

# STUDENT COMPANY REPORT OF



## Enchanted Florist

School/College Centre	Currie Community High School
Lead/Teacher	Mrs Val Matthewson
Business Adviser(s) & name of their company	Martin Smith-Campbell – Virgin Media Account Manager Keith Ellis – business owner
YE Area Board	Lothian
Interim or Final Account	Interim
Date of Report & Accounts	24.02.2019

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## Executive Summary

Company Name	Enchanted Florist
Mission	Our business aims to provide consumers with an on trend and unique product in the form of artificial flowers in stylish vases whilst reducing our impact on the environment and giving back to our community.
Goals	We strive to give our customers the best service possible and provide them with high quality products. As a profit making enterprise we hope to generate large amounts of revenue and profit in order to easily cover our expenses. We intend to create a good revenue stream and a sustainable profitable business. Unity is key and we hope to work effectively as a tight knit group in order to achieve these goals.
Values	We aim to reduce the impact our enterprise has on the environment as much as possible by procuring from sustainable sources and offering a sustainable returns policy. Growth is important and we hope to gain a strong following of customers and supporters. We aim to provide a superior service to our competitors (high street retailers and other YE companies).
Product or Service	Artificial Flowers with vases and decoration

### Summary of Financial Results

Net Profit	£292.08
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### Summary Statement of Student Company Performance

We feel that our company has performed extremely well throughout the competition. We often had to overcome challenges and solve issues. However we were able to overcome each hurdle that came before us and effectively work as a team in order to create a successful product, brand and customer following. We were also able to generate a healthy profit margin and cover all of our expenses and at the same time, give back to the local community. The necessary business and team working skills that we have developed over the past few months will no doubt influence and benefit us in our future studies and careers.

## Digital Presence

Instagram:  
**@enchantedflorist.ye**

Facebook:  
**@EnchantedFloristYE**

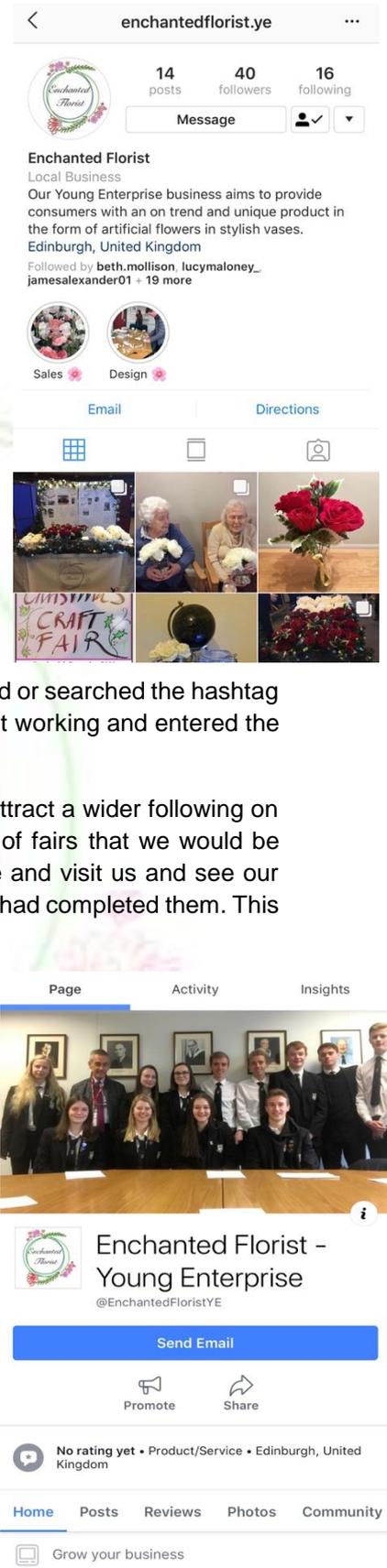
Our Young Enterprise company, Enchanted Florist, first created our digital presence by setting up a Twitter account. We originally thought that it would be a good social platform upon which we could inform people of our company. However, our team did not take to this social network, only a couple of team members actually used Twitter in their day to day lives and others preferred different social medias. We ended up not making use of this platform, and although our account exists, it has no tweets and few followers.

On the bright side, our team found a love for Instagram (@enchantedflorist.ye). It was this social media that our team was most familiar with and almost everyone used it in their personal lives. Therefore, we all knew its functions and how to run it. We were a lot more active on the Instagram account than on Twitter. However, we had one or two obstacles on this platform. One was that the Young Enterprise logo competition hashtag originally did not work on our post. This was because when we clicked or searched the hashtag our logo image did not come up at first. Although, we managed later to get it working and entered the competition with plenty of time to spare.

We tried our best to post as regularly as possible on Instagram, in order to attract a wider following on our account. We promoted our brand on here by posting days in advance of fairs that we would be going to. This meant that our followers would know where they could come and visit us and see our products in person. We also posted details regarding our bake sales after we had completed them. This showed our followers how we fundraised for our company.

We also posted on Instagram about how our business was partially a social enterprise. Our business provides the opportunity for customers to donate our flowers to a care home or hospital. We also have a returns policy that enables customers to return any flowers that they no longer want and we will donate them to a care home or hospital. At recent fairs we had received three purchases of flowers from very generous people, these were donated to Lorimer House, which is a local care home in our school's area. All this information was included in a post on our Instagram, with pictures of some of the people in the care home holding the flowers. We thought this would be an effective post to our Instagram.

Our Young Enterprise company also used email to create a digital presence. When customers bought from us, we told them about our competition to win a flower of their choice for free or to donate a flower of their choice to a care home or hospital. All they had to do to enter was leave their email with us. Through this we were able to promote our other online accounts and networks, such as Instagram. We now also had a list of customer emails which we could use in the future to promote new products. The competition winner chose to donate a flower to a care home.



## The Enterprise

The first hurdle in the Young Enterprise process we had to overcome as a team was selecting what product we would be selling. Although we overcame some difficulties in the early days with our product selection the team eventually agreed the way forward. As well as brainstorming as a group we used business tools such as a SWOT analysis and other strategic marketing tools. The final step in the process was taking and presenting our strongest product ideas to a panel of entrepreneurs and business owners in the war room at the Young Enterprise launch event. This allowed us to come to the conclusion that artificial flowers in vases would be our chosen product. Overall the process of selecting a product was a success as we were able to effectively narrow down and eventually select the strongest potential product from a wide range of choices. It could be said that there were some disagreements along the way with some team members opposing some decisions however we were able to get over these challenges with everyone supporting and backing our final product decision. There were some differences of opinion amongst the group however we managed as a team to come to an agreement once analysis was complete.

Creating a good company brand and image was very important to us as it was crucial in generating profitable sales and winning customers. Selecting our name was a similar process to selecting a product. We brainstormed lots of floral related names and narrowed the list down by eliminating names we felt did not emphasise our brand enough. We eventually decided on the name "Enchanted Florist". We felt this was perfect as not only is it a fun play on words but it gives customers an idea of what we are selling through the word "Florist" whilst making them curious and more likely to enquire about our products as a result of "Enchanted". Once we had decided on our name this led to our next step of producing a sleek and eye-catching logo that further emphasized our brand. Our marketing director (Grace) drew four different designs and we selected our favourite design in one of our group meetings. Later in the competition once we had finished products we used stickers with our logo on the bottom of our vases and on the front of our packaging in order to further remind customers of our brand. Throughout the competition we were also able to promote our products and business through our various social media accounts, posters in the local area and with help from the organisers of the fairs we attended.

Our identified target market was those that would attend Christmas fairs and be interested in buying flowers either for themselves or as a gift for others. In turn this meant most of our customers were over the age of 30. We identified that our target market should be attendees of Christmas fairs and those interested in buying flowers etc. The main problem that people usually have with flowers is the fact that they usually die off within a few weeks or a month. This was the main issue that we felt we overcame as we provided consumers with artificial flowers that looked just as good as real flowers except they would last for as long as the customer wanted them to. During the selling process our main sales channel came in the form of Christmas markets with us attending 3 in total although we were also able to sell flowers around our school to teachers and pupils plus at school events such as parents evenings, concerts and awards nights. Another sales channel we used was selling our artificial flowers to family and friends however this was not as successful as the Christmas fairs due to some team members having less family or friends than others. We felt that communication with our customers was key as effective customer service led to customers recommending our products and company to others. Most of this communication came in the form of verbal communication however we were also able to gain many customers email addresses so that we could contact them further and potentially send them promotional material.



## Endeavour, Impact and Results

Our team has striven for results from the offset- aspiring to reach our targets, collectively meet our goals and achieve success. We struggled slightly with developing a product or service. We spent over a month researching and brainstorming. Everyone thought of different ideas, from pamper boxes, through coasters and socks to tea boxes. We wanted to make sure that we were providing the best product we could for our customers. Everyone improved their confidence by sharing ideas and opinions to the whole team and everyone improved their ability to give constructive criticism and to express their honest opinions in a respectful and constructive way. We carried out market research of existing products, their prices and how much it would cost to manufacture them and we brought prototypes into meetings and that helped us come to a collective conclusion. We often stretched ourselves to ensure that we were creating the best product for our clients, by creating 3 separate designs, all hand assembled and arranged by ourselves, and our own creativity.

Our determination to complete all of our tasks to a high standard was reflected in all of our endeavours, we completed all of our tasks as a team and ensured we were all happy with our outcome. We always wanted to create a clear image of our enterprise, and during events such as fairs, we had lots of information about who we are and what we do on show for all to see. This resulted in our business being transparent and easy for customers to understand.

We used technology to our advantage throughout our young enterprise journey, creating a Facebook and Instagram account to promote our product and to create a strong online presence. Our logo was posted to our Instagram account and through this, we entered the logo competition for all young enterprise teams. We documented our team meetings and brainstorming of ideas, and included some of our community work as well. The use of technology has proved effective for us, and our company has benefitted greatly from the support of our online presence. We also used the social media platforms to engage our clients in a competition where they provided their email address and we entered them in a random draw in which they could either win a free product or donate it to our community outreach - Lorimer House.

Lorimer House is a home for the elderly and vulnerable in our close community. We provided all of our customers with the opportunity to donate a flower to Lorimer house should they no longer want it. This created a positive impact in our community with the flowers going to a new home and not being disposed of. Seeing the flowers go to a second home and sustainably taken care of was something that our team worked hard to implement and our customers greatly appreciated.



## Organisation and Management

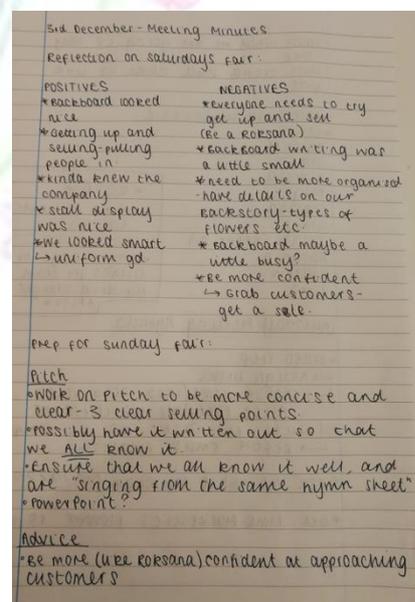
As part of keeping our company organized we decided to implement certain actions. First of all, we had a consequences action that would be taken if a member of the company, after being asked many times to complete certain tasks, hadn't done it, there was a "three strikes and you're out" system. This has made expectations of everyone clear and everyone understood that if work is not being done without any valid reasons it will have consequences, as having no work done by certain individuals will have an impact on the whole company.

However, we have also had a rewards scheme for those individuals who have excelled certainly during the process. We have been selecting an employee of the month for each month since October. Every individual member of the company could nominate a peer who, they think, has done the most work or went out of their way for the company, it's a way to show appreciation and praise them for what they have achieved. We also do honourable mentions, to congratulate people who have also worked really hard. This has helped to encourage everyone to fully commit to the project and be motivated to help progress the company's development.

Every month our HR director has monthly check-up interviews with every member of the company, mainly to gauge employee satisfaction. This gives the opportunity for employees to say what they think could change in the company, as well as what they enjoy and what they think the company, or themselves as an individual have done well. It's a chance to reveal issues so that they can be dealt with in order to prevent any arguments. Monthly overviews are recorded, which allow us to see who has completed the most work, for potentially being selected as the employee of the month, and to record how our company progresses and what tasks have been completed each month.

To keep up to date with everything and to keep on track, we have 2 meetings every week. An hour-long meeting on Monday with our business advisors and an hour on Thursday. During these times we allocate tasks that need to be done for the following days or weeks as well as prepare for any upcoming deadlines. On top of this, we keep in touch with one another outside of school via our group chat, where we can further communicate and share our ideas and opinions, even when we don't have a meeting.

We stay organised and focused by following an agenda every meeting, as well as recording minutes from every meeting that we later review and act upon. This allows us to keep track with whatever needs to be done, or work that has to be completed.



## The Journey Travelled

The journey that our company has been on has greatly affected all of us. Our team was assembled from various people that were interested in the project and roles were assigned based on our skills and preconceived ideas about what they entailed. In hindsight we should have spent more time looking at what the roles really involved and what skills and qualities we had, but we all ended up with pretty well-matched roles.

Reflecting on our experience, I think we could have dedicated more time to Young Enterprise from the beginning, as we only held one meeting a week and we didn't progress much between meetings. We went to the launch with three main ideas. The war room was the deciding factor for our company and we decided to sell artificial flowers. By the end of October we felt like it was too late to continue deliberating about potential products and had to start thinking about actually producing something. Now we feel that we should have taken more time to make sure that everyone was passionate about the product.

We experienced difficulty with ordering stock for the first time. Despite conducting a lot of market research, looking at over 5 potential suppliers, we struggled from lack of communication as we split into 2 smaller groups - a product group and a stall group. The people on the stall group didn't know what design we were ordering, the people on the product group didn't know what our stall would look like. The annoyance over ordering stock pushed us to have an emergency meeting. The HR Director interviewed the majority of the employees to locate the source of frustration and implemented many changes, from trying to think of long-term goals and getting rid of the two separate groups to implementing a rewards and consequences system. Another issue we faced was that we were unsure of how we would secure the flowers in the vases. We bought 8 bottles of glue only to discover that they wouldn't harden, we then tried resin. Although it worked in securing the flowers, it had a strong chemical smell. Unfortunately, we only discovered this at our first fair and had to quickly drive to a shop to buy deodorant and cinnamon and vanilla extract to cover up the smell of resin, and thus originated a brand new selling-point of our first arrangement, a cinnamon, Christmassy scent. For our later designs we used pebbles and pine cones that we collected ourselves. We sold our artificial flowers at 3 separate fairs over 3 consecutive weekends. To celebrate our success we had a team-building activity after our last Christmas fair.

In January Enchanted Florist faced their biggest challenge yet. With prelims looming over everyone's heads and the ever-increasing pressure of creating the 2-minute video and the report, half of the team decided to quit. They were interviewed about their reasons for leaving to ensure that those problems were addressed for the remaining members. From this we learnt that a committed team is key, not just in the context of Young Enterprise but for any project we would be involved in. With this new, smaller and more focused team we created our 2-minute video in just 2 days, dedicating all of our time during those days to Young Enterprise and it showed us that we can achieve great things if we put in the effort. Overall, the main lessons that we learnt over the past months were that open communication is crucial in such a small team, the deadlines given to people must be far in advance, that to be successful, a team needs all team members to be fully committed and willing to do their part. We learnt to step back and look at the bigger picture when working on a project and not get overly frustrated over small inconveniences that only affect us in the short term. And, last but not least, we learnt to make compromises when making decisions that affected everyone and to take a democratic approach to all the major decisions. We have all been personally challenged by Young Enterprise and have learnt and benefited so much from it. The necessary business and team working skills that we have developed over the past few months will definitely influence and benefit our future careers.

## Financial Results

Throughout the time of our business running our financial position has been stable.

### Our beginning

When starting up we sold £195 of shares to help raise money to buy stock and other essentials. This left us with thirteen shareholders. Additionally, we received a £100 loan from our Head Teacher to enable us to pay the £100 registration fee and the loan will be repaid once we have finished our journey.

### Raising money

After this we decided to have our first of two bake sales to raise the rest of the money we needed to enable our business to flourish. Both of these bake sales were very successful, allowing us to move on to buying our first amount of stock.

### Purchasing stock

When purchasing stock, we opted to buy in bulk to save us money as it made buying the flowers a lot cheaper. When buying in bulk it resulted in us spending a lot of money on stock that we probably didn't need. This paid off though when we sold the majority of these products at fairs for a higher price.

### Selling at fairs

At these fairs we had to pay a £15 table fee but this was easily earned back. Each of the flowers were sold with an extremely high profit margin of over £5 on each arrangement. This led to us leaving fairs with success and high profits.

### Going forward

It is our intention to either sell off our remaining stock or gift it to the local community prior to closure of the business.

## **Finance Director Nomination**

Lara Byers has been nominated for the Finance Director of the year award because throughout the whole process she has been fully committed at all times and has gone above and beyond for our business. Even though some of our team were not as enthusiastic and motivated as others Lara has always been there to pick up their slack even when she had a lot of work to do for her role. Along with this Lara contributed greatly to the production of our two-minute video, helped to pick and purchase all of our stock and attended all of the bake sales and fairs that we sold at. Furthermore, she posted the majority of the content on the Instagram page and always made sure that all of our followers were kept updated about our business at all times. Every month Lara updated our financial records and always made sure to know the ins and outs of all the financial transactions that went on in the business. When in meetings she always made sure to remind us that money does not grow on trees and gave us updates on our financial position leading to our finances staying stable. Additionally, Lara made receipts that every customer received when they made a purchase and recorded all of the purchases made. She also kept our money safe and made sure to keep it updated with enough coins to allow customers to get the right change after purchasing a flower.

## Balance Sheet

# Student Company Finances for Enchanted Florist



## Balance Sheet

As at: 21.02.19

Current Assets:		£	
Stock			123.16
Cash at Bank			0.00
Cash in Hand			436.94
TOTAL A			560.10
Less:			
Current Liabilities:	£		
Bank Overdraft		0.00	
YE Winding up fee		73.02	
TOTAL B		73.02	
BALANCE (C)			487.08
Represented by:			
Issued Share Capital:			
195 shares at £1			195.00
Profit & Loss Account			292.08
Shareholders' Funds (D)			487.08
<i>Note: The total at C should equal the total at D</i>			
If the student company has not been wound up at the time of the Student Company Report, this document must be signed by a third party, such as an Adviser, certifying the accuracy of the figures			
I have examined the accounts of the student company and agree that the above figures are an accurate representation of the student company's position.			
Signed:		(Adviser)	Date: 21.02.2019
Print Name:	Martin Smith-Campbell		

## Profit and Loss Account

# Student Company Finances for Enchanted Florist



## Profit and Loss Account

For the period ended: 21.02.19

Winding up fee	20%	
	£	£
A Sales		594.66
B Purchases	421.83	
C Closing Stock	123.16	
D Cost of Sales (B - C)		298.67
Gross Profit (A - D)		295.99
E Stationery	0.00	
F Rent & Hire	15.00	
G Miscellaneous Expenditure	15.89	
H Registration Fee	0.00	
Total Expenses (E + F + G + H)		30.89
Operating Profit (or Loss) (Gross Profit Less Total Expenses)		265.10
Miscellaneous Income		100.00
Net Profit (or Loss)		365.10
		£
Net Profit Brought Down		365.10
LESS Winding up fee payable to Young Enterprise		73.02
Net Profit after Winding up fee		292.08

Miscellaneous Income of £100 is a loan that we received from our head teacher to pay the Young Enterprise registration fee and it will be paid back closer to the end of the competition.

# Director Awards Nominations

## Managing Director Nomination

Andrew Ovenstone has been nominated for the Managing Director of the year award as throughout the competition he has been a strong leader to the team and has often achieved more than was asked of him in order to grant the team the best chance of success. He effectively organised and planned nearly every team meeting during the competition providing agendas that detailed actions for them plus information on tasks set for each member. This helped the rest of the team have a clear idea of what was being asked of them and when it needed to be achieved by. This required a high level of organisation as he had to have a good knowledge of deadlines, competition criteria and a good knowledge of team member's strengths and weaknesses. He also represented the team on multiple occasions, attending every fundraising bake-sale and all Christmas fairs in which we made most of our profits, plus he was one of two team members that strongly pitched our product ideas to the group of entrepreneurs in the war room at the YE launch event. Although the team did run into some issues during the process Andrew managed to pick up the pieces multiple times whether that was contacting suppliers for delivery delays, working tirelessly to perfect the appearance our products after receiving initial feedback from customers or leading some much needed last minute preparation for our first Christmas fair. Communication with our two business advisors was crucial during the competition and Andrew was at the forefront of this communication often emailing our advisors on behalf of the team and relaying feedback, good or bad to the rest of the team. This wasn't always an easy task as it meant he sometimes received the blame for any failures of the team however he did not let this get to him and continued to motivate the rest of team and build on any faults identified by our advisors. Overall Andrew has been a great leader to the team and has definitely been crucial to the success of our Young Enterprise company.

## Personnel Director Nomination

Roksana Goworek, the Personnel Director for Enchanted Florist is exceptionally committed to the project. The tasks required for her role weren't specifically described anywhere, but she always came up with something to do that greatly benefited our company. At first she organised monthly check-up interviews with everyone to ensure overall satisfaction and make sure everyone's honest opinions were heard and acted upon. These interviews contributed to the monthly overviews that specify what tasks everyone has completed that month, as well as the rewards and consequences systems that were a way of showing people appreciation for their hard work. Whenever any problems arised within the company she was always quick to intervene and encourage the group to find a solution together or come to a compromise. For example, in December, when we struggled from lack of communication she interviewed most employees and, at the next meeting, presented feedback and suggestions on how to improve many aspects of the company. She experimented with 360 degree feedback and organised a team building activity for our company. Not only did she do all she could in the field of HR, she also helped out in other areas. She was an excellent saleswoman at fairs, she digitalised our company's logo, she was our link with Lorimer house and personally delivered our donated flowers to them, and she was always happy to help produce the product or the backboard for our stall. She always gave up her free time to help at events such as bake-sales and Christmas fairs and pushed herself out of her comfort zone by approaching strangers to sell as many products as we could. When most of the team quit in early January she took it upon herself to deal with this difficult situation and talk to everyone. During the past few months she really grew comfortable and confident in her role of personnel director as she saw that the administrative changes she implemented to the company have really made a difference.