go on to compete in the Junior Achievement/Young Enterprise Europe Company of the Year Competition held in a different European country each year. The Young Enterprise UK Company Competition operates on four levels, Local, Regional, National and European. The competition criteria document is issued annually in the "Welcome Pack" following company registration and contains more detailed guidance.

Local - Young Enterprise Company Competition

Area and Strategic Boards manage their own competition process. Ensure you obtain details of the local competition process and dates.

Regional - Regional Finals of the HSBC Young Enterprise Innovation Awards

Winning companies from Strategic Boards are entered as candidates to the Regional Finals. Entrants are expected to submit reports, promote their company at a display stand and give a business presentation. The winner from each Region goes through to the National Finals.



National - UK Finals of the HSBC Young Enterprise Innovation Awards

This is the most prestigious event in the Young Enterprise calendar. Held in London, it is a marvellous experience for Achievers, Advisers and Link Teachers alike. The top prizes are £1,000, £750 and £500. The winning company goes through to compete in the European Finals.

European - Young Enterprise Europe Company of the Year Competition

The venue rotates between the member countries of Junior Achievement/Young Enterprise Europe. Winning the top European Award is an exceptional achievement. More information on the national competition and awards is found in the competition theme on the Company Programme website.

Winding Up the Company (BA and LT)

Winding up a Young Enterprise company takes much longer than you might imagine. In January dates should be agreed for the final accounts, AGM and target dates for liquidation. Look at the Outline of the Year (Appendix 1) to consider other activities such as examinations, holidays, school trips etc. For more detail of all of the stages refer to the guidance on the Company Programme website. Due to the nature and extent of this process, your input in controlling and checking will be invaluable to its success. The winding up process must be completed by 31st July at the latest. Insurance Cover ends at this date.

Liquidation and Money

In order that Achievers experience the entire life of a company each company must be liquidated at the latest by 31 July when the insurance cover ceases. In practice most Companies cease trading after Easter as it takes some time after this to chase up all debts to the company, discharge all liabilities, turn all the assets into cash and close the bank account. Shareholders are repaid along with any dividend the company is able to declare. If the company cannot repay some of its original share capital when it goes into liquidation the share capital is deemed to have been a donation to an educational charity - Young Enterprise - in the form of the Achievers' company.

Link Teachers do not need to feel anxious that their institution could become responsible for debts. The company accounts are prepared with provision for YE Corporation Tax and any outstanding YE VAT. These taxes are levied to add to the realism of the enterprise and to provide income to allow Young Enterprise to run the scheme. In reality, the tax payments are donations to charity since Young Enterprise is itself a charity.



The Company Report

This is the report to the shareholders and is also the first stage of the competition. It has to satisfy certain criteria; which are very strictly applied. The report has to demonstrate the lessons learned during the year and what would have been done differently with the benefit of hindsight. The report must also give a realistic assessment of the future of the company, as though it had one. Guidelines are given to Achievers annually.

The Area Board must receive the report by a closing date, which is usually in March / April. It is not necessary for the company to have gone into liquidation by this date but in practice it is often convenient to combine the two processes. The Achievers must write the report themselves in a very short period of time usually before the Easter holidays. The Achievers are likely to need a lot of help at this time and the Advisers are usually only available once a week. Link Teachers invariably assist much more at this stage and may involve colleagues such as the English staff. It is important however, not to write the report for the Achievers!

The Shareholders' Meeting (AGM)

A Shareholders' meeting should be held in school/college or business venue in addition to the Area Board Presentation event. The Achievers can mount a display and give an oral report of the year's activities. This is useful as a rehearsal for the presentation that the Achievers have to give as part of the Area Board's judging of companies. The Achievers are responsible for organising these meetings but your help will probably be needed behind the scenes. Achievers, also, usually require assistance from the Advisers and Link Teachers in preparing their presentation.

Final Company Meeting

A final company meeting is normally arranged at the end of the year to complete all the required procedures; ensure that all taxes and debts have been paid and that the Bank Account has been closed. The winding up process, including closing down your bank account and any web sites must be complete by the 31st July following the date of registration at the latest. Insurance cover ends at this date. This meeting is also a good opportunity to thank and congratulate everyone involved.