



Lovein Pasta

True Love for Freshness

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Executive Summary

01.

The business plan of Auto Chef Ltd is to begin distributing their products by selling them to restaurants. The business team is made up of 7 shareholders which are contributing to the capital of the company to begin the operation.

During the first year of operation, the company is expected to sell 360 pasta maker machines to businesses amounting to €143,640. Since the business market in Malta is quite small, after the 1st year in operation, Auto Chef Ltd is expected to have sold Lovin' Pasta to most potential businesses. On the 8th month of operation, Auto Chef Ltd is expected to reach the break-even point since 222 machines have been sold by then. To be able to continue with its operation and maximising its profits, Auto Chef Ltd shall then progress to begin its selling to households where it is expected to sell 200 machines on its 2nd year of operation. Furthermore, Auto Chef Ltd is also expected to sell another 400 machines to small and medium-sized businesses turning the company into a profitable one. In the 3rd year, the company will continue its positive operations and sell more. Economies of scale will help in building more machines for the same price as before whilst enabling the company to make more profits.

1.1 Objectives

The firm will begin by selling its product LovinPasta to the potential markets in Malta. Once that objective is reached, the firm will then progress by begin its selling to households in Malta. AutoChef wishes to achieve that its product LovinPasta will be well named in both the restaurants and households section. By this popularity, AutoChef will be able to turn from a break-even to a profitable company. In the following 3 years, AutoChef wishes to have sold its machine to all potential restaurants and begin selling to households where is a point in turn for the company.

1.2 Key to Success

➔ The main factors which will contribute to the success of Auto Chef Ltd are:

- i. First and foremost, from the answers of the questionnaires distributed, one may notice that both restaurants and households are potential customers in buying this product with the price of Lovin' Pasta being fairly priced when compared to the price that households and restaurants are willing to spend
- ii. It dismounts easily whilst is very simple to operate. Having said this, few trainings needs to be given to the employee to operate this machine whilst being easily dismountable to be cleaned
- iii. Since the machine is automatically operated, the employee may operate this machine, let it do its job, while continue to do other tasks. This maximises the workload of the employee while achieving higher results than before

→ Lovin' Pasta is a durable machine which makes it a unique selling point than its competitors. The highly hygienic and its automatic operation are factors different from our competitors

→ Advantages of factors:

- i. The advantage of being fairly priced and well hit by the potential customers, leaves the firm to believe that it will make a success in selling this product
 - ii. The advantage that it is easily dismantlable and simple to operate, leaves the firm with a competition advantage since competitors produce more difficult and complex machines
 - iii. The advantage that it operates automatically, leaves the firm an advantage that especially businesses will be attracted to since an employee can perform other duties while operating the machine
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Mission, Vision and Culture

02.

2.1 Mission

Auto Chef is a start-up company that aims to develop and manufacture high quality catering automatic equipment. Through our equipment we shall provide the finest quality in the most efficient time, whilst facilitating meeting the dietary needs of everyone and making fresh food more accessible.

With our equipment, we aim to bring the newest technology in your kitchen, making your cooking experience more pleasing and fun at an affordable price.

2.2 Vision

Our vision for the next five years is to expand our business and cater not only for small restaurants and households, but also for larger catering establishments. This will allow us to reach more entities, and manufacture various different and innovative catering equipment.

As a result, by offering a wide variety range of high quality automatic equipment we will be able to sell our products at lower prices, ensuring that as many people as possible, will be able to afford them.

2.3 Culture

Our culture is similar to the 'Adhocracy Culture', where within a creative working environment, our dynamic employees take risks in order to create the most innovative equipment, new to the market. Through frequent team meetings, employees bond over new ways to experiment, transform and be agile, all the while prominence is emphasised in order to differentiate our brand from others. In our organisation, individual initiative and freedom are promoted, allowing everyone their space to think and come up with the most original ideas.

As a result, employees are able to work either alone or together and with flexible hours, as long as they deliver and are productive. Since high standards are also very important, we aim to continually improve and upgrade our products, anticipating new catering needs according to the trends and find creative solutions.

Customer satisfaction is crucial, as otherwise we would not be successful. To ensure our customers are satisfied, we have established a landline where customers and/or potential customers can call about any queries they may have, which we will answer to our best ability. Upon buying our product, we make sure to call our customers within the first month of purchase to ensure that they are happy with the product.

In order to give back to society, we will make sure that once every six months we undergo an activity as our way of 'Corporate Social Responsibility'. This activity requires the presence of all employees to spend a minimum of four hours, adhering to the needs of one local NGO within the social sector. Further monetary donations shall be given, if and when the company affords to.

03.

3.1 Opening Auto Chef

To give our company a more trusted face and better protect ourselves as shareholders, we registered our company as a limited liability company (LTD). As per requirements, we drafted a memorandum and articles of association, detailing what the company, the shareholders and directors can and cannot do. Following this, we opened a bank account in the company's name, where we deposited 20% of our share capital.

Following this, we presented a filled company registration form, along with the memorandum and articles of association and the share capital deposit slip to the Malta Financial Services Authority (MFSA). During the registration process, we were also required to pay the following fees:

- ➔ Registry Fee for the Formation of Companies (paper format) €245
- ➔ Company name reservation €10
- ➔ List of Directors €10

→ Registration Documents (€0.50 per page) €7

Total registration costs amounted up to €272 which caused us to suffer from higher expenses within the first year.

A trading license was not needed to trade our current and future equipment due to the termination of trade licences in Malta. This was certified by Mr. Montebello, the Director of Trade Services in Malta (a copy of this can be found in the appendix section).

Following this, an application which was easily accessible online to obtain a tax identification number was filed. This process carried no fees, however once a year we shall be required to fill in a tax return form.

We then registered with the VAT department. Although it is optional to apply VAT if the company does not expect a turnover of over €35,000 we decided to register as the process is not against payment whilst ensuring we are legally covered in every way. Since our company is a limited liability, us as directors automatically become employees within the company. This required us to obtain a PE number and register with the Department of Inland Revenue as an employer. Registration was free of charge and was submitted online. This enables us to withhold, remit and report income tax along with National Insurance of employees in accordance to the final settlement tax.

In order to acquire trademark protection in Malta, we registered through an online form, sent to the Industrial Property Registration Directorate within the Commerce Department. Filling the form was an easy process, however it incurred us extra costs due to requirements to pay a submission fee of €116.47

After successfully registering Auto Chef LTD, we then sought to obtain a CE Marking for our automatic pasta maker machine, a process which declares our product complies with all applicable European Community Directives. The principle directive applicable was the Machinery Directive (2006/42/EC) along the Electromagnetic Compatibility Directive. Tests were conducted to ensure that when in use, it does not interfere with other electromagnetics present, especially because its voltage is reduced to 12V DC, to ensure maximum safety. Our engineers, further conducted comprehensive risk assessments against the needs of the 'Essential Health and Safety Requirements' within this directive. Following

this, they tested the product for several times through various methods and procedures and then issued an 'EC Declaration of Conformity' form, signed by all directors, to the requirements of the directives applicable. The documentary evidence of this process, such as the testing results was then inputted within a technical documentation file. The CE marking was then successfully affixed next to the machine's logo. It is important to note that the process to obtain such marking was quite time consuming as it required us to find which directives we were required to abide by and then conduct all necessary testings and paper work (European Commission, 2018).

Further legislation that may affect our product and company

In order to abide by the *Food Safety Act (2002)*, we were required to ensure that our machine, more specifically the 'contact material' with food needs to be that of stainless steel in order to avoid transfer of bacteria and prevent cross-contamination. However, this means we endure more expensive production costs as stainless steel is more expensive than other materials such as stainless steel and copper.

Our company will also follow the *Data Protection Act (2002)*; meaning that any documents containing personal information of employees and/or customers shall be kept in an adequate, locked space, accessible only by appointed personnel. This means that one employee shall assume responsibility for data protection and have an additional workload, which may reduce their time from working on other things crucial for the company.

3.2 Start-Up Capital for Auto-Chef Company Ltd

Statement of Financial Requirements

Total Capital required to start up the business	<u>€70,000</u>
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Main sources for Start-Up Capital

Total of owners' funds invested in the business (7 x €10,000)	€70,000
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Government Grants	€0
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Long-term liabilities:

Bank Loan	€0
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External Shareholding issue	€0
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Bond issue	<u>€0</u>
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Total:	<u>€70,000</u>
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Distribution of the Start-Up Capital

Machinery	€400
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Furniture and Fittings	€250
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Rent Payable of April 2018	€500
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Petty Cash	€50
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Total:	<u>€1,200</u>
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04.

The company 'AutoChef' came with the idea that its product 'LovinPasta' will be targeted on two main markets. Firstly, we will begin with the business market where we will sell this product to those potential business operating in Malta. Once this target is reached, 'AutoChef' will move forward to sell its product to households.

4.1 Market Segmentation

The market segments targeted by 'Auto Chef Ltd' will be potential businesses who are willing to serve fresh pasta in Malta and households who prefer to serve fresh pasta at home by this simple working machine ('Lovin' Pasta').

The company 'Auto Chef Ltd' will reach these two target segments in a different time as the idea is to sell our product to businesses in Malta first. Once this target is reached, we will then aim to sell our product to households in Malta. The machine will be quite smaller than those sold to businesses, but other than that, it will still provide the same superior quality.

Our main market segment is that of businesses around Malta. If the product is well reached by this segment, we will then further our business to households. Therefore, we are somewhat depending on the businesses market segment. If this fails, we will see if households are interested and distribute accordingly.

The household segment will afterwards be a key point for the company 'Auto Chef Ltd'. This is because businesses in Malta are limited and after a few months, we are considering that all potential businesses in Malta will own this product. The household segment is on a much larger scale than that of business segment. Therefore, households are a segment which might potentially grow in the future. Due to this affect, the business will turn to from a loss/break-even to a profit side.

4.2 Target Market Segment Strategy

The target audience of our product 'Lovin' Pasta' is firstly to all those potential businesses who serve pasta and are willing to serve fresh pasta by producing it automatically at their premises. When it comes to households, our target audience will be those households who are potentially willing and able to operate this machine to produce fresh pasta in that real time.

These target audiences will not incur any waste of time to operate this pasta machine. Firstly, businesses will produce fresh pasta in real time by just putting the pasta in the machine and it will produce it freshly for you according to your desired shape of pasta. It will reduce the time loss as it will do the work by itself since it is an automated machine rather than a manual one. When it comes to households, we all know that life for working individuals are on the go. That's why we made this pasta machine automated to put the pasta in the machine and it'll just do the work for you when you can do other chores while it is operating.

To facilitate the life to our potential buyers, we will be taking the product to the client. Apart from that, we will also provide the facility of buying it directly from our store if the needs be.

4.3 Industry Analysis

Analyzing the results from the questionnaires answered by both businesses and households, we noticed that this industry in Malta is very small plus it really remained quite static throughout the years. Apart from that, most of which have a machine, the machine is manual rather than an automatic one. A benefit for us is that in Malta there aren't any major competitors providing automated machines.

4.3.1 Competitor Analysis

Competitor analysis is one of the drivers which forms part of a company's strategy in order to measure and assess its position amongst the competitors. In simple words such analysis is conducted so that the present as well as potential competitors can be identified. The main objective of doing a competitor analysis is to study well the market your company wants to trade in before entering in it. This implies that with a competitor analysis our business can make use of gathered data on what other competitors did when they wanted to increase market share, expand their business, and forecast their demand and supply in order to follow their steps and succeed. A good analysis of our competitors will lead to a higher competitive advantage as we can provide a unique product or service which is not yet provided by any of our competitors. Assessing competition is an ongoing process therefore keeping an eye on those companies that offer the same product as our company and on those who potentially might offer very similar products is a must.

1. A to Z Electronics

The only pasta maker they have available for sale is the Howell Fresh Pasta maker. It is a household size pasta machine where most of its material is plastic based with a power of 200 Watt. It produces fresh pasta within 5 minutes and comes with different pasta shapes. As an addition it also has an accessory for sausages and it is easy to clean. The cost for this pasta maker is €89.95. They do not offer larger and stainless-steel pasta machines which are more suitable for the industry of catering. Though, since in the near future our company aims to introduce smaller pasta machines to target also households, this competitor would be taken into account. This retailer has two available shops in Malta; in Attard (North) and in PAVI, Qormi (South).

2. Petrolea

This company offers three types of pasta machines; The Ravioli Maker, The Imperia Titania Pasta Machine and the Imperia

Limited Edition Pasta Machine. They all function manually and they are made of chromium plated steel which makes them more durable. Their price varies from €51.50 to €72.95 and they are suitable for household use since their size is relatively small and it is not suitable for large amount of pasta. Accessories for such machine are sold separately and the weight of the machines varies between 2Kg to 3.5Kg. Also, the widest possible pasta sheet is 14cm.

3. *The Catering Centre*

This is one of the major suppliers of professional catering equipment in Malta, located in St. Paul's Bay. One of the machines they provide is comparable to the Lovin' Pasta automated machine that our company has produced. This Italian pasta machine has an external structure made from anodized aluminium while the parts that are in direct contact with pasta are made of stainless-steel. The weight is 61Kg with a power of 900 Watt and the widest possible pasta sheet can be up to 17cm. In addition, within 1 hour this machine can produce up to 20Kg of pasta.

4. Pro Kitchen

It is situated in Balzan and is a growing subsidiary of the highly successful Cosecasa brand name. Pro kitchen meets the demand for a complete line of professional products for the trade. Currently the only machine they stock which relates with pasta is the dough roller.

5. Tescoma Malta

Tescoma offers one model of pasta machine which is the DELICIA Pasta Machine. The machine is made up of high-grade stainless-steel, quality metals and resistant plastic, it only can be used manually, and it can be purchased for €56.50. It has one outlet in Tal-Pieta.

6. Crosscraft

This company runs three outlets around Malta and Gozo; Qormi, PAMA and Victoria Gozo. The company offers 3 types of pasta attachments which need to be used together with a food mixer of the same brand.

1. eBay

This is an online website which was established in 1995. Practically, it connects millions of buyers and sellers around the world as it is the place where the world goes to shop, sell and give. There are 170 million active buyers on eBay, being amongst the top 10 global retail brands. If you ask yourself, what does eBay offer; you name it and they have it. In fact, they also offer a wide range of automated pasta makers starting from household sized pasta machines to catering ones. Prices vary between €50 - €500 and even their material; some are plastic based, and some are stainless-steel based. However, there are more household pasta machines available rather than catering pasta makers; but there was one very similar to what our team is producing. This available machine is made in China and has a power of 750W. It is made from stainless-steel and comes with protective cover, with retract function and has a high-power motor. Its weight is of 21kg, and its size is 340x255x285mm

2. Amazon

This is an American electronic commerce and cloud computing company which was founded in 1996. It offers international shipping and currently has 3 automated pasta machines available for sale. Their brand name is PHILIPS, which was originated in Italy and their price range varies between €130 – 180. These machines produce 2-3 servings of pasta within 18 minutes and come with 3 different shaping discs. Their weight is approximately to 6kg and most of their material is plastic based.

S.W.O.T Analysis

05.

SWOT Analysis is a useful technique for understanding ones *Strengths* and *Weaknesses*, and for identifying both the *Opportunities* available and the *Threats* one would face. Through a SWOT Analysis, also known as the PESTLE Analysis, the following questions are normally asked;

What makes us strong?

What makes us weak?

What opportunities are in the marketplace upon which we can capitalize?

What type of threats are out there that can undermine our organization, its goals, and its mission?

5.1 Strengths

Strengths are internal, hence every organisation (even in the same environment) have a different set of strengths which they worked for themselves. Strengths differ from opportunities as they are internal while opportunities are external. Businesses do have control over strengths by choosing to either; neglect or improve certain areas. Analysing strengths is an essential part of business analysis, mainly because it allows better; decision making, planning, and management. Knowing what you do well allows you to make the most of it, and consequently, receive the maximum benefit.

- ➔ The team is made of young inspiring members full of fresh ideas and motivation that triggers the business to move forward.
- ➔ Dylan, which has previously studied and worked in the catering sector, helped the team to identify the main concerns that bothered chefs in the kitchen when it comes to producing fresh pasta. His suggestions aided to come up with a product which tries to eliminate most of the issues.
- ➔ Lorna, James and Dylan, have extensive knowledge in finance which helps the business forecast a clear picture how the team can project future investment and expand their business cautiously.
- ➔ Charlton and Jonathan are another two members of this team, who studied engineering and they were the mind behind this automated pasta maker; they designed and built this pasta machine from scratch. Having skilful team members like Jonathan and Charlton helps the business to achieve better results and help producing new innovative products to ensure that the business remains competitive and continue operates.
- ➔ Price and Quality: when extensive research was done on our competitors, it was difficult to find a pasta machine with the exact features as ours. It was noted, that small plastic-based pasta machines were overpriced when compared to what we are offering.

Offering a stainless-steel automated pasta machine with a 12V motor and also making it possible to transfer it from one place to another puts us in a competitive advantage as for a price of €399 there are only inferior pasta machines available on the market.

- ➔ Geographical advantages: The location of our offices and premises of manufacturing such pasta machines is in Mriehel Industrial Estate. This has been given a new identity and is now the Central Business District making it a more attractive zone to commercial activities and visitors. In addition, such location makes it more reachable as it is in the centre of Malta.
- ➔ Capital – one of the main resources that our business has is the €70,000 worth of capital to initiate such business. Hence not opting for any kind of loans to finance our debts, the business will incur no extra payments to pay back interest payments. This implies that such money can be re-invested in the company itself.
- ➔ Bernice is another team member who has a great knowledge on the production of logos and branding. She was the person who in fact designed logos for both the business and the pasta machine. Where Daniela, who is another team member, provided different ideas on how to advertise our product through different materials, such as videoing our product to show how it works, and having aprons and chef hats with our logo print. Having team members with such skills helps the business experience less costs to design logos and brands of existing and new products.
- ➔ Daniela, Dylan, James, Bernice and Lorna who previously worked in sectors where they had direct contact with clients by assisting them with information or handle any complaints will surely be helpful for the business to tackle any future problems regarding complaints received by customers. Hence, these five team members assure an efficient customer service both before and after sales.

5.2 Weaknesses

Weaknesses are very important especially if they prevent the company from achieving its 'mission'. This might mean unnecessarily leaking finances, improperly targeting clients, or poorly executing a service, among other things. We say that weaknesses are negative and internal since they cause harm (or prevent benefit) and are intrinsically related to how the organization is managed or the venture is realized. Since weaknesses are internal, they are unique and different from other business in fact they depend on how the entity is ran or designed. If the company know its weaknesses, it can work towards improving them. As mentioned previously, some weaknesses can prevent you from achieving your mission and goals, so if you can get rid of them, it's certainly worth doing so.

- ➔ Branding and reputation - since this is a start-up company and we are going to enter the world of catering, there are already other well-known established competitors and due to limited funds assigned to branding and advertising it is more difficult to make a noise out there.
- ➔ Online presence – our target population apart from local competitors has also a wider list of options from where it can purchase automated pasta machines especially online. It is very fast and convenient to purchase online machines nowadays hence this might affect negatively our business.
- ➔ Unprepared staff, especially sales persons who are not equipped with appropriate training on the automated pasta machine, will give a negative impression of our company, resulting in less sales and our monthly targets will not be met.
- ➔ Since most of the team members will be working on a part-time basis they will not put the same effort as the other full timers, which might result in a negative impact on the

business as they cannot provide the same input as if they were full-timers which makes it more difficult for the business to be on the same level as its competitors.

5.3 Opportunities

Opportunities are a combination of different circumstances at a given time that offer a positive outcome, if taken advantage of. The key word in this definition is 'circumstances', because opportunities are said to be external. Companies have no control over the presence or frequency of opportunities.

- ➔ Expanding business by pass porting our product in foreign countries. Taking our product on to the next level; which is exporting it through online services, we will be having a larger target population, and hence the possibility for a growth in business is very high.
 - ➔ Benefiting from Governments funds and schemes to expand business or introduce new and innovative products such as an automated pasta machine for households, new pasta shapes discs or even new appliances which can be used both at home or at restaurants.
 - ➔ Changes in government policies such as a decrease in VAT for those who opt to purchase catering equipment locally encourages restaurants to buy more this machine.
-

5.4 Threats

Threats are anything that could cause damage to your organisation or product. This could include anything from other companies who might intrude on your market or which might prevent you from manufacturing a product. Threats are negative, and external which means that there is nothing you can do to stop them from coming about. Unforeseen threats can mean horrible things for any company, which is why it's essential to take them into account

in SWOT analysis. However, threats can be predictable therefore it is possible to either mitigate their impact or eliminate them completely.

- ➔ Lack of differentiation could lead to price war – if our product does not offer something unique which differentiates it from what competitors offer (USP), the price therefore will be very similar to that of our competitors. This implies that we have limited competitive advantage on our competitors as clients are not motivated to choose our products since we are not providing them with something extra.
 - ➔ New entrants – new competitors whom their business operates in the same sector that our business operates, pose the biggest threat on our company, especially if their products are the same as our company offers.
 - ➔ Another possible threat might be that the demand for pasta falls and restaurants shift towards other trends which surely affect our business as pasta machines will longer be requested.
 - ➔ In addition, an unstable political and legal system within foreign markets puts a limitation on to whom and where we can sell our products.
 - ➔ Economic downturns affect the demand and supply of a business. In times where the economy needs to slowdown and experiences for example high inflation, people and restaurants request less our products due to high prices and increased costs.
-

06.

6.1 Product

Our product was developed by keeping in mind the needs/wants of the customers, so that the product being developed would meet those needs/wants and attract people into buying the product, and wanting the product. In the case of our 'Automated Pasta Maker Machine', we focused on two main groups; restaurants based either in Malta or Gozo, as also local households. Therefore, before developing the product, the needs/wants of the two main groups were listed in order to understand further what product would be ideal to develop, which would attract them into buying the product. The product was developed by maintaining its simplicity so that both customer groups would be able to function the product, in making the product easy to use.

6.2 Competitive Edge

Since pasta makers already exist in the marketing place, we focused on different aspects while developing the product, in making it; better than the others, hygienic, easily to use, as also use material which would last and would not break easily. This was done by focusing on developing a product which has better function and material than any other pasta maker, such as keeping it easy to use by eliminating the manual use and doing it automatic, designed not to big, and using the ideal material, as the common material used for pasta makers is plastic, which could be easily broken, and maintains dirt.

While defining the price of the product, it was kept in mind that the product is only worth what the customers are worth to pay for. Therefore, the price has to be competitive, though this those not mean that we made it the cheapest product, as other details were included in the product to offer better value to the customers for their money. Though, while doing so, the team also kept in mind the profit of the pricing, as it is the only eliment of the marketing mix that generates revenue. The price of the product positions the team in the market place, therefore the more charge given for the product, the more value or quality the customers would expect for their money. The price of the product being €399 was set through the questionnairee provided to the two customer groups where a percentage was carried out regarding their preferred payment for the product. This was also established according to the profit of the pricing, so that our initial loss would not effect the upcoming profit. The questionnaires provided the customer groups with a brief description regarding the product at hand, in explaining what would be offered.

6.3 Marketing Strategy

6.3.1 Place

The place of where the customers would buy the product, and the means of distributing the product to the place, should be appropriate and convenient to the customer. Therefore, the product must be available in the right place, at the right time, and in the right quantity, while keeping storage inventory and distribution cost to an acceptable level. Though, place also means on ways how the product could be displayed to customer groups, Auto Chef Company Limited would be manufacturing and selling the 'Automated Pasta Maker Machine' located in Mriehel, which is located close to the centre of Malta, making it ideal for any customer to get to the location. A delivery van with the company's logo name would be available to fulfil the customer's needs by also providing delivery to their homes if needed. Through this method, as a company, we would be focusing on the customers wants and needs rather than the company's.

6.3.2 Promoting

The way a company communicates what their product is, how it works, what it does, and what it can offer customers, is ways of promoting. The way our product is being promoted is through advertising our product in a commercial, on how it works and the products texture and layout, where we focused on building the product with material which is hygienic and easily cleaned. We focused on advertising our product by being appealing, gaining attention, telling a consistent message, and giving the customers a reason why they should buy our product and not any other product. This would therefore provide a visual view of the product to the customers, where they would be able to see the product at use before purchasing. The product will also be promoted through the branding name; 'Lovin Pasta', as the name would be promoted through keychains, business cards, kitchen apron, chef hat and stickers, which would be given when purchasing the product. The idea is to make the

customers desire the product and promote the product by word of mouth, through their satisfaction while purchasing the product, and making use of the product themselves.

6.3.3 Delivery Method



6.3.4 Branding





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Lovin' Pasta
True Love for Freshness




Logo Construction and Clear-space

While designing the logo for our product, it was important to understand different ways on how we could make our logo unique. Providing a clear element on the logo, being the fork on the 't' of 'Pasta', it gives identity to our logo. The logo was kept simple choosing a vibrant colour 'red' to attract the eye of the customers.

Logo



The logo for 'Lovin' Pasta' is written in a vibrant red, cursive script. The word 'Lovin'' is on the top line and 'Pasta' is on the bottom line. A small red fork is integrated into the tail of the letter 't' in 'Pasta'.

Logo Clear-Space

Clear-space is important when using the logo, as it give essential space for the logo without having words attached close to the logo. This would allow the logo in; showing the design, being more visible and would catch the customers eye immediately.

To calculate the clear-space, it is scaled to the logo. The dimensions are set according to the height of the logo. In our case we calculated the scales according to the 'P' from 'Pasta'.



6.3.5 People

The people of Auto Chef Company Limited also play an important part in the selling process of the product, as when approaching the customers by making an impression we would have a profound effect on the customers satisfaction. Though the profound effect could be positive as also negative, that is why when addressing the customers, it is always important to address the customer's needs in an appropriate manner, to always have a satisfied customer. This is important to maintain the reputation of our brand; therefore, we must maintain the right attitude, be motivated and be properly trained. The selling product would be affected, as if the customer is not satisfied with our service, then they would not want to buy the product from the staff members who provide it. That is why having the right people is an important factor, as this could affect the selling percentage of the product.

6.3.6 Process

The process also plays a very important part when it comes to giving a service and the behaviour of those who deliver, as they are crucial to customers satisfaction issues, this includes; waiting time, information given to customers, and the helpfulness of staff, are vital to keep customers content. Therefore, it is important to keep in mind that the customers are interested in whether the system works, being that; there would not be waiting time, that they are kept informed, that the staff are helpful, is the service carried out efficiently, does the staff interact in an appropriate manner towards the service. Eliminating these issues is crucial, as a non-satisfied customer would mention the bad service to other individuals and would go elsewhere to buy. Therefore, it is important to keep in mind the customer's needs not the company's needs, to have a successful process.

6.3.7 Physical Evidence

Maintaining a clean and welcoming area where the product is being manufactured and sold is essential, as the customers would feel at ease buying the product from a friendly environment, where they are able to visual the product. If the premises would not be up to scratch, then the customer would get the idea that nor is the service up to scratch. Providing customer feedback is also essential to have proof regarding the products function, so that other customers would be able to receive feedback not just from the staff promoting the product, but also customers that have bought the product.

6.4 Sales Strategy

Clients purchasing the Lovin' Pasta machine will be entitled the following additional products:

- ➔ A branded Knife which facilitates the cutting of fresh pasta
 - ➔ Two spatulas enabling the user to scrape the pasta dough
 - ➔ A transparent bowl which collects the ready-made fresh pasta
 - ➔ A manual indicating the proper use of the machine
 - ➔ A branded keychain
 - ➔ Two-year warranty on parts and labour (this agreement will remain valid if the pasta making machine is serviced by our company)
 - ➔ Additional pasta shaping forms enabling different types of pasta to be produced
-

6.4.1 Sales Forecast

Auto Chef Company Limited will start its operations in the beginning of **April 2017**, manufacturing and selling Pasta Making Machine (named as Lovin Pasta) in the main premises located in Mriehel. Positive reputation and market share are some of the company's main objectives in the first year of operating in this business. Given that the market share is expected to increase in the initial year, the company will be in a greater position to offer a differentiation of products in the coming years with an increase in sales in the long-run, for a different targeted audience.

According to the detailed forecast done by the Mr Tonna, the Director of Finance & Accountancy, Auto Chef Company Limited is expecting to reach **€143,640** (targeting to sell 360 Pasta Maker Machines) in revenue for the first year in the production business. Figure 1 shows the forecasted sales by months, showing a sustainable increase every month for the first year in business.

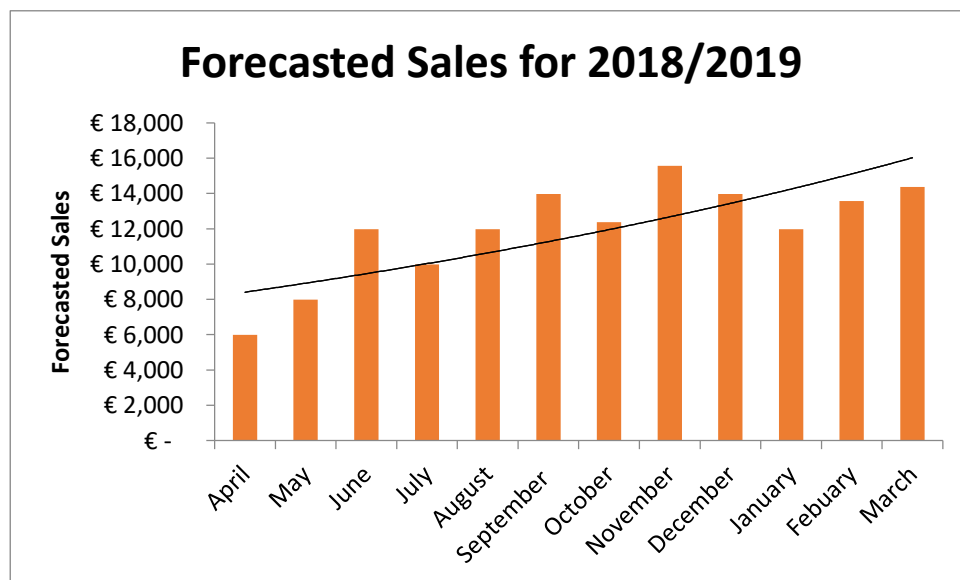


Figure 1 - Forecasted Sales for the first year in operation

Detailed Sales Forecast Table for 2018/2019 can be found in the Appendices Section.

Auto Chef Company Limited is expecting to offer a similar machine to the initial one in the second year in operation; however targeting the household industry, with a more competitive price, hygienic and superior quality of material.

Given the mentioned expectations, and after an enhanced forecast by the Director of Finance & Accountancy, the company is expecting to generate **€39,800** from machines sold to the household sector (Selling 200 machines at €199 each) on the second year in operations. In addition, it has been forecasted that sales to small and medium sized restaurants will exceed **€159,600** (Selling 400 machines at €399 each).

Hence, total revenue from the second year in operations will exceed **€199,000**, with nearly an increase of **€56,000** in sales from the previous accounted year.

Management and Operations Summary

07.

Auto Chef Ltd is a private company that produces automated machinery for the catering industry. To ensure its smooth management and daily service operations, the company adheres to the following organisational structure.

ORGANISATIONAL CHART OF

AUTO CHEF LTD

DIRECTOR OF FINANCE
AND ACCOUNTANCY

DYLAN TONNA

DIRECTOR OF MARKETING

LORNA CAMILLERI

PRODUCT MANAGEMENT

JONATHAN
CARUANA

CUSTOMER CARE & SALES
REPRESENTATIVE

BERNICE SCIBERRAS

ENGINEER

CHARLTON SALIBA

Auto Chef Company Limited Shareholders

DYLAN TONNA

Director of Finance and Accountancy



Dylan is graduated in Business and Finance Management. His career and experience has evolved through employment both in finance departments within the private and public sector. As a result, Dylan was appointed this role, where he crafts the company's financial strategy as well as conducting budgets, financial planning and reports.

LORNA CAMILLERI

Director of Marketing



Lorna is the director responsible for the marketing and advertising of the company. Her career in marketing initiated in 2014, where she worked as an advertisement assistant with companies such as VJ Salamone and later on as a marketing coordinator with Quintano. Through such experience, Lorna can determine the target cohort of the company and identify which advertisement strategies are most suitable.

BERNICE SCIBERRAS

Customer Care and Sales Representative



Bernice’s responsibilities include attracting potential customers by answering questions in relation to our products. Further tasks include processing orders, preparing correspondences as well as fulfilling our customer needs to ensure customer satisfaction which is highly esteemed within our company. She was specifically chosen for this post due to her previous experience in related posts. Moreover, Bernice is reachable during office hours to attend to any queries by our customers, direct them and assist them as required.

JONATHAN CARUANA

Product Management



Jonathan is graduated in Mechanical Engineering and is the mind behind the creation of our first product. Having a creative mind and a passion to design and create advanced and innovative mechanical equipment, he has also designed various other products in the past which were a hit in different markets. These experiences equip Jonathan with the ability to apply knowledge of design, fabric, assembly, tools and materials when developing our products. Furthermore, Jonathan oversees the daily running of the products manufacturing and delivery of goods.

CHARLTON SALIBA

Engineer



Charlton is the product engineer responsible for the designing and implementation of cost-effective equipment to help with the safety and reliability of our products. His bachelor's Degree in mechanical engineering and experience through similar job roles, he has accumulated the experience needed to test and evaluate theoretical designs and develop products according to the need. This will ensure the highest quality of our products.

JAMES MICALLEF

Silent Shareholder



James is one of the two silent shareholders of Auto Chef Company Limited. James opted to incorporate the company, however not being part of the day-to-day running of the business, due to his full time employment. However, James has the rights to participate in the decision making of the company.

DANIELA CALLEJA

Silent Shareholder

Like James, Daniela also opted to remain a silent shareholder due to personal reasons. However, she is planning to work with the organisation in a few years time.



7.1 Personnel Plans

Given that it is the first year in operations, costs are expected to be relatively high when compared to the sales volumes. Salaries are the current highest cost that the business will face, which amounts to **€33,100**. This amount is distributed by five different workers, having different roles and responsibilities, being employed on part time and full-time basis.

Detailed Annual Wages & Salaries Allocation for 2018/2019 can be found in the Appendices Section.

To achieve the sales objective target for the first year, the company will incur **€46,800** in Variable Costs (€130 variable cost each unit produced, including discount received by the supplier for immediate cash sale settlement).

As explained in detail in the Financial Analysis section, all expenses for the first year in operations for the company will amount up to **€59,243**, having **€33,100** in Salaries (Fixed Costs) whilst the remaining sum amounting to **€26,143** will cover the remaining business expenses (Rent, Water & Electricity etc).

Given that small & medium sized local restaurants are limited in numbers (Around 2,000 restaurants), the company is interested in expanding its operations **after the initial year**. Several significant positive feedbacks have been received from the household industry through questionnaires, clearly showing the demand for the pasta-making machine in the mentioned industry.

The company is expecting to offer a similar machine to the initial one; however, targeting the household industry, offering a more competitive price with hygienic and superior quality of material. Consequently, the company is expecting an increase in Variable and Fixed Costs due to an increase in production, which in return will be fully compensated by the expected proceeds. Another engineer is required to be hired to make up for the increase in workload together with additional machines installed at our Mriehel premises, ensuring that the highest quality standards and practises are addressed.

Auto Chef Company Limited is opting to continue renting the premises for the next five years, potentially opting to take a bank loan to purchase a larger showroom after the stipulated period. Apart from the Salary expenses, other fixed expenses will on average remain the same (Rent, Advertising etc).

Given the mentioned expectations, and after an enhanced forecast by the Director of Finance & Accountancy, the company is expecting to generate **€39,800** from machines sold to the household sector (Selling 200 machines at €199 each) in the **second year** in operations.

In addition, it has been forecasted that sales from small and medium sized restaurants will exceed **€159,600** (Selling 400 machines at €399 each). Hence, total revenue from the second year in operations will exceed **€199,000**. Assuming that, these expenses were increased in the second year in operation;

Table 1 - Additional Costs incurred in the Second Year in Operation

Additional Costs (2nd Year)	<u>COSTS</u>
New factory machinery	<u>€2,000</u>
Additional engineer's wage	<u>€10,000</u>
Water & Electricity	<u>€3,000</u>
Purchasing Costs (Variable)	<u>€68,000¹</u>
Fuel Expenses	<u>€500</u>
Total additional costs incurred	<u>€83,500</u>
<u>PLUS</u> Fixed Costs (as per previous year)	€59,243
TOTAL COSTS	€143,243

Therefore, as can be seen in the above table, total costs for the expansion in operations for the second year will amount to €143,243, having a remaining a profit before deducting tax of **€55,757** (an increase of €11,352 from the previous year).

¹ Figure achieved by : 200 machines x €80 (purchasing cost) = €16,000
 400 machines x €130 (purchasing cost) = €52,000
 €16,000 + €52,000 = €68,000

In the **third year** in operation, the company is expecting to maximise its returns, due to phenomenon known as *economies of scale*; optimistically from an increase in pasta-maker machines targeted to the household sector.

The company is expected to reach **500 unit sales** from Lovin Pasta machines offered to households amounting to €99,500, a 300-unit increase from the previous year. The company is also interested to keep promoting the pasta maker machine for the small and medium sized restaurants, aiming to remain a stable sale from the previous year, hence selling 400 units.

For the forecasted third year, costs will on average remain the same, therefore the company is aiming to achieve higher sales revenue, lower expenses, hence higher profit levels.

All seven shareholders have contributed equal amounts of money as a capital injection for the start-up company (€10,000 each amounting to €70,000), hence having equivalent percentage shareholding in the company. Given that the operations of the business are very limited for the first few years, not all shareholders will be employed with the business company, hence three shareholders agreed to remain a silent shareholder.

7.2 Physical Location

Our operation premise is located in Mrieħel Industrial Estate. As a start-up company, we had to be very careful with our expenses and therefore we have decided to rent a space of 80sqm divided into three rooms. It is situated on a ground floor, making it accessible also to wheelchair users. One of the rooms is used for the manufacturing of the products whilst the other is an open office where all employees conduct their work. Lastly, the third room has been converted into a small showroom where we showcase our products and will hold seminars to promote our product in the future. This location was chosen because it is central and easily accessible by anyone. Additionally, because it is an industrial estate, any

noise by our machinery will not be an issue due to its common occurrence by others in the zone.

7.3 Inventory, Production and Quality Assurance

As a private company, we aim to produce products with the highest standards to obtain a good name for our brand, attract more customers and thus make the most profit. Therefore, we shall abide by the International Standards for Organisations (2018). Policies and procedures shall be drafted, with each employee signing each one to ensure they have read them and will follow them. These shall be updated in accordance with any new legislations and/or relatable directives. Lastly, an internal audit shall be conducted at least once a year to assure conformance.

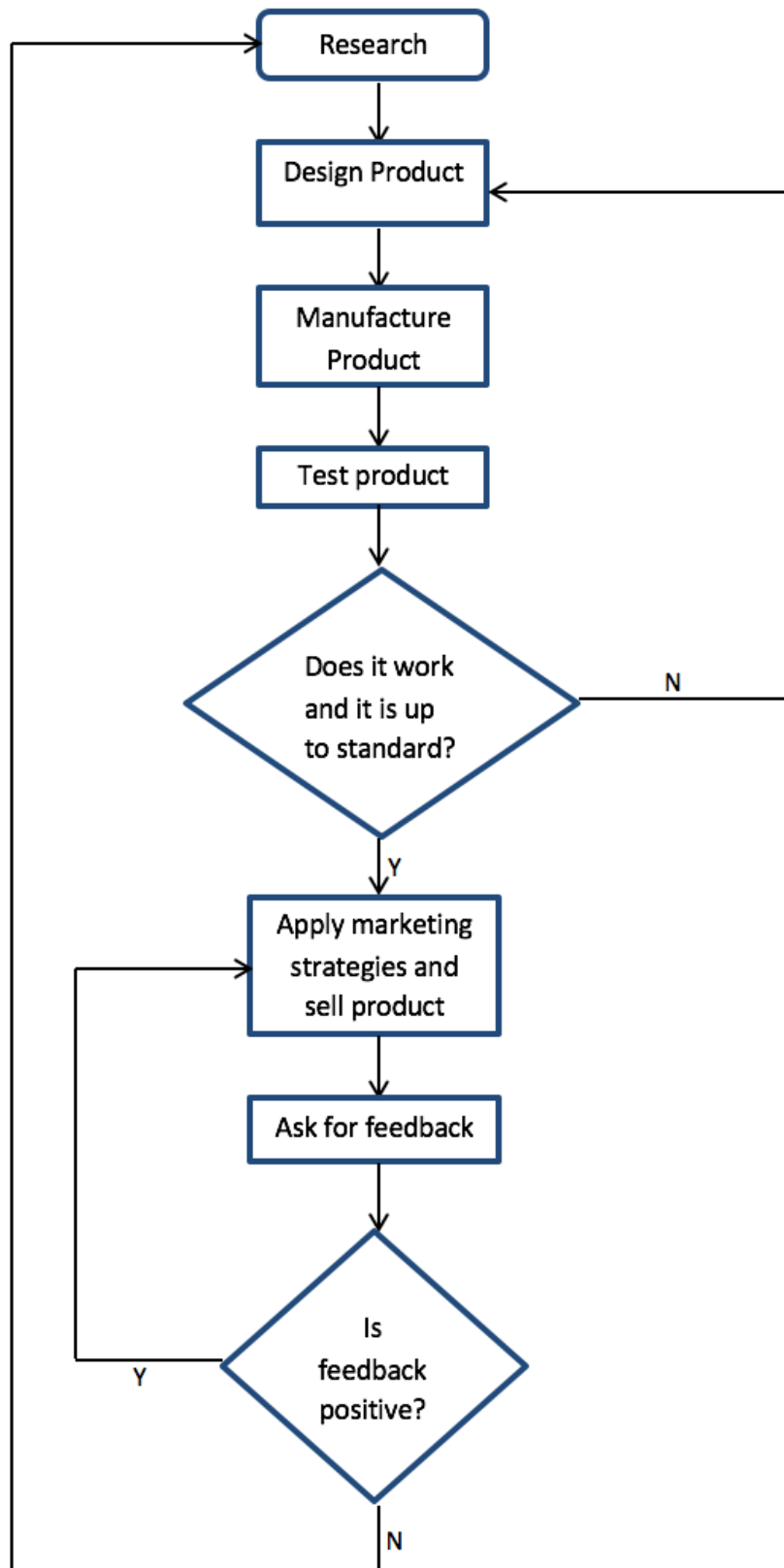
To assure quality our product, we ensure to buy the equipment ourselves where we assess the resources to ensure they are of high quality. The materials are purchased locally from a known seller, whilst the components purchased from foreign areas such as motors, will be tested upon arrival and inspected to ensure they have the right certification such as CE marking.

In fact, the machine's frame is made up of Aluminium and Stainless-Steel, which ensure a rigid structure whilst adhering to cleanliness. Other materials such as plastic and steel are also used, to insulate and protect all the major electrical components.

Electrical circuit is simulated via computer software to ensure proper functionality and when complete assembly is made, the entire machine is tested thus ensuring good product quality. Additionally, manufacturers will conduct a 100 percent inspection of the product, to scrap any nonconforming parts and amend as necessary before putting it in the market. This will ensure that each product is of high standard.

To ensure elimination of any production errors, the following production process will be followed for every product produced.

Production Process



Technology

The continuous advancement in technology has proven to make our lives easier by giving us the ability to create remarkable products. However, the greater the complexity of the technology, the greater the price one must pay for it. Therefore, it is of our interest to use the technology most suitable for us. In our case, electrical, mechanical and electro-mechanical components will be used.

➔ **Electrical:**

- For electrical components, the system is made up of a circuit which consists of a power supply (AC to DC transformer), switches, and wiring.

➔ **Mechanical:**

- Mechanical wise, we shall use a lead screw, press, and dies. And finally

➔ **Electro-mechanical:**

- This is the combination of electrical and mechanical aspects built into one component, in our case, we use relays and DC motors.

When all are assembled together, the circuitry allows the motor to turn in one direction thus pressing the dough through the dies to create the desired pasta, once finished, the relays allow for the reversing of the motor, allowing fresh dough to be placed into the machine.

08.

Given that the low price of each unit to be sold, all shareholders in the company decided that **cash and cheque payments** would only be accepted. Hence, the company will not offer sales on credit to their customers, reducing the risk of bad debts.

Capital is essential for an organisation to start up its business. Hence, it was agreed by all seven shareholders to inject the same amount of capital. This capital injection will assist the company with sufficient cash flow to cover its expenses until sufficient cash inflow is received from the company's proceeds.

Shareholders Equity Distribution and Share of Company Percentage (%)

<i>Shareholder 1 – Ms Bernice Sciberras</i> <i>(14.3%)</i>	€10,000
<i>Shareholder 2 – Mr Charlton Saliba</i> <i>(14.3%)</i>	€10,000
<i>Shareholder 3 – Ms Daniela Calleja</i> <i>(14.3%)</i>	€10,000
<i>Shareholder 4 – Mr Dylan Tonna</i> <i>(14.3%)</i>	€10,000
<i>Shareholder 5 – Mr James Micallef</i> <i>(14.3%)</i>	€10,000
<i>Shareholder 6 – Mr Jonathan Caruana</i> <i>(14.3%)</i>	€10,000
<i>Shareholder 7 – Ms Lorna Camilleri</i> <i>(14.3%)</i>	€10,000
Total:	<hr/> €70,000 <hr/>

8.1 Important Assumptions

After conducting an advanced analysis on the targeted population, being small and medium sized restaurants, it has been highlighted that a demand derives for our product.

Currently, the Maltese economy is experiencing a rapid rate of economic growth. The restaurant industry, specifically in Malta is experiencing a sustainable increase in sales. Due to the additional work load restaurant owners and Chefs are experiencing, the product that we are currently offering would serve as an assistance to reduce manual tasks for chefs / kitchen helpers.

Additionally, many campaigns in Malta are being done to promote healthy eating whilst reducing readymade meals. These campaigns are primarily done to make consumers aware of toxics and chemical found in ready-made foods whilst encouraging them to opt for a healthier option. These campaigns are therefore more likely to encourage consumers to opt for healthy freshly made pasta in restaurants; hence, restaurant owners will eventually face this demand by their customers.

Assumptions taken for the first-year budget were done in a realistic and achievable manners by the Director of Finance & Accountancy. Sales for the first months in operations were relatively low, due to the company operating in a new environment. However, sales will optimistically continue to grow in the remaining months of the year, after several advertisements done by the company itself.

8.2 Break Even Point

The calculation of the Break Even Point (BEP) of Auto Chef Company Ltd 2018/2019

The Break-Even Analysis is a technique widely utilised by institutions and organisations to determine the sales volume required so that the business makes neither a profit nor a loss (break-even) by comparing the costs (fixed & variable) with sales revenue. Consequently, the calculation of the Break Even Point of Auto Chef Company Limited could be found below, for the first year of its operations.

$$\begin{aligned} \text{Variable Costs per Unit} &= \frac{\text{Variable Cost (COS)}}{\text{Number of Units Produced}} \\ &= \frac{46,800}{360} \\ &= \underline{\underline{\text{€ 130 Variable Cost per Unit}}} \end{aligned}$$

$$\begin{aligned} \text{Fixed Costs per Unit} &= \frac{\text{Fixed Costs}}{\text{Number of Units Produce}} \\ &= \frac{59,518}{360} \\ &= \underline{\underline{\text{€165.33 Fixed Cost per Unit}}} \end{aligned}$$

$$\begin{aligned}
 \text{Contribution} &= \text{Selling Price} - \text{Variable Costs} \\
 &= 399 - 130 \\
 &= \underline{269}
 \end{aligned}$$

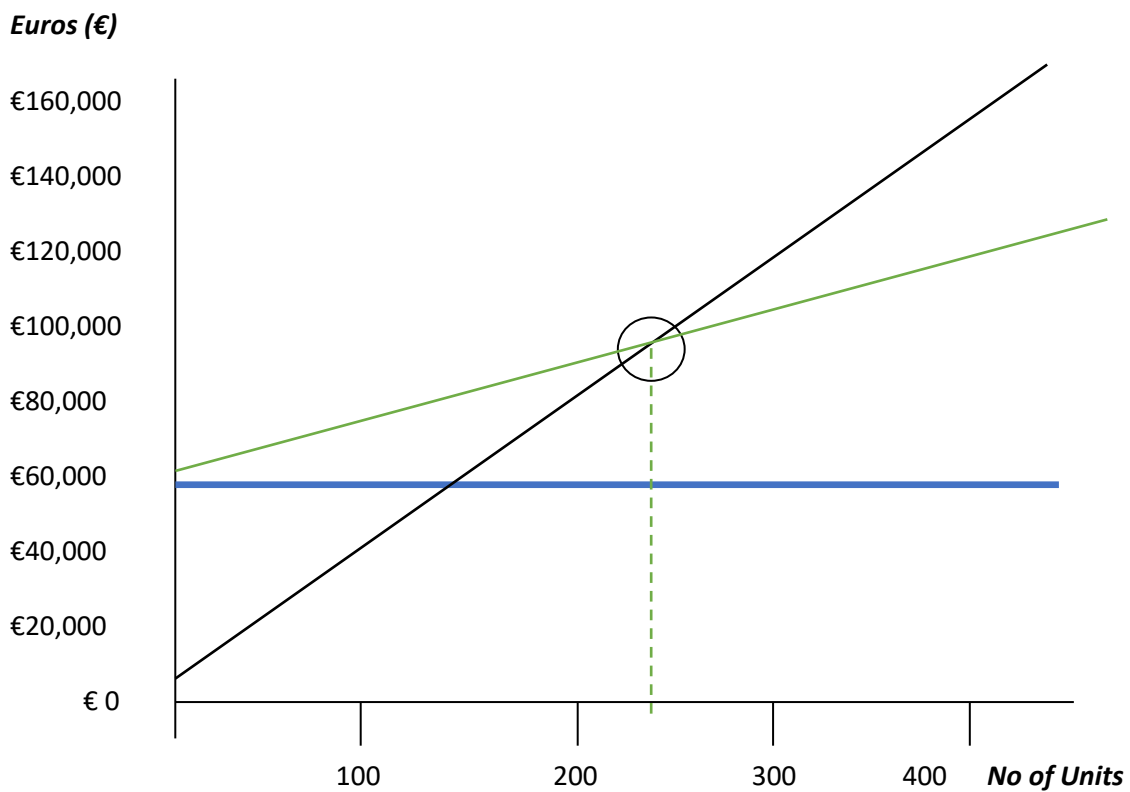
$$\begin{aligned}
 \text{Break Even Point} &= \frac{\text{Fixed Costs}}{\text{Contribution}} \\
 &= \frac{59,518}{269} \\
 &= \underline{222}
 \end{aligned}$$

$$\begin{aligned}
 \text{Monetary BEP} &= \text{Selling Price} \times \text{Units required for BEP} \\
 &= €399 \times 222 \\
 &= \underline{€88,578}
 \end{aligned}$$

Profit Statement for Auto Chef Company Ltd 2018/2019

	At 222 Units Produced	At 360 Units Produced	At 400 Units Produced
<i>Sales (€)</i>	88,578	143,640	159,600
<i>Less Variable Cost</i>	(28,860)	(46,800)	(52,000)
<i>Contribution</i>	59,718	96,840	107,600
<i>Less Fixed Cost</i>	(59,518)	(59,518)	(59,518)
Profit (€)	200 (BEP)	37,322	48,082

Break Even Point for Auto Chef Company Ltd 2018/2019



Legend

Fixed Cost —

Total Costs —

Total Revenue —

Break Even Point

Break Even Point Analysis

After observing that the Break-Even Point would be achieved by producing **222 machines**, it is estimated that this could be accomplished by **mid-November** (after 8 months in operations).

8.3 Projected Profit or Loss

Despite high costs and expenses incurred in the first year in operation, Auto Chef Company still managed to achieve a profit after tax of **€24,889.80**. Profit before tax amounted to €38,292, deducting €13,402,20 Corporation Tax at 35%.

Expenses for the accounted year amounted to €59,243, of which a high percentage of such expense was accounted for the wages and salaries.

Our main supplier gave a 13.3% discount for paying our invoice in cash. Hence, given that in the first year in operations 370 units were produced, Cost of Sales amounted to €55,500 whilst receiving a discount of €7,400.

Detailed Profit & Loss of Auto Chef Company Limited for 2018/2019 can be found in the Appendices Section.

For the second year, the company is expecting to expand its operations, offering an additional pasta-making machine targeted to the household sector.

As previously aforementioned in the previous tasks, total costs for the expansion in operations will amount to €142,243. Additional costs mainly relate to wages and salaries, water & electricity, fuel expenses etc. These costs will be fully compensated by sales, whereby profits will reach to €55,757 before deducting corporate tax at 35% (**Net Profit**

€36,242.05). Overall, in the second year, profits will have an increase of €11,352 from the previous accounted year.

In the third year in operation, Auto Chef Company Limited is expecting to reach 500 unit sales from Lovin Pasta machines offered to households, which in return will result in €99,500 in sales, a 300-unit increase from the previous year.

The company is also interested to keep promoting the pasta maker machine for small and medium sized restaurants, aiming to remain a stable sale from the previous year, hence selling 400 units, which sales will amount to €159,600.

Forecasted total sales for the third year will amount to nearly €260,000. Expenses are expected to exceed by €20,000 from the previous year, reaching up to €182,000. Hence, profits after tax are forecasted to amount to nearly **€50,700**.

8.4 Projected Cash Flow

Cash Flow Analysis of Auto Chef Company Ltd 2018/2019

Cash Payments – Inflow (Receivables)													
Inflow	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	TOTAL (€)
Cash & Cheque Sales ²	5,985	7,980	11,970	9,975	11,970	13,965	12,369	15,561	13,965	11,970	13,566	14,364	143,640
Internal Shareholders' Capital	70,000	-	-	-	-	-	-	-	-	-	-	-	70,000
Discount Received	600	750	700	800	400	650	600	400	700	650	800	350	7,400
TOTAL INFLOW	76,585	8,730	12,670	10,775	12,370	14,615	12,969	15,961	14,665	12,620	14,366	14,714	<u>221,040</u>

Cash Payments – Outflow (Payables)

Outflow	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	TOTAL (€)
<i>Wages (X 7)</i>	4,400	3,200	3,250	1,650	3,400	2,050	3,350	1,950	3,050	2,150	2,500	2,900	33,100
<i>Internet Subscription</i>	50	50	50	50	50	50	50	50	50	50	50	50	600
<i>Advertising Costs¹</i>	1,100	1,550	550	150	150	650	150	650	1,250	150	150	500	7,000
<i>Water & Electricity</i>	300	300	300	300	300	300	300	300	300	300	300	0	3,300
<i>Vehicle Lease</i>	420	420	420	420	420	420	420	420	420	420	420	420	5,040
<i>Fuel expenses</i>	150	160	130	120	140	165	145	130	100	95	85	140	1,560
<i>Rent Payable</i>	500	500	500	500	500	500	500	500	500	500	500	500	6,000
<i>Motor Insurance</i>	-	-	-	-	-	250	-	-	-	-	-	-	250
<i>Repairs & Maintenance</i>	-	-	50	100	150	-	50	-	25	25	-	100	500
<i>Stationery Supplies</i>	50	20	-	10	20	-	40	20	-	26	-	10	196
<i>Application Fees</i>	100	172	-	-	-	-	-	-	-	-	-	-	272
<i>General Expenses</i>	100	50	-	25	-	-	100	-	-	25	100	50	450
<i>Furniture & Fittings</i>	250	-	-	-	-	-	-	-	-	-	-	-	250
<i>Machinery</i>	400	-	-	-	-	-	-	-	-	-	-	-	400
<i>Purchases of material (to be used for production)</i>	4,625	4,500	7,000	7,500	3,500	4,000	3,000	7,550	8,000	2,000	3,000	825	55,500
<i>Petty Cash</i>	50	50	50	50	50	50	50	50	50	50	50	50	600
TOTAL OUTFLOW	12,395	10,922	12,250	11,225	9,030	8,285	8,415	11,220	13,245	5,891	7,505	5,595	<u>115,018</u>
Bank Current Account Balance (end of month)	64,190	61,998	62,418	61,968	65,308	71,638	79,192	80,933	82,353	89,082	95,943	<u>106,022</u>	

¹Advertising Costs are further distributed in Annual Advertising Cost Allocation Table

As listed in the Memorandum and Articles (M & A) by obtaining full consent by all shareholders of the company, it was decided that dividends are not to be distributed to shareholders for the first 5 years in operation. This decision has been agreed primarily for the benefit of the company, to ensure to have enough liquidity for its day-to-day operations.

According to the forecasted sales for the coming 5 years for Auto Chef Company Ltd, liquidity levels will increase significantly, hence the company would be in great position to distribute income in the form of dividends to its current shareholders at a later stage.

During the first year in operations, a capital injection of €70,000 was required to cover initial expenses incurred by the business. If such capital was not injected, the company will potentially suffer from debit bank account balances for five consecutive months (from April to August 2018), which will result in many charges being incurred by the company.

Sales for the first year in operations are forecasted to increase every month, hence bank account balance will boost, and is forecasted to reach a balance of **€106,022** by the end of March for the year 2019.

As for the second and third year, cash flow for Auto Chef Company limited is expected improve given that dividends are not to be distributed for the first 5 years in operation. In addition, given that sales are also expected to increase considerable, balance in bank account is expected to accumulate. By this strategy, the company will benefit from a positive cash flow, hence reducing costs of interest rates for having an overdraft with a bank and discounts for immediate payment settlement to suppliers.

Consequently, given that the bank account is being properly utilised, this could be an asset for the organisation when opting for a loan in the long-run. The company is expecting to expand its operations and will have to purchase a bigger store. This could be done by opting for a loan which will require the bank to make sufficient due diligence on the accounts, resulting in being granted a loan, with the possibility of a lower interest rates and better conditions.

8.5 Projected Balance Sheet

For the first year in operations, Auto Chef Company limited is forecasted to hold Machinery and Furniture and Fittings listed as Non-Current Assets in the balance sheet. Depreciation was also taken into consideration, to provide a realistic value should the need arise to sell the mentioned assets.

As for the current assets, the company is expected to hold 10 units of Pasta making machines, which were not sold in the first year, classified as inventory. In addition, bank account balance was also listed in the current assets, given that it is a positive figure.

As for the liabilities, the company has only an accrual of €300, payable to Arms Ltd for the Water and Electricity bill.

Detailed Balance Sheet of Auto Chef Company Limited for 2018/2019 can be found in the Appendices Section.

The company is expecting to expand its operations for the next two and three years. Therefore, to keep up with the demand, additional material is expected to be purchased, which will be later on listed in the balance sheet as noncurrent assets, having a stipulate pre-agreed depreciation percentage yearly to represent its true and realistic value.

The company is also expecting to have additional inventory in the next two and three years. Given that profits made in the first year were not distributed to shareholders, such amount has been accumulated with the bank balance, which will be reflected in the balance sheet after including it with the profits made in the next year.

It is slightly impossible for a company to pay its obligations immediately; therefore, accruals are also expected to increase with regards to Water & Electricity bills, purchasing of machinery etc. By accruing certain expenses, the company will benefit from positive cash flow balances. However, certain expenses that offer discounts on immediate settlements are to be paid immediately to benefit from a reduction in costs.

8.6 Business / Accounting Ratios

Auto Chef Company Limited - 2018 / 2019 Financial Performance (FIRST YEAR)

$$\begin{array}{l} \text{Gearing Ratio} \\ = \mathbf{0:1} \end{array} \quad \frac{\text{Long-term liabilities}}{\text{Capital Employed}} = \frac{0}{70,000}$$

Liquidity Ratios

$$\begin{array}{l} \text{Current Ratio} \\ = \mathbf{360:1} \end{array} \quad \frac{\text{Current Assets}}{\text{Current Liabilities}} = \frac{108,017}{300}$$

$$\begin{array}{l} \text{Quick Ratio} \\ = \mathbf{353:1} \end{array} \quad \frac{\text{Current Assets} - \text{Closing Stock}}{\text{Current Liabilities}} = \frac{108,017 - 1,995}{300}$$

Profitability Ratios

$$\begin{array}{l} \text{Gross Profit Margin} \\ = \mathbf{62.8\%} \end{array} \quad \frac{\text{Gross Profit} \times 100}{\text{Sales}} = \frac{90,135 \times 100}{143,640}$$

$$\begin{array}{l} \text{Net Profit Margin} \\ = \mathbf{26.7\%} \end{array} \quad \frac{\text{Net Profit} \times 100}{\text{Sales}} = \frac{38,292 \times 100}{143,640}$$

$$\begin{array}{l} \text{Cost of Labour} \\ = \mathbf{23\%} \end{array} \quad \frac{\text{Cost of Labour} \times 100}{\text{Sales}} = \frac{33,100 \times 100}{143,640}$$

$$\begin{array}{l} \text{Expenses as a} \\ \text{Percentage of Sales} \\ = \mathbf{62.1\%} \end{array} \quad \frac{\text{Expenses} \times 100}{\text{Sales}} = \frac{89,143 \times 100}{143,640}$$

Comments on the Accounting Ratios for the First Year in operation

Gearing Ratio

Given that Auto Chef Company Limited does not have any long term (non-current liabilities), results show a value of zero. Therefore, this indicates that the organisation is not risky as it is not depending on long-term debts, hence is not obliged to pay lenders interest on amounts borrowed. Since the capital (€70,000) is obtained from shareholders, dividend to shareholders is only paid if the company is in a good financial position after the approval of the board.

Liquidity Ratios

Current Ratio

This ratio compares the Current Assets with the Current Liabilities of the organisation. The results show a very positive position (360:1), as this indicates that the business can meet efficiently its current obligations (liabilities) through its own current assets if the need arise to settle its short-term obligations.

Quick Ratio

This ratio is very similar to the Current Ratio; however, the closing stock has been deducted from the Current Assets value.

Profitability Ratios

Gross Profit Margin

This ratio compares the Gross Profit to Sales (Proceeds) made as a percentage. This therefore contrasts the percentage of revenue that remains after deducting the costs for goods sold. This is one of the financial metrics utilised to determine the financial health of a business. Results indicate a 62.8%, hence showing a positive financial position which serves as the main source to pay additional business expenses.

Net Profit Margin

This margin is the percentage (%) of revenue left after all expenses have been deducted from the proceeds. As it can be clearly seen, the percentage decreased significantly when compared to results obtained from the Gross Profit Margin. Net Profit Margin plunged to 26.7%, hence indicating that expenses for Auto Chef company Limited are considered as very high compared to Sales achieved. Given that it is the first year of operations, shareholders were aware that an additional effort must be made; as with regards to several expenses such as advertising costs and other initial costs.

Cost of Labour

This formula calculates the cost of labour when compared to the Sales. Cost of labour can be classified as an expense for wages and salaries of employees in the business. Results show a 23%, hence indicating a considerable amount of labour expenses when compared to Sales.

Expenses as a percentage of Sales

This formula calculates the expenses as a percentage of sales. As previously aforementioned, given that it is the first year of operations, expenses were expected to be quite high as clearly seen in the results obtained (62.1%).

Auto Chef Company Limited - 2019/ 2020 Financial Performance (SECOND YEAR)

Gearing Ratio	$\frac{\text{Long-term liabilities}}{\text{Capital Employed}}$	=	$\frac{0}{70,000}$
= 0:1			

Liquidity Ratios

Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	=	$\frac{142,265}{4,000}$
= 36:1			

Quick Ratio	$\frac{\text{Current Assets} - \text{Closing Stock}}{\text{Current Liabilities}}$	=	$\frac{142,265 - 5,980}{4,000}$
= 34:1			

Profitability Ratios

Gross Profit Margin	$\frac{\text{Gross Profit} \times 100}{\text{Sales}}$	=	$\frac{131,000 \times 100}{199,000}$
= 66%			

Net Profit Margin	$\frac{\text{Net Profit} \times 100}{\text{Sales}}$	=	$\frac{71,000 \times 100}{199,000}$
= 35.7%			

Cost of Labour	$\frac{\text{Cost of Labour} \times 100}{\text{Sales}}$	=	$\frac{43,100 \times 100}{199,000}$
= 22%			

Expenses as a Percentage of Sales	$\frac{\text{Expenses} \times 100}{\text{Sales}}$	=	$\frac{142,243 \times 100}{199,000}$
= 71%			

Comparing Accounting Ratio results from the FIRST and SECOND year in operations

Gearing Ratio

Auto Chef Company Limited still does not have any long-term non-current liabilities, as results show a value of zero. Therefore, as explained earlier, this indicates that the organisation is not in risky position as it is not depending on long-term debts, hence is not obliged to pay lenders interest on borrowed amounts.

Liquidity Ratios

Current Ratio

This ratio compares the Current Assets with the Current Liabilities of the organisation. Results show that Current liabilities have increased on the second year in operations, however still having a good current ratio valued at 36:1.

Quick Ratio

Quick ratio has also decreased from the first year being 34:1. There was a discrepancy from the previous year given that current liabilities and closing inventory have increased.

Profitability Ratios

Gross Profit Margin

Results indicate that there was an increase from 62.8% to 66% from the first and second year. Therefore, results show a positive financial position due to an increase in sales.

Net Profit Margin

As it can be clearly seen, the percentage increase from 26.7% in the first year to 35.7% in the second year mainly due to an increase in sales. Even though results show a significant improvement, one needs to consider that such percentage is relatively low when compared to the gross profit, mainly due to many expenses the company is facing. The company is aiming to increase its production to cover such costs in the future.

Cost of Labour

Results show a 23% for the first year, being reduced by 1% in the second year to 22%. This discrepancy occurred due to an increase in sales together with an increase in wage costs.

Expenses as a percentage of Sales

Results show that expenses as a percentage of sales increased from 61.1% in the first year to 71% in the second year. Even though this is not considered as a positive result, one needs to take into consideration that new machinery has been bought to cater for the expansion in operations

Improvement Flow

The initial prototype was based on a system where the main objective was to automate the process of creating fresh pasta by means of extruding the freshly made dough through a die with the required shape of the final product.



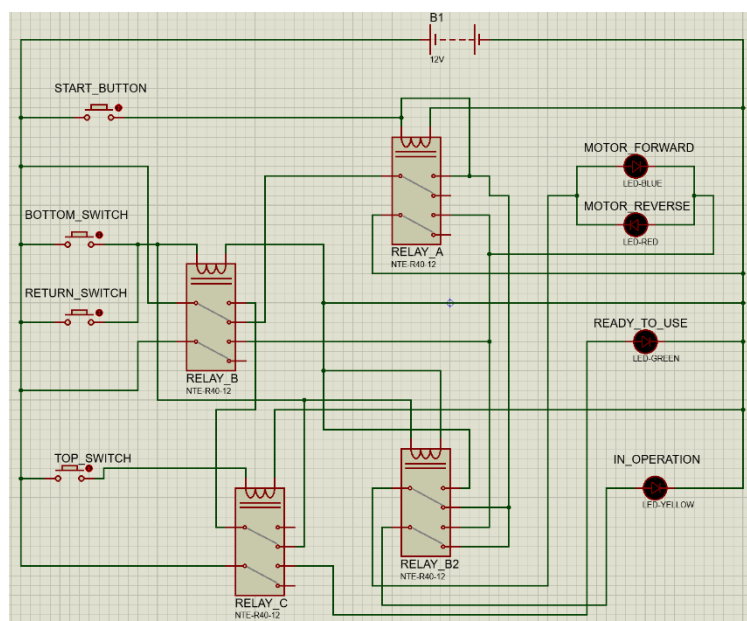
Going into more detail, the machine was powered by an A.C. supply, which is powering an A.C. motor and relays. The motor's purpose is to rotate a leadscrew and move the nylon plunger down to press the dough into the container which has a die attached at the bottom. In addition, the machine has two push buttons, one to activate the process, and the other to stop and return to starting position.



After discussing with company members, and taking into consideration customer requirements, it was determined that there is a need for improvement of the system, both functional, and aesthetically. This was done to satisfy the customer, and maintain the main objective at the same time as follows:

➔ Electrical system:

The entire electrical circuit was redesigned from scratch to make it safer and more reliable. This was done by changing the internal components and leaving the main power source, which is single phase A.C. 230V @ 50Hz, therefore the machine can be powered by any common electrical outlet. From this A.C. source, a stepdown transformer that changes the 230V A.C. supply to 12V D.C. This makes it safer to operate as there is less voltage present in the system, specifically in the buttons. In addition, with this type of power supply, it is easier to find a suitable motor which has the required torque to be able to push the dough through the dies.



The new setup allows the new motor to operate at a higher speed, therefore it is fast enough to make the process faster than before but remaining safe and silent at the same time.

→ Safety features:

- Primarily, the only safety feature that the machine had was a return button to cause the motor to change direction and go back up. This feature was not removed, but extras were added to it:
- Emergency Stop Button: A very important asset to have on a machine to stop all functionality and cut off the electric supply in the event of any type of emergency. This button has been installed on the top of the machine so that it will be visible and easy to access.
- Ready to Use Light: A green LED installed adjacent to the Start button will let the person using the machine know that it is ready to be operated. The way the system is wired, ensures that if the system is not ready to use, meaning it is not in its starting position, the LED will not light up and will not let the system to start.
- In Operation Light: An amber flickering light installed on the top of the machine makes it very visible that the machine is being used, meaning that the motor is running, and the plunger is moving up or down.
- Structural earthing: The new wiring gives the ability to earth/ground the machine. All major electrical components are enclosed in an insulated box, but to increase the safety of the person using the machine; it is constantly grounded, even if the emergency stop button is pressed.
- Warning labels: Appropriate stickers such as warnings about dangers of possible hand entrapment within the mechanism are made visible so that the user will be cautious and safe. Other labels such as to indicate that there is electrical wiring within the machine to prevent any unnecessary harm and/or damage.

→ Aesthetics:

- Company Logo, along with the name of the product i.e. Lovin' Pasta, are printed on the machine to make the product much more aesthetically

pleasing along with indicating what the name of the product is and who made it.

The operation of the machine has remained the same, meaning that dough is inserted into the container, and the start button is pressed (once the green LED has been lit). the machine extrudes the fresh pasta out and returns it into its starting position. During this time, the green LED remains off and the amber light flickers to indicate operation. Once the process is done, the lights switch indicating that it can be used again.

The user has the option of stopping the process and returning the machine/plunger back to its starting position by pressing the return button. In the case of an emergency, it is recommended to press the emergency stop. When the machine can be used again, it can be reset by twisting the emergency stop button, thus giving back power to the system.

Below is an image of the final product with the improvements mentioned above.



.This table portrays all expenses of the automated pasta machine - Lovin' Pasta

AUTOMATED PASTA FORMING				
Purchased Items				
Item	Shop	Tel. no.	Cost (€)	Remarks
Thread M8*1m and 1 long nut	TANTI IRONMONGERY	21464329	3.60	1 Thread
Bolts, Nuts, Washers, Isolated Electrical Box and Pin plug	TANTI IRONMONGERY	21464329	16.02	
Stainless Steel Pasta, Noodle maker machine	EBAY		12.21	1 Container
DC Motor - High torque gear motor	EBAY		6.05	
N.O switches and Relays	G&E ELECTRONICS	22580400	29.36	2 Switches & 3 Relays
Transformer (Step-down)	G&E ELECTRONICS	22580400	21.83	230V – 12V
Aluminium Sheets bended	BONALCO ALUMINIUM LTD.	21460050	30.36	2 pieces of Aluminium sheets
Metal Channels	JMV BUILDING SOLUTIONS		8.50	25 x 25 x 2mm square channel 6 meter
				Rounding to an even number the total <u>amount</u> :-
			<u>Total</u> :- 127.93	€130

Funding Requests and Exit Strategies

09.

9.1 Funding Requests

Auto Chef Company Limited is opting to continue renting the premises located in Mriehel for the next five years, potentially opting to take a bank loan to purchase a larger showroom after the stipulated period. This was mainly decided to gain a considerable percentage of market share, hence being considered as stable prior opting for a bank loan.

However, the company is not opting to take a loan prior the mentioned period but will utilise its capital and undistributed dividends to finance its projects and expenses.

Given that dividends are not to be distributed for the first 5 years, the company is forecasting to accumulate a sum of money (€200,000), which later on will be utilised to purchase a non-current asset (property). The remaining amount of money required will be financed by taking a bank loan.

9.2 Exit Strategy

Given that employees in the business are shareholders themselves, they will ensure to provide the best possible outcome for the benefit of the business. However, if the product offered had to fail, they will have to react immediately.

If the Company had to fail, the below scenarios will be taken into consideration in order to cover up expenses incurred by the business:

Scenario 1:

A **buy back guarantee agreement** has been initially set with all the suppliers. This therefore obliges suppliers to accept returned stock (un-opened) within a 1-year period from the initial purchasing. This therefore implies that unopened purchase stock can be returned to the supplier at the price primarily purchased. This agreement provides peace of mind to the shareholders, in the case of an unsuccessful business plan. By having such agreement, expenses related to cost of sales will possibly be minimised.

Scenario 2:

If the company will have a lot of stock, which is not able to sell, the best decision to take is to reduce the price of the product. If the company is still not managing to sell the stock, it would then be ideal to sell the whole lot to a catering shop at an even lower price to cover at least the costs involved to produce the pasta maker machine.

However, given the precise and concrete research done by the Marketing Department to determine the needs of our targeted market, a clear gap appears which will eventually result in a successful product implementation.

9.3 Milestones

Within the next 5 years, we aim to accomplish the following milestones:

- ➔ Bring out at least two innovative and automated kitchen equipment within the local Market per year (totalling to at least 10 products)
- ➔ Start operating from another area in Malta, by purchasing a showroom in another area to further facilitate access
- ➔ Explain our market internationally
- ➔ Focus on e-commerce by establishing a website that facilitates online shopping

Appendices

6.4.1 Annual Sales Forecast for Auto Chef Company Limited 2018/2019

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	TOTAL
Total Units (Machines) Sold	15	20	30	25	30	35	31	39	35	30	34	36	360
Sales projections - €	5,985	7,980	11,970	9,975	11,970	13,965	12,369	15,561	13,965	11,970	13,566	14,364	143,640
Purchasing Costs - € (discount received included)	(1,950)	(2,600)	(3,900)	(3,250)	(3,900)	(4,550)	(4,030)	(5,070)	(4,550)	(3,900)	(4,420)	(4,680)	(46,800)
Gross Revenue from Units Sold	4,035	5,380	8,070	6,725	8,070	9,415	8,339	10,491	9,415	8,070	9,146	9,684	96,840
VAT @ 18%	(1077.30)	(1,436.40)	(2,154.60)	(1,795.50)	(2,154.60)	(2,513.70)	(2,226.42)	(2800.98)	(2513.70)	(2154.60)	(2441.88)	(2,585.52)	25,855.20
Net Revenue from Units Sold	4,907.70	6,543.60	9,815.40	8,179.50	9,815.40	11,451.30	10,142.58	12,760.02	11,451.30	9,815.40	11,124.12	11,778.48	117,784.80

**Annual Wages & Salaries Cost Allocation for Auto Chef Company Ltd,
according to job position for 2018/2019**

Wages	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	TOTAL (€)
Director of Finance & Accountancy Mr D.Tonna (P/T)	1,000	-	1,000	-	-	-	1,000	-	1,000	-	-	-	4,000
Director of Marketing Ms L.Camilleri (P/T) ²	500	-	-	-	400	-	-	250	-	150	-	500	1,800
Customer Care & Sales Reps Ms B.Sciberras (F/T)	1,400	950	600	850	1,500	750	850	750	550	900	1,000	800	10,300
Product Management Mr J.Carwana (F/T) ³	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Engineer Mr C.Saliba (F/T)	750	750	750	750	750	750	750	750	750	750	750	750	9,000
TOTAL (€)	4,400	3,200	3,250	1,650	3,400	2,050	3,350	1,950	3,050	2,150	2,500	2,900	33,100

² Part time basis

³ Full time basis

The income statement (Profit & Loss Account) of *Auto Chef Company Ltd* as at 31st March 2019

	€	€
SALES / PROCEEDS		143,640
<u>Less Cost of Sales</u>		
Opening Inventory	/ ⁴	
Cost of Production	55,500	
Closing Inventory	(1,995)	(53,505)
GROSS PROFIT		90,135
<u>Add other income</u>		
Discount Received ⁵		7,400
		97,535
<u>Less Expenses</u>		
Wages & Salaries	33,100	
Repairs and Maintenance (Machinery)	500	
Advertising Costs	7,000	
Rent Payable	6,000	
Water & Electricity	3,600	
Internet Service Subscription	600	
Stationery Supplies	196	
Motor Vehicle (for Delivery) Lease	5040	
General Expenses	450	
Motor Insurance	250	
Fuel expenses	1,560	
Initial Application fees	272	
Depreciation (Machinery & Equipment)	50	
Depreciation (Furniture & Fittings)	25	
Petty Cash	600	
TOTAL EXPENSES		(59,243)
NET PROFIT / LOSS (Before Tax)		38,292
LESS Corporation Tax @ 35%		(13,402.20)
NET PROFIT / LOSS (After Tax)		24,889.80

⁴ Opening Stock is valued at zero, given that it is the first year of operations.

⁵ Given that we have paid our suppliers in cash, we were entitled for a 13.3% cash settlement discount.

The **Statement of Financial Position** (Balance Sheet) of *Auto Chef Company Ltd* as at 31st March 2019

Assets	Cost (€)	Depreciation (€)	Net Book Value (€)
<u>Non-Current Assets</u>			
Machinery & Equipment	400	50	350
Furniture & Fittings	250	25	225
TOTAL NON-CURRENT ASSETS	350	(75)	575
<u>Current Assets</u>			
Inventory (Closing)		1,995	
Bank Account Balance		106,022	108,017
TOTAL ASSETS			108,592
<u>Capital & Liabilities</u>			
Capital			70,000
Net Profit / Loss (Before Tax)			38,292 ⁶
<u>Non-Current Liabilities</u>			/
<u>Current Liabilities</u>			
Accrued Water & Electricity Bill			300
TOTAL CAPITAL & LIABILITIES			108,592

⁶ Figure obtained from the Income Statement

Annual Advertising Cost Allocation for Auto Chef Company Ltd 2018/2019

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	TOTAL (€)
Social Media; Facebook	100	100	50	50	50	50	50	100	100	50	50	50	800
Radio Advertisements	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Distribution costs for demonstrations ⁷	400	400	-	-	-	-	-	450	-	-	-	-	1,250
Billboard advertisements	500	500	-	-	-	-	-	-	500	-	-	-	1,500
Marketing Material	-	450	400	-	-	-	-	-	-	-	-	350	1,200
Advertisements on Cibus ⁸ Magazine	-	-	-	-	-	500	-	-	-	-	-	-	500
Donation to Puttinu Cares via 'I-Istrina' - CSR ⁹	-	-	-	-	-	-	-	-	550	-	-	-	550
TOTAL COSTS MONTHLY	1,100	1,550	550	150	150	650	150	650	1,250	150	150	500	7,000

⁷ Costs involving refreshments, brochures and other related marketing material distributed to restaurant owners / Chefs invited for this presentation

⁸ Cibus magazine is a state wide business magazine and website covering various companies and entrepreneurs

⁹ Corporate Social Responsibility

Trade License Enquiry

Dear Ms Sciberras

Please excuse me for coming late as a reply to your email.

Kindly note that with the termination of trade licences ,you do not need any trading licence in order to sell such equipment.

Regards

Brian Montebello
Director Trade Services
Commerce Department



t +356 25690214 e brian.montebello@gov.mt
www.economy.gov.mt | www.publicservice.gov.mt
Valletta 2018 - European Capital of Culture www.valletta2018.org
Kindly consider your environmental responsibility before printing this e-mail

MINISTRY FOR THE ECONOMY, INVESTMENT
AND SMALL BUSINESSES
COMMERCE DEPARTMENT, LASCARIS BASTIONS, DAHLET
GNIEN IS-SULTAN,
VALLETTA, MALTA

The Catering Centre



Pro Kitchen



Petrolea

→ Titania Pasta Machine



→ The Limited Edition



→ Ravioli Maker



Tescoma Malta



Crosscraft



eBay

→ Electric Automatic noodle pasta maker machine with Noodles Roller Tool €500



→ Automatic Electric Noodle Maker **€280**



→ Pasta Basta Automatic Pasta Machine Black €380



WAREN AUS
DEUTSCHLAND

EVOKT

Store

Tangible Costs

BOMALCO ALUMINIUM LIMITED
 HOIMA ROAD
 ZEDDUG - ZONG 06
 -NBETR
 TELEPHONES: [0356] 21460050 - 21461078 - 21465110 TELEFAX: [0356] 21465798
 REGISTRATION NO. 1021-4330 - EX0174

Quotation No. 39058

Receipt No.: _____ Page No.: 1
 Date: 15/05/2018 Time: 0.15

JONATHAN COBARRO

No.	Product Code	Description	Qty	Price	Amount TTC
1	0	2 PC ALUMINIUM SHEETS 8000	1.000	25.710	25.710 FF
Sub Total:					25.710
VAT: 22.0%				25.710	4.810
Total Tax: (I.e. 22.0%)					30.520

Customer: CASH SALES
 Address: _____

antir@NMONGERY

35, Place
 F. Guzman Ongil St.
 ZEDDUG
 2001140
 HOIMA
 21460050
 1994220 - 8482012
 antir@nmongery.com
 www.nmongery.com
 V.A.T. No. 129-938
 Tax Exempt No.

V.A.T. Number
 Invoice Number: 30120
 Reference
 Date: 15/05/2018
 Sales Assistant: Twesey Yandi

Invoice

Description	Qty	Price	Sub Total
WATER TIGHT JIBOX 250*200*80	1.00	5.17	5.17
Fly Nuts S/steel	2.00	0.23	0.46
Bolts 6 X 30 S/steel+ Nuts	12.00	0.24	2.88
Washers 6 X 25 S/steel	20.00	0.12	2.40
Nuts S/steel M	10.00	0.08	0.80
Bolts 3 X 20	4.00	0.14	0.56
PIN PLUG VOLEX	1.00	1.31	1.31

Total € 16.0.

Paid Signature

No €120 Tax €2.

Thank You | VM/007360

TANTIRONMONGERY

St. Philip
F. Caruana Dingli Str.
Zebbug
ZBG1141
Malta
21464329
79464329 / 99452912

tantiron@waldonet.net.mt
www.tantironmongery.com
V.A.T. No. 1228-1826
Tax Exempt No.

Customer **CASH SALES**
Address

V.A.T. Number
Invoice Number **35088**
Reference
Date **14/05/2018**
Sales Assistant **Twanny Tanti**

Invoice


Description	Qty	Price	Sub Total
STUD 8MM SS	1.00	2.96	2.96
Nuts Long	0.90	0.10	0.09

Total € 3.60

Paid In **Signature**

Net € 3.05 Tax € 0.55

Thank You | WMP/00073/08



G&E
ELECTRONICS LTD

Genics Buildings, Giovanni Papafly Street, G'Kara BKR 4021, Malta.
Tel. 22580400 Fax. 2149 7103
VAT. Reg. No. MT1134719 Ex. No. 0130
Email. info@gemalta.com Website. http://www.gemalta.com
WME/00113/00 WMP/00027/00

CASH SALE

A/C No. A000
Doc. No. 065796
Date: 03/05/2018
Sales Rep: Ruth Borg
A/C Name:

CASH SALES
Malta

VAT. Reg. No.: _____ Delivery Address _____

Line	Item Code/Description	Qty/packs	Qty/pcs/m	Bin.	Price	Value	RRP	VAT	Disc.%
1	20.0695 SWITCH AUTO RETURN N.O. - BLK		2/UNIT	1309	6.100	12.20	7.20	F	
2	55.7035 RELAY INDUS 4PDT 5A 12V DC		1/UNIT	43M06	3.360	3.36	3.97	F	
3	55.7105 RELAY INDUS DPDT 5A 12V DC		2/UNIT	1K01	4.660	9.32	5.50	F	
						24.88			
Sales "F": 24.88		VAT "F": 4.48							
Sales "R": 0.00		VAT "R": 0.00							
Sales "E": 0.00				VAT:		4.48			
Total EURO:						29.36			

G&E ELECTRONICS

Home > Power Supplies and Transformers > Power Supplies > ENCLOSED SWITCHING P.S 12V dc 60W 5Amp

ENCLOSED SWITCHING P.S 12V dc 60W 5Amp
CODE: 84.4110

Price: €18.50 (€21.83 including VAT)

Quantity: 1

[Add To Cart](#)

[View larger image](#)

Description Quantity Discounts Reviews Send To Friend

ENCLOSED SWITCHING P.S 12V dc 60W 5Amp
Dimensions: L160 x W99 x D37mm

eBay - 英馳先鋒科技有限公司 (sunny-planet168)
 Purchase

- 1C

Paid with
 VISA x-101B
 You'll see " [redacted] " on your card statement.

Exchange rate
 EUR 12.21 = GBP 10.27
 1 EUR = 0.84 GBP

Shipped to
 Jonathan Caruana
 [redacted]
 [redacted]
 [redacted]
 Malta

Track your shipment
 [redacted]
 19 March 2018, Marked as shipped
 Status: Shipped

Transaction ID
 [redacted]

Seller info
 eBay - 英馳先鋒科技有限公司 (sunny-planet168)

Purchase details
 Stainless Steel Manual Noodles Press
 Machine Pasta Maker with 5 Noodle J6Z6
 Item # 202258423604

Shipping GBP 0.99
Total **GBP 10.27**



JM Vassallo Sales
to 'Jonathan Caruana'

06:19



Dear Mr Caruana,

One SHS 25 x 25 x 2mm costs [€8.50 / 6m](#) excl. vat

Regards,
Andrew

NB. All quotations are valid for one week unless otherwise stated.

Andrew Cutajar
Head of Sales



JM Vassallo Vibro Steel Ltd.
Vibro Complex
Mdina Road Zebbug ZBG 9019



RS-550 High quality Motor 67% 100% Brand new Electric 0.07W 5800rpm 12-24V 4.5A

£5.08

Quantity

Economy SpeedPAK from China/Hong Kong/Taiwan

Free



joncar_24@hotmail.com
VISA x-1018 EUR 6.05
Exchange rate: EUR 1.00 = £0.84
Change

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