APPENDICES

Solution of VIVA Case

Sales Programme				
	Sell. price	1st Semester	2nd Semester	Total
Product A	70	12 000	15 000	27 000
Product B	120	6 000	8 000	14 000
By-product C	20	600	550	1 150

Production Programme				
		1st Semester	2nd Semester	Total
Product B				
Sales		6 000	8 000	14 000
Closing stock		3 250	1 750	1 750
Opening stock		2 750	3 250	2 750
Production		6 500	6 500	13 000
Product A				
Sales		12 000	15 000	27 000
Closing stock		2 500	2 000	2 000
Opening stock		1 100	2 500	1 100
Consumption		2 600	2 600	5 200
Production		16 000	17 100	33 100
By-product C				
Sales		600	550	1 150
Closing stock		50	150	150
Opening stock		0	50	**0**
Production		650	650	1 300

Programme of Materials Purchase				
Mat X	Purch price	1st semester	2nd semester	Total
Consumption		19 200	20 520	39 720
Closing stock		4 800	5 130	5 130
Opening stock		4 000	4 800	4 000
Purchase	20	**20 000**	**20 850**	40 850
Mat Y				
Consumption		5 200	5 200	10 400
Closing stock		1 300	1 300	1 300
Opening stock		1 500	1 300	1 500
Purchase	30	5 000	5 200	10 200

Programme of the Sections Activity				
	MU	1st semester	2nd semester	Total
Section I	Lh	48 000	51 300	99 300
Section II	Mh	13 000	13 000	26 000
Section III	Lh	7 400	7 730	15 130

Sales Budget				
	Selling price	1st semester	2nd semester	Total
Product A - 2 mths as TR	70 €	840 000	1 050 000	1 890 000
Product B – 2 mths as TR	120 €	720 000	960 000	1 680 000
Sub Total		1 560 000	2 010 000	3 570 000
By- Product C – p.p.	20 €	12 000	11 000	23 000
Total		1 572 000	2 021 000	3 593 000

Purchase Budget				
	Unit cost (supplier)	1st semester	2nd semester	Total
Raw materials				
Mat X – 1 mth as TP	20	400 000	417 000	817 000
Mat Y – 1 mth as TP	30	150 000	156 000	306 000
Total		550 000	573 000	1 123 000

Budget of the Purchase Costs				
		External cost	Internal cost	Total purchase cost
Raw material X		20	1.8	21.8
Raw material Y		30	1.8	31.8

Budget of the Variable Selling Expenses				
	TP	1st semester	2nd semester	Total
Prod A	0.5 mth	33 600	42 000	75 600
Prod B	0.5 mth	28 800	38 400	67 200
Total		62 400	80 400	142 800

Budget of Overheads (Non-manufacturing)					
			Administrative	Distribution (selling)	Total
Salaries			240 000	72 000	312 000
Social expenses			144 000	43 200	187 200
Depreciation			180 000	60 000	240 000
Total			564 000	175 200	739 200

Budget of the Conversion Costs

	MU	Unit cost	S. I	99 300	S. II	26 000	S. III	15 130	S. IV	1 458 536	RMW	51 050	FPW	41 000	
			Qtes	€	Qtes	€	Qtes	€		€					Total (€)
1. Direct costs															
Variable															
Lighting/heating	KW	0.1	595 800	59 580	104 000	10 400	30 260	3 026							73 006
Other supplies				198 600		39 000		15 130							252 730
Fixed															
Salaries				144 000		96 000		48 000		60 000		36 000		24 000	408 000
Social expenses				86 400		57 600		28 800		36 000		21 600		14 400	244 800
Depreciation				240 000		360 000		72 000		13 390.20		34 290		10 800	730 480.2
Total				**728 580**		**563 000**		**166 956**		**109 390,20**		**91 890**		**49 200**	**1 709 016.**
2. Reallocations															
S. III		*11.86237*	9 930	117 793.36	5 200	61 684.34		-		-					
S. IV		0.075		54 643.50		42 225		12 521.70		-					
Total				172 436.86		103 909.34		**12 521.70**		-					
Global Total				**901 016.86**		**666 909.34**		**179 477.70**		**109 390.20**		**91 890**		**49 200**	
WU				9.07368		25.65036		11.86237							
AU										0.075		1.80		1.20	
CU															

Budget of the Production Costs							
			Prod A	33 100	Prod **B**	13 000	Total (€)
	MU	Unit Cost	Qtes	€	Qtes	€	
1. Raw Materials							
Mat X	ton	21.80	39 720	865 896.00			865 896.00
Mat Y	ton	31.80			10 400	330 720.00	330 720.00
Product A	ton	**53.381053**			5 200	277 581.48	277 581.48
SubTotal				**865 896.00**		**608 301.48**	**1 474 197.48**
2.Conversion costs							
Section I	Lh	9.07368	99 300	901 016.86			901 016.86
Section II	Mh	25.65036			2 600	666 909.34	666 909.34
Subtotal				**901 016.86**		**666 909.34**	**1 567 926.20**
By-product C		€ 20.00			1 300	(26 000.00)	(26 000)
Global cost				**1 766 912.86**		**1 249 210.82**	**3 016 123.68**
Unit MCFP				**53.381053**		**96. 09314**	

Cash Budget				
	1st semester	2nd semester	Total	Balance sheet
1. Receipts				
Previous year	350 000			
Year				
Sales TR 2 mths	1 040 000	1 860 000	2 900 000	670 000
Sales p.p.	12 000	11 000	23 000	
Total receipts	1 402 000	1 871 000	3 273 000	
2. Payments				
Previous year	500 945			
Year				
Raw materials	458 333	569 167	1 027 500	95 500
Variable costs				
Light heat	26 610	37 014.50	63 624.50	9 381.50
Other	61 450	126 365	187 815	64 915
Fixed costs				
- salaries	360 000	360 000	720 000	
- hol, and chr. pay	60 000	60 000	120 000	
- social security	71 250	114 000	185 250	14 250
- others	56 250	56 250	112 500	
Selling expenses	57 200	78 900	136 100	6 700
Total payments	1 652 038	1 401 696.50	3 053 734.50	
Cash balance	(250 038)	469 303.50	219 265.50	

Variable Costs of the Sections per Semester			
	1st semester	2nd semester	total
Lighting and heating	35 480	37 526	73 006
Other	122 900	129 830	252 730

Labour Budget (The Whole Company)			
	1st semester	2nd semester	Total
Salaries	360 000	360 000	**720 000**
Hol and Chr	60 000	60 000	120 000
Social security	99 750	99 750	199 500
Others	56 250	56 250	112 500
Total	576 000	576 000	1 152 000

Financial Budget			
	1st semester	2nd semester	Total
Origins			
Opening Cash	30 000	50 000	
Cash budget surplus		469 303.50	
Bank loans	420 038		
Disinvestment		25 000	
Total	450 038	544 303.50	
Payments			
Closing cash	50 0000	50 000	
Cash budget deficit	250 038		
Investments	150 000		
Refund of MLT loan		300 000	
Refund of ST loan		123 502	
Interests on MLT loan		54 000	
Interests on ST loan		16 801.50	
Total	450 038	544 303.50	

€

Forecasted Profit and Loss Statement per Functions				
	Product A	**Product B**	**By-Product C**	**Total**
Sales	1 890 000	1 680 000	23 000	3 593 000
MCPS (Cost of sales)	1 441 288.44	1 345 303.95	23 000	2 809 592.39
Gross profit	**448 711.56**	**334 696.05**	**-**	**783 407.61**
Selling (distribution) expenses				
Variable	75 600	67 200		142 800
Fixed				224 400
Administrative expenses				564 000
Operational profit				**(147 792.39)**
Financial income				
Financial expenses				69 301.50
Profit before taxes				**(217 093.89)**

Opening Balance Sheet

Assets		Equity	
Fixed Assets (net)	7 000 000,00		**5 527 930,29**
Stocks			
Material X	87 200,00		
Material Y	47 700,00		
Product A	58 719,16	**Liabilities**	
Product B	264 256,13	MLT (Loan)	1 500 000,00
		Equity	
Accounts receivable (Debtors)	350 000,00	MLT Loan	300 000,00
		Accounts payable (Suppliers)	500 945,00
Cash	30 000,00	Interests Payable	9 000,00
		Total Liability	**2 309 945,00**
Total Assets	**7 837 875,29**	**Total Liability + Equity**	**7 837 875,29**

Closing Balance Sheet **€**

Assets		Equity	
Fixed Assets (net)	6 154 519,80	**Initial**	**5 527 930,29**
Stocks		Profit	(217 093.89)
Material X	111 834,00	**Total Equity**	**5 310 836.40**
Material Y	41 340,00		
Product A	106 706.11	**Liabilities**	
Product B	168 162.99	MLT (Loan)	1 200 000,00
By-Product C	3 000,00	ST	
Accounts receivable (Debtors)	670 000,00	MLT Loan	300 000,00
		ST Loan	296 536,00
		Accounts payable (Suppliers)	176 496.50
		State (Social Sec.)	14 250
Cash	50 000,00	Interests Payable	7 500,00
		Total Liability	**1 954 782.50**
Total Assets	**7 305 618.90**	**Total Liability + Equity**	**7 305 618.90**