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Mak: Pastry with Passion

Final Degree Project – Final Memory

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Executive summary

This project idea consists of a bakery located in Calella, Barcelona, focused on producing and selling baked goods inspired by East Slavic recipes with an ethnic and folk spice. Mak, a sole proprietorship business aimed to provide high-quality products and share the taste of the Slavic culture and traditions, is managed by Victoria Kramar, soon-to-be alumni from the TecnoCampus-UPF university, owner and founder of the business.

1 Grounds of motivation and significance

1.1 Background

Two main factors led to the creation of Mak: the owner's roots and her passion for cookery. The combination of these two elements spurred a pre-idea in her teenage years and became a business plan today, at the final line of her bachelor's degree. This business idea's main motivations stem from Victoria's appreciation for her native land, the values infused through traditional gastronomic elaborations that represent her roots, and her genuine passion for the art of cooking and baking, nurtured by influential family figures in her life.

On the one hand, her roots bring her back to Ukraine, her birth land. Born near Lviv, one of the hearts of a territory that was once the small Kingdom of Galicia–Volhynia, as a Ukrainian, she cherishes and takes a lot of pride in her vivacious cultural roots and traditions.

On the other hand, Ukraine's highly rich gastronomy in terms of tradition, history, and elaboration. Cooking and baking are often an art passed from generation to generation, which makes it very valuable as it's charged with feelings and memories. Victoria was lucky as she had the chance of learning recipes from her family, and during the last few years, she has been perfecting her skills.



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Victoria believes that releasing her products into the Spanish market will spur on an interest in the targeted population for something new that carries a lot of meaning behind. Driven by the motto *sharing is caring*, together with her devotion for the gastronomy and her country, one of her focal goals is to let people taste and enjoy Mak's food and give them a sensorial voyage to the East Slavic lands.

1.2 Concept relevance

The undertaking of this business project allows Victoria to put the knowledge she gathered during her bachelor's degree to the test. Pursuing a degree in Business Administration and Innovation Management at the university of TecnoCampus-UPF, she believes to have gathered a wide range of soft and hard skills from all the different areas studied during her college years.

From business administration and management, marketing, and human resources to finance, operations, and entrepreneurship, have been some of the different business spheres she had the opportunity to work on, and that today allow her to confidently manage all her business plan stages. Communication, organization, creativity, emotional intelligence, and attention to detail are some of the soft skills she acquired, while design, marketing, administration, and foreign languages are the hard ones and her main strength points.

Even so, there is still a point for improvement Victoria needs to tackle as it's a key and fundamental piece of her business: teamwork. The urge for perfectionism led her to often distrust delegating relevant tasks to others. She will need to learn how to rely more on her team and how to delegate the tasks properly and equally.

Now, fully hands-on with the creation of Mak, she believes in the success of her business plan given its unique selling point and its innovation level, complemented with the different skills earned with the help of specific entrepreneurship-oriented subjects like Creativity and Innovation, and others like Creation of Tech-based Companies, which allowed her to comprehend the structure of a business plan and its subsequent formation.

1.3 Innovation and future tendencies



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Mak's innovative highlight resides in the uniqueness of the product provided to the customer, which is subsequently a competitive advantage that leads to an almost non-existing direct competition or at least equal product rivalry in the market.

This business idea takes into consideration expected future tendencies in the gastro-world, and more specifically in baking. Thus, to meet 2022 expected trends, Mak will also be focusing on producing its products with clean-label colors, placing value on the quality of the products used to elaborate the recipes, but also adding an innovative touch delivering by baked goods with an ethnic twist and fusion flavors.

2 Mak

2.1 Corporate image

The name of Mak was born as of different brainstorming sessions that aimed to search for a representative label of the aforementioned values and cultural background of the founder. Mak, in the Ukrainian language, literally translates to red poppy flower, which is an important cultural symbol that carries centuries-old historical meaning in the Slavic country. Although it has been used to represent consolation, reembrace, and death, red poppy flowers retrieve memories of vibrant and colorful fields in the rural areas of Ukraine Victoria used to frequent in her childhood summers.

Red and black, the chosen corporate colors for Mak, although having a deep belligerent and historical meaning as they represent the Ukrainian fight for freedom flag, were chosen for a much simpler reason: they were extracted from the natural poppy flower colors.

The chosen red color, which has a PANTONE code of 186C and a HEX code #c8102e, aims to transmit passion and courage, while the other color, a pure and achromatic black with a HEX code #000000, was chosen to balance the image and facilitate further usage in other business spheres, like marketing.



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Figure 1. Logotype and isotype of Mak



Source 1: Own elaboration with Canva.

Figure 2. Logotype and isotype of Mak



Source 2: Own elaboration with Canva.

2.2 Mission, vision and values

Mak's ultimate mission is to share the beauty and flavors of the East Slavic traditional baked goods with anyone willing to give them a chance.

The company's vision is to introduce and popularize East Slavic folk and ethnic flavors in the Spanish and later European gastronomic context, becoming the first Slavic bakery with international recognition.

The values that Mak stands for are:

- High standards: the business commits to delivering the best recipes with the highest quality ingredients and outstanding customer service.
- Passion: a key value for Mak that allows creating a product based on professionalism and knowledge on the topic.
- Transparency: operating on ethics, honesty, and trust with its customers and team.

3 Business model

Mak's business model is a bakery aimed at offering Slavic baked goods. Located in Calella, Barcelona, Mak's added value is its varied and unique product portfolio.

3.1 Revenue model

The business operates on a traditional transaction-based B2C model, where revenue is obtained from direct in-store sales to the customers or pre-orders. This allows full control over the pricing strategy as production costs and margin are enclosed in the different

product prices. Paired with the chosen advertising and marketing strategies, this revenue model directly influences sales flux.

4 Audience target and segmentation

4.1 Value proposal

A gap was identified as during the last 15 years of residence of the owner in the province of Barcelona and region of Maresme, she couldn't find any nor hear of any establishments aimed at selling East Slavic pastry.

Slavic is an important term in this business project, as the main products are elaborated following popular and traditional recipes from East Slavic territory, just a portion of the broad Eurasian territory Slavs dominate, and nowadays divided into mainly Ukraine, Russia, and Belarus. These countries, and many neighbouring others, share lots of traditions and history, and gastronomy can sustain it.

Given the non-existence of such supply in the market, Mak's idea was born: a bakery located in Calella, Barcelona, that would offer a unique and pleasurable experience by offering products elaborated of the best quality ingredients. Traditional and original homemade recipes to offer the customer a glimpse of the Slavic pastry.

After detecting the opportunity with the help of a value map, Mak discovered a business creation opportunity with the help of a golden circle, that allowed shaping the value proposition.

Figure 3. Golden Circle and Value Proposal of Mak

“ *A flavourful voyage: East Slavic pastry made with passion* ”



Source 3: Own elaboration with Canva



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4.2 Client profile analysis

Given the nature of the offered product, which results from a primary need like food, Mak can target a wide population, with almost no bias towards gender or age, as pastry is known for being liked by both men and women, as well as children, adults, and elders. Nationality or traveling background could indeed sway a customer towards consuming or not certain products, and thus, for Mak's case, affect the expected demand and buyer profile. On the one hand, people originally from the East Slavic region or neighboring countries could be more attracted to the offered products because of their cultural background, but this doesn't deprive consumers of different nationalities to have an interest in trying something new too.

Given the broad and mainstream variety of client profiles based on the aforementioned characteristics, Mak has made an initial assessment and presents different hypothetical buyer personas, later to be validated.

5 Competition assessment

Before introducing the business idea into the market, Mak has analyzed and framed both potential customers and competitors.

5.1 Sizing the market

On the one hand, the target population has been assessed through a TAM, SAM & SOM analysis. Given the data provided by the Statistical Institute of Catalonia on the number of foreigners with a valid registration certificate or residence permit, during 2020, there was a total of 19.408 Ukrainians and 20.024 Russians in Catalonia. More specifically, 9.774 and 12.425 respectively in Barcelona.

Barcelona is the main city of study in terms of east Slavic origin habitants because there is no detailed information about such numbers in Calella. The previous numbers show that potential customers who. Probably have already tried such product in their homecountries live in Barcelona, which is important in this case because there is a high influx of people from Barcelona in Calella, specially in the weekends and different holidays.

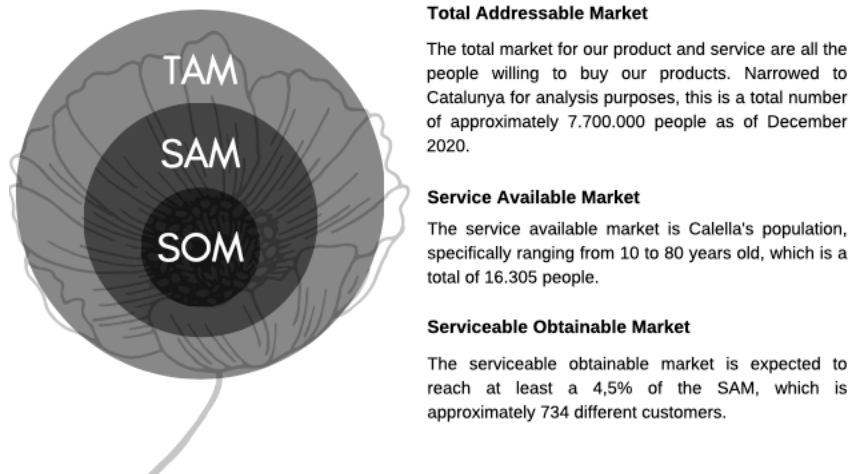
These could be potential customers because of the aforementioned reasons, but are not our only total addressable market, because as was previously stated, there is a wider

range of potential customer profiles that are not limited by nationality and thus, must be included in the targeted population.

For this reason, will be taken into account the total number of Calella's inhabitants ranging from age 10 to 80 years old, which is a total of 16.305 together with the foreigners out of a total of 19.236.

Firstly, Mak's total addressable market is anyone willing to buy our product, narrowed to Catalunya for analysis purposes: this is a total number of approximately 7.700.000 people as of December 2020. Secondly, the service available market is Calella's population, specifically ranging from 10 to 80 years old, is 16.305 people. Lastly, the serviceable obtainable market is expected to reach at least 4,5% of the SAM, which is approximately 734 different customers.

Figure 4. TAM, SAM & SOM analysis for Mak



Source 4: Own elaboration with Canva

These numbers are very rough due to the lack of more detailed information on the inhabitants of small coastal towns. Plus, precise calculations are not possible as half of the customers are expected to be from neighboring villages and cities, such as Sant Pol de Mar or Pineda, as well as from other bigger cities like Barcelona, because many of them have family in Calella or a second residence. To this, tourist should also be accounted for, as Calella is a very touristic place with lots of hotels and night activity in the warm seasons.

5.2 Direct and indirect competition

Mak introduces in the Spanish market a pastry product portfolio that is not found among any of the direct competitors in the operating area, Barcelona. There's no evidence of the existence of any pastry-oriented business offering the same type of product, and thus, Mak becomes a pioneer in the market.

For this reason, mainly indirect competition is analyzed, which is businesses focused on mainly Europeanized and varied pastry and baked goods. In the following table some of the most well-known bakeries from Calella have been analyzed:

Table 1. Competition analysis

Company	Type of product	Characteristics	Prices	Digitalization	Uniqueness
Sauleda Pastissers	Confectionery, cakes and tarts	Many years in the business	High based on the average	Goog online presence	High
		Well-known name			
		Artesanal production			
		Other shops in neighbouring cities			
Patisserie J. Ramirez	Confectionery, cakes and tarts	Many years in the business	Medium-high based on the average	Goog online presence	Medium
		Artesanal production			
Patisserie Gallart	Confectionery, cakes and tarts	Frozen bought production	Medium-high based on the average	Medium online presence	Low
Patisserie Roig	Confectionery, cakes and tarts	Frozen bought production	Medium-high based on the average	Very little online presence	Low
Patisserie Itchart	Confectionery, cakes and tarts	Frozen bought production	Medium-high based on the average	Medium online presence	Low

Source 5: Own elaboration

5.3 Competition matrix

The indirect competitors analysed in the previous section have been placed into a perceptual map in the [Annex 14.14](#). In the Y axis the degree of uniqueness of the product is assessed, while in the X axis the price is analysed.

5.4 Blue oceans

In the case of Mak, there is a blue ocean strategy implementation as this business project focuses on an uncontested market space and makes competition irrelevant because of the fact of its non-existence. Mak creates and captures new demand for those who haven't had the chance of consuming similar products and covers the need of those who couldn't find them to consume, all while aligning the business plan and activities focusing on differentiation or indirect competitors.

6 Chronogram

The chronogram in the [Annex 14.1](#) shows the different tasks of the project to be developed, dividing the duration by months and weeks, and taking into account the timings established by the university.



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7 Marketing plan

7.1 Portfolio

The main idea throughout the development of the project for Mak was to start by developing a reduced portfolio of products and services, in order to avoid wasting raw materials and final products in case there was not a full adaptation to the expected and forecasted demand or could not fit in the targeted market niche.

7.1.1 Product portfolio

In order to elaborate the product portfolio, typical sweet pastry from the aforementioned East Slavic countries was studied. At this stage of the project, it was decided to focus solely on sweet elaborations in order to maintain a reduced yet efficient range of products. Together with the traditional information seeking methods, two different surveys were conducted with the aim of narrowing down the quantity of pastry products and to give relevance to those which had a stronger factor of tradition and culture embeddedness.

On the one hand, a survey was elaborated targeting people with East Slavic nationalities. The aim of this research was to gather information and ideas of traditional sweets they recall from their childhood or that they still enjoy nowadays. Also, it was of great interest to discover whether being abroad they would miss this type of food, both in real and hypothetical cases, given that in the new country of residence finding this type of pastry would be a difficulty. In a nutshell, the idea was to:

- a. Find whether those types of sweet pastry productions have a degree of likeliness high enough to attract the niche of East Slavic native people in Barcelona and surrounding areas to buy the food that represents their countries and bring childhood memories.
- b. Classify and analyze the different types of sweet pastry the interviewees recall and like the most.

On the other hand, a second survey was designed for people living in Barcelona and surroundings, like cities and village of Maresme region, who frequent the Capital of Catalonia. Through the questions, the willingness of the people who had never tried such products was studied. An important side note to mention to the matter is that there were



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encounters of interviewees who had tried such products abroad, specifically during their travels to Ukraine, Russia and Belarus. In such cases, the willingness of buying such goods again as well as the likeliness of the idea of having a place to buy them in Catalonia were studied. Thanks to these two methods of gathering information used, and specifically the results obtained from the surveys, a unique portfolio of East Slavic sweet pastry was elaborated.

It is important to highlight again that after the thorough market research conducted in the Barcelona's pastry market, it was found that there are no direct competitors for Mak in terms of offered product. What this means is that Mak is bringing into the Spanish – and more concretely Catalanian – industry a portfolio of products of East Slavic pastry that no other business in Barcelona has, which is a major added value in terms of innovation and competition for Mak.

Another of Mak's strengths in its product and service portfolio is the fact that it targets a broad segment of population without restriction on gender, age or ethnicity. Mak's products can be attained by anyone willing to try East Slavic pastry and anyone with a minimum purchasing power.

The detailed product portfolio can be found in the [Annex 14.2](#).

7.1.2 Service portfolio

Mak will also be offering its clients a service: the pre-order and customization of products, which will be available to made via phone, website form or in person at Mak's premises.

As a final note on the product and service portfolio, it should be noted that recipes will be upgraded along the years, and some new products could be implemented. In order that the employees feel involved in the stage of product elaboration, they'll be also incentivized to bring ideas of other east Slavic pastry recipes, so the portfolio results optimized.

There is also the idea of producing special and temporally limited products, also based on east Slavic recipes, for special dates, such as Easter Week. In that case, a pastry typically made in Ukraine for those festivities would be elaborated: the Paska, shown in the [Annex 14.15](#), a type of kneaded and fluffy sweet bread, typically colorfully decorated.



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7.2 Communications plan

The communication plan will focus on the inbound marketing methodology, which will help Mak to contact the customer from the beginning and generate interest in them to come to the premises to purchase the products. Three main stages will be established: pre-acquisition, during the acquisition and post-acquisition. The detailed stages can be found in the [Annex 15.5](#).

Some of the key marketing metrics and indicators to measure the different strategies' outcomes will be:

- Average transactions
- Average spending per client
- Testimonials
- Loyalty card repetitions
- Referrals
- Leads and converted leads
- Generated rates and data provided by Instagram, Facebook and Google

7.2.1 Bidirectional communication channels

In order to maintain two-way communication with customers, the following channels have been established:

- Email: will be present in all Mak's digital channels: website, Facebook and Instagram. And clients will be able to contact the bakery at any time of the day for questions and customized orders.
- WhatsApp: a chat directly connected to WhatsApp will be established on the website and from this platform all kinds of queries will also be managed.

7.3 Distribution channels

As for means and channels of distribution, in the first year of Mak into the market, the only possible way of obtaining its products will be directly purchasing them from the premises located in Barcelona. Customers would have to physically relocate themselves in order to make the purchase, as there won't be no other distribution methods at least, as has been said before, in the business first year. Thus, the only intermediaries between the customer and the company will be the manager and the staff members, which will give the receiving party its purchased product, being it a direct relationship.



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Still, Mak's idea is to offer delivery services sometime in the future. On the one hand, Mak's staff would deliver personalized delicate and big pastry goods, while intermediaries such as Glovo or Just Eat would be contacted to cooperate and deliver Mak's clients more simple and bulk pastry. Mak would also like to cooperate with Too Good To Go, a company that helps businesses resell their products, mostly food related, that are soon to be perished because they haven't been sold for a reduced price. This way, the customer gets a product with a discounted price while the business recovers at least a small amount of the product that was expected not to be sold.

If such cooperation in the future arise, Mak would have to properly adapt the website for a proper functioning, as client purchases would be made also in a big part from that online domain.

7.4 Price policy

In order to incorporate Mak's product portfolio in the market, the following pricing strategies will be used:

- Penetration pricing: As Mak is introducing a new set of product into the Catalonian market, clients need to be attracted and willing to try the product, something that will be difficult if the price of the products is elevated. With the penetration pricing strategy, Mak will enter the market with low prices, and will later on gradually increase them. This will allow a quick penetration in the market. Still, client will be informed that these prices are "special", because of the new opening of the store.
- Psychological pricing: In order to incentivize the clients to purchase Mak's products, psychological pricing strategy will also be used. Mak's portfolio products will be priced while "playing with the numbers". What this means is that pricing products one or five cents less, makes the product psychologically more appealing to the customers as it gives the impression of being cheaper.
- Promotional pricing: Mak will use discount pricing during specific dates throughout the year, such as thematic holidays like Valentine's Day, Mother's Day, Easter and others. Different discounts like BOGO will be often used, where the client can buy one and get another one half off.



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Mak's main product supplier will be Optovaya Baza, Makro and Comerco. On the one hand, Optovaya Baza is a Badalona based store that sells different products imported directly from East Europe, specifically countries such as Russia, Romania, Moldova, Ukraine and Poland. Optovaya Baza offer a very varied portfolio of products with many alternatives and substitutes for each of them.

On the other hand, Makro will be the biggest provided of "raw material" for the production of the pastry goods that do not specifically need to be imported. This wholesalers offers very attractive discounts for business owners and has a big variety of products and alternatives too.

It is important to mention that given the current situation with the Russian invasion in Ukraine, relying fully on Optovaya Baza can suppose a degree of risk because of the sanctions on the Russian Federation and its exports, what directly affects the stock of their products. Still, the communication with this supplier is very effective and transparent, and the company guarantees beforehand notices about possible shortages. Mak has researched other alternative suppliers such as Troika or Teremok, Barcelona based retailers.

Introducing a portfolio of new to the market and to the consumers products, calculating demand is complicated. Mak is "pioneering" in the Catalanian industry, but in order to visualize future demand, relying on traditional pastry stores performance will be key.

While there won't be a notorious disparity between prices, and competition is limited, Mak is optimistic on demand values.

7.4.1 Variables' analysis

The variables that may affect the price established in the previous point are:

- Situation of the sector: in the event that a new wave of contagions arises, and more severe restrictions return, the sector will suffer even more. And, therefore, the commercial margin will have to be readjusted to offer more attractive prices. Also, because of the Russian invasion of Ukraine, mentioned before, sand impediments of grain export, costs on raw materials and foods increase.

- Costs: as said before, given certain circumstances in the world trade, and other factors such as inflation and IPC rates,
- Competition: the appearance of a new competitor offering the same value proposition as Mak would be also threatening for the company, which was less probable till 2022, but is more feasible now due to the situation in Ukraine, an East Slavic country. Given the war circumstances, Spain has also received lots of refugees from the affected country and local inhabitants are becoming more curious about other cultures, such as the Ukrainian one, due to the high solidarity people living in Spain and other countries have showed.

7.4.2 Price setting

In order to finally set the price, Mak has based the criteria on the competitors' prices, and the method based on the costs. This means that Mak will be pricing the products in such a way that, on the one hand, benefit is generated per unit after subtracting the costs of unit production and elaboration in terms of ingredients and labor.

Costs of production and expected prices are showed in the tables in the [Annex 14.6](#).

7.5 Sales forecast

A sales forecast has been drawn up for the first three years of Mak's business activity. Three different scenarios have been foreseen, an expected, an optimistic and pessimistic, detailed in the [Annex 14.7](#).

On general basis, the following quantities are expected to be produced:

Table 2. Forecasted quantities to be produced

		Production schedule										
		Kyiv cake	Medovyk cake	Syrnyk cake	Spartak cake	Makivnyk cake	Syrnyky	Nalysnyky	Knyishi	Poppy-seed rolls	Pampushky	Horishky
Units		8	8	8	8	8	15	8	6	12	15	25
Num. of batches	Monday	x	x	x	x	x	x	x	x	x	x	x
	Tuesday	3	2	2	3	2	2	1	1	1	1	2
	Wednesday	2	2	1	1	1	1	2	1	1	1	1
	Thursday	3	2	2	2	1	2	1	1	1	1	2
	Friday	1	2	1	1	1	2	2	2	2	2	2
	Saturday	3	3	3	3	3	4	4	6	3	3	3
	Sunday	x	x	x	x	x	x	x	x	x	x	x
		Weekly unit production	96	88	72	80	64	165	80	66	96	120
	Weekly production cost	95,98 €	56,42 €	84,04 €	69,62 €	44,82 €	61,88 €	69,55 €	63,67 €	33,82 €	20,73 €	69,57 €
	Total weekly production cost	670,10 €										
	Monthly production cost	2.680,39 €										
	Yearly production cost	32.164,69 €										

Source 6: Own elaboration in Excel



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7.6 Translating the 4P's to 4C's

7.6.1 From product to consumer

The product and service gets transformed into the necessities and wishes of the customers, for this reason it's important to focus on what the customer wants and might want. In Mak's case, it's their willingness to try something new, where the business product portfolio of East Slavic pastries, being a variety of sweets, is very suitable for almost everyone.

7.6.2 From price to cost

The price gets transformed into the cost of perception and effort of the customer. This means that the customer will not only trade money for a Mak's product, but also their time to get the product purchased from the premises.

7.6.3 From place to convenience

The place gets transformed into the convenience and commodity. Mak has a well arranged schedule and enough open hours for the customer to purchase the products. Plus, the premises are accessible for everyone and very well located. For the customized orders, different channels are provided so that the client can choose which one is more convenient.

7.6.4 From promotion to communication

The promotion get transformed in the communication. The strategy communication of Mak will be based on establishing a constant and bidirectional relationship with the customers, reason why so many channels are provided for the best communication.

7.7 Marketing budget

The marketing budget expenses are detailed in the table below:

Table 3. Marketing budget

Marketing Costs	Description	Q1	Q2	Q3	Q4	Total Y1
Content	Instagram Ads	150,00 €	150,00 €	150,00 €	150,00 €	600,00 €
	Faceboook Ads	150,00 €	150,00 €	150,00 €	150,00 €	600,00 €
	SEO	- €	- €	- €	- €	- €
	SEM	300,00 €	300,00 €	300,00 €	300,00 €	1.200,00 €
	MailChimp	- €	- €	- €	- €	- €
Promotion	Megabanner Calella.com	480,00 €	480,00 €	480,00 €	480,00 €	1.920,00 €
Visual material	Business cards	16,30 €	- €	- €	- €	16,30 €
	Flyers	65,50 €	- €	- €	- €	65,50 €
Total Marketing Costs Y1						4.401,80 €

Source 7: Own elaboration in Excel

8 Operations Plan

The operations plan determines and explains all the steps to be followed for the development and delivery of the products and services. It shows the time, resources and processes that Mak will perform.

8.1 Production process

Every product form Mak's portfolio is elaborated following traditional East Slavic recipes. Mak's owner analyzed in depth each pastry and upgraded their respective recipes with the help of some family members, acknowledged in the sweet pastry world. The main idea was to maintain the traditional component of recipes that passed down from generation to generation in the owner's family, which vividly represent East Slavic cultures. The pastry products will all be elaborated from scratch and following the aforementioned recipes.

To schematize the production for its better understanding, steps can be used and followed:

1. Following the demand estimation and sales forecast, the corresponding amount of raw material is purchased by the manager. This is related as well to stock management, as calculation are made in order to determine quantities to buy, which are paid at the moment, every month to produce the demanded products.
2. Following the recipes, the employees and the manager elaborate the products in the premises.
3. Products are exposed in the premises and sold to the interested customers.

- 3.1 A part form out of their own interest, causality of encountering or word-of-mouth knowledge about Mak, the interested customers come as a result of the different marketing strategies applied to attract them. This means that, present all along the production process, there is a backstage activity during all the year, whose main objective is to attract the potential customers.
4. Again, stock management is conducted to determine next production quantities, and customized orders, if any, are reviewed and planned.

8.1.1 Technology and machinery

One of the main advantages Mak counts for the production process and overall conduction of economic activity are the premises. Mak will be renting a well-located premises specially adapted for bakeries and small coffee shops. The owner of the property adapted the installations and provided some equipment and machinery, reason why there is an initial bail bond at the start of the renting contract. The monthly rent of the premises amount to 810€.

The premises count with a small bathroom, a spacious, well equipped and adapted kitchen and a luminous hall. In the picture of the [Annex 14.8](#) can be seen tables and chairs because of the previous tenant's business activity, which was a small cafeteria. Unfortunately, this furniture has been removed because it was the tenant's property. Mak plans on placing there a glass refrigeration display cabinet for the cakes, and a small office corner at the back, with a table and some chairs for team reunions or breaks.

Machinery and other kitchen tools are essential for Mak to conduct its business activity, as well as furniture and other technological assets. For this reason, these assets have been accounted for and divided according to if these are already at the remises provided by the owner or if they are going to be purchased, and thus be an investment, detailed in a table in the [Annex 14.9](#). Some other miscellaneous equipment, but essential for carrying out the activity, will be purchased and thus, accounted again in the investment plan.

8.2 Temporality of the production process

As for the temporality of the production process, employees and manager will be operating following their respective weekly schedules in the order detailed in the [Annex 14.11](#).



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8.3 Key activities

Mak's owner and manager will be in charge of the main activities in the production process at the beginning, shifting its position to supervisor approximately after the first semester, and allocating more responsibilities on the other staff members. All key activities if the business will be carried out by the company. Still, some of the company's tasks will be externalized, such as the legal, accounting and financial services, which will be provided by Bachs Roura S.L bureau

The key activities for the production process of Mak are detailed in the [Annex 14.3](#).

8.3.1 Contingency plan

A contingency plan has been elaborated in case any setbacks arise in the key activities of the production process, shown in the [Annex 14.10](#).

8.4 Key resources

The key resources Mak will be relying on to fulfill its economic activity will be divided between material and immaterial resources, whose total costs can be reviewed in the production budget.

- Material
These resources are mostly machinery used to produce, store and sell the products and that are and will be inside the premises. Other equipment will be partially included, such as the manager's spare mobile phone and computer used for marketing and promotion, which won't always be inside the premises.
- Immaterial
 - Labour resources: divided into the internal team and the external team.
 - Internal team: composed by the two employees and the manager
 - External team: composed by other service providers that complement and allow the correct functioning of Mak, some of them categorized as utilities providers:
 - Premises insurance and dataphone provided by CaixaBank
 - Premises rent from a private owner
 - Water supply by AGBAR



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- Electricity supply by Endesa
- Fixed-line telephone and Wi-Fi provided by Movistar
- Alarm system provided by Bambai
- Legal, financial and accounting services provided by Bachs Roura S.L bureau
- Pest control provided by Apolo+
- Music and video reproduction permits paid to SGAE
- Waste collection provided by the Municipality of Calella
- Fire protection system provided by Tallafoç

- Economic resources: To start the business, Mak counts with 6.000€ of its own capital 6.000€ in the form of a 3F loan and 25.000€ of a bank loan (ICO).

- Intellectual resources: Patenting and registration of Mak's brand name, image, isotype and logo will be necessary and can be telematically done.

8.5 Production budget

Mak's costs have been analyzed and divided into fixed and variable costs, which can be seen in the following tables together with other more detailed expenses such as the kitchen material or packaging, presented in the [Annex 14.16](#).

9 Organization and Human Resource Plan

9.1 Team description

Mak's internal team will consist of 3 people, of which two will be employees working as bakers. The owner will be in charge of the overall management of the business, and thus the third crew member and their superior.

The business will also count with external business team players, such as the imported ingredients supplier or the legal and accounting bureau. Both together, the internal and external teams, will lead Mak to a proper functioning.

There is a reason behind the number of vacancies at Mak: two employees was found to be the most optimizable amount of help needed at premises such as the Mak's. With the help and supervision of the manager, the team, although small, is very capable of completing all the tasks and functions successfully, given the schedule distribution and flexibility.



9.1.1 Internal employee profile

In the recruitment process, the employee profile for baker that Mak is looking for is very open and inclusive. No previous restaurant or bakery experience is required, although it is appreciated. The main idea is to train a person willing to learn and demonstrate that it is not essential to have a degree to make pastry, but only passion and predisposition.

In this way, Mak wants to give the chance to those that are searching for a job but because of various reasons, find themselves in difficult positions and thus are less attractive for the recruitment market.

Mak is strongly against any type of gender or racial discrimination and is deeply involved in diversity and inclusion. The company tilts towards candidates in vulnerable or unfavorable positions to give an equal opportunity, such as young people without experience, single parents who need a flexible schedule or elderly people who because of their age encounter difficulties in finding a job.

Thus, Mak is mainly focusing on the candidates' soft skills in order to select the best to develop their hard skills. On the one hand, the soft skills valued by Mak in the recruitment process are the teamwork, the dependability, organization, and tidiness. On the other hand, for the hard skills, the most valuable one would be the domination of a foreign language, preferably English.

9.2 Functions

There is a certain number of functions and processes that will be common for both the employees and the manager, and other that will be specifically commissioned to either one or the other. Still, both employees will have the same functions and training in order for them to become interchangeable and thus contribute to their personal flexibility.

The owner will be mainly in charge of marketing, administration, and human resources related tasks. As a manager she will also oversee:

- Elaboration of employees' schedules
- Marketing and communications strategy creation and implementation
- Digital presence and social media activity monitoring



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- Orders placement to the suppliers and picking
- Keeping of the inventory accounts and stock management
- Employee training
- Portfolio development and pastry making
- Organization of the monthly follow-up, feedback, and brainstorming sessions
- Relations with external players such as service providers
- Cash desk opening and closing

The employees will be in charge of:

- Elaboration of the portfolio products
- Daily cleaning
- Weekly deep cleaning on Sundays
- Participation in marketing content
- Marketing and promotional tasks
- Stock management and control
- In-store selling of the products
- Participation in monthly follow-up, feedback, and brainstorming sessions
- Cash desk opening and closing

9.2.1 Schedules

Mak's premises would open every day at 9:00h for the clients, but the employees would start their working day at 8:00h. This hour of difference will be used to prepare the ingredients and start the product making following the weekly pastry plan. From Tuesday to Saturday Mak will close for a lunch break from 13:00h to 17:00h and reopen in the afternoon from 17:00h to 19:00h for the clients. At 20:00h the employees would leave after spending the last hour cleaning and making small preparations for the next day.

Sundays Mak would open only from 8:00h to 14:00h for the clients, and Mondays remain closed for the whole day as the company's day off.

Both bakers would open the premises every day and do a morning shift of five hours from Tuesday to Friday, and only one of them would open again after the lunch break to do the remaining three hours of an eight-hour day shift. On Sundays, both would open and close the premises and do a six-hour shift.

In the following table a more schematized view of the schedules is presented. As mentioned before, only one employee is needed in the 17:00-20:00h afternoon shift, so the employees can freely exchange their shifts between them, always respecting the 40 weekly hours and not exceeding them.

An example of this flexibility would be, for instance, having one baker covering the afternoons from Tuesday and Thursday, and the other one from Wednesday and Friday, with the possibility of changing the order the next week, or simply doing two afternoons in a row each. This can be seen in the [Annex 14.11](#).

Once the initial training of the employees is complete, where the manager would supervise the bakers during all their shift for the first two weeks, the manager's would then mainly supervise the business only in the morning from 8:00 to 13:00 from Tuesday to Friday dispatching clients and helping with the pastry making.

9.2.2 Task description

Each of the tasks will be equally performed by any of the bakers following the example of the manager. This equal task distribution is aimed at facilitating the interchangeability between the employees, so they have a higher degree of flexibility during their working days. This means that, given their schedules, they can freely with prior notice to the manager, change shifts with their coworker if needed. The aim of this is to increase the multifunctionality of the employees and reward them with flexibility in their working hours.

The tasks both bakers at Mak should perform, from morning to afternoon, would be the following:

1. From 8:00 to 9:00:
 - Opening of the premises
 - Cash desk opening
 - Kitchen preparations following the weekly pastry plan
 - Starting the ovens, the ingredients, utensils, and recipes
 - Product elaboration following the weekly pastry plan
 - Baking and assembling of the pastries
 - Arrangement of the pastry display stand and front desk product exposition
2. From 9:00 to 13:00 and from 17:00 to 19:00:



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- Product elaboration
 - Baking and assembling of the pastries
 - Dispatching customers and selling the products in-store
3. From 19:00 to 20:00:
- Daily cleaning
 - Sweeping and mopping the floors
 - Cleaning the main pastry display stand, the front desk, the kitchen tables, and utensils used during the day
 - Ingredients stock management
 - Review and write down ingredients that the kitchen is running down on, and check for spoiled ones
 - Cash desk closing
 - Closing of the premises
4. From 12:00 to 14:00 on Sundays:
- Deep cleaning of the premises
 - Sweeping and mopping the floors
 - Cleaning the glass doors and the cake display stands
 - Soaking in cleaning mixtures the baking utensils used during the week
 - Cleaning the fridges and ovens
 - Check for spoiled ingredients
 - Ready the stock annotations for the manager to make the command to the ingredient's supplier
 - Cash desk closing
 - Closing of the premises

9.2.3 Training plan

The manager will be the one in charge of the training of both employees. The people filling the vacancies will be supervised and trained on an almost weekly basis on the matters related to confectionery of the pastries, and at the start of their job positions on matters related with basic premise management.

Both vacancies to fill will be for baker positions, as pastry making will be their main function. Besides of that, they will also be in charge of other tasks that have been mentioned in functions and task description. The introductory and basic training will take place at Mak's premises and will be done on the two first working weeks of the



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employees, that will start together and learn both from the manager. Training sessions will take place mainly from 8:00 to 9:00 and 19:00 to 20:00 during those weeks as those are the hours that the premises are closed for the public.

There would be two types of training:

Internal training

The objective is that the new employee is integrated in the best way to his job. They will learn how the company works, its values and brand principles. A document will be presented with the following information:

- History
- Mission, vision and values
- Organizational chart
- Internal communication
- Target customers
- Rights and obligations

They will not involve any economic cost for the company, since the members will be the ones to prepare and provide this material during the working day.

After the introductory and basic training is done, employees would still be trained on a weekly basis on the new recipes that could be implemented in the portfolio.

External training

Specific courses will be held for the manager and the employees, the objective is to increase knowledge and skills for greater professional projection, increasing the productivity. The courses can be of two types, to acquire new knowledge or to update them.

For the training it has been opted for the Gastronomic Marketing Specialist course offered by the ProfesionalHoreca platform. The classes are 100% online supported by videos of practical cases, teaches the new pioneering strategies of gastronomic marketing and includes personalized tutorials with professionals in the field. In addition, the course certificate is awarded by the University of Florida and facilitates the financing of the tuition in two payments.

The course has a duration of 180 hours divided into three sections: gastronomic marketing, restaurant marketing and digital marketing for restaurants, and each section consists of 7 subjects.

For the Editing and Creative Design section, courses offered by Domestika have been selected. It provides online classes through high quality videos, has expert teachers in each lesson and puts into practice everything learned. In addition, it provides complementary didactic materials to the lesson, to be part of its Creative Community and provides a certificate of graduation of the course. The chosen courses have been:

- Gastronomic advertising photography techniques: the course consists of 4 topics and a final project where all the knowledge learned is put into practice.
- Photographic post-production of food in Photoshop: the course consists of 4 topics and a final project where all the knowledge learned is put into practice.

The training budget would be the following:

Training budget		
Marketing and communication	Specialization in marketing and marketing management	800 €
Editing and creative design	Gastronomic advertising photography techniques	39,90 €
Editing and creative design	Photographic post-production of food in Phothoshop	39,90 €
Total		879,80 €

What bakers will learn once employed and under the supervision and teaching of the manager will be the following:

1. Management related
 - Operating the cask desk machine
 - Stock quantities keeping following Mak's weekly production plan
2. Bakery related
 - Operation and maintenance of the kitchen machines (fridges, ovens, hand and stand mixers)



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- Ingredients proper storage and conservation
- Recipes elaboration
- Basic history and meaning of the recipes

9.3 Retribution plan

The remuneration of confectioners will be subject to the Collective Bargaining Agreement for the Confectionery, Pastry and Viennese Pastry Sector (08001025011994) of Barcelona by Provincial Sector, as in force and valid from September 14, 2021 onwards.

According to the salary tables proposed by the Official Bulletin of the Province of Barcelona, on a general criterion and falling in the Artisan Bakery Workshop category, employees and manager will start with a salary of an “assistant” category. Mak will also work on an incentive plan during the first year in order to help the bakers escalate their positions to “Oficial de 2^a” and “Oficial de 1^a”. More detailed cost accounting has been presented in the human resources budget.

General criteria and specific criteria for employee compensation have also been determined.

The general compensation criteria for contracted employees shall be as follows:

- Base salary: shall be the minimum ordinary remuneration stipulated in the payroll, without taking into account the fulfillment of objectives. It will be governed by the state collective bargaining agreement previously mentioned. Thereafter the salary may increase.
- Extraordinary payments: according to article 31 of the Workers' Statute, personnel are entitled to two extra payments per year. It has been decided to prorate the two payments throughout the year, so that they will receive the corresponding monthly value stipulated in the net salary.
- Vacation days: according to article 38 of the Workers' Statute, personnel are entitled to a total of 30 calendar days of vacation per year worked. Vacations are taken for 2 weeks in August and 2 weeks at Christmas.



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- Working day: by law, the maximum working day is 40 hours per week. The schedule of each employee has been presented with its corresponding facility and respecting the 40 hours per week.
- Overtime: whenever a worker exceeds the hours stipulated in the contract, they will be counted as overtime. They will be voluntary and a maximum of 80 hours of overtime per year will be allowed. On working days the economic value will be 75% more than the price and on holidays it will be 150% more. Even so, Mak does not foresee that employees will work overtime, and will not count the owner's overtime, since it is her business.
- Free choice days: three free choice days per year will be established, the employee will be free to choose when to enjoy them.

The particular compensation criteria for contracted employees will be as follows:

- Variable salary: in the case that the incentive plan is implemented, different bonuses will be raised based on the performance of the employees.

9.4 Human Resources Budget

The employees and the manager will receive the wage stipulated in 2021 for Baker Assistant (1.111,68€ per month) including the proration of 2 extra payments. An increase in the salary of the employees and the manager is foreseen as the company grows; once it is in a mature market, a salary appropriate to the business situation will be regulated.

The overall cost the Human Resources budget would be bearing is composed by the sum of the net incomes of both employees and their corresponding social security payment, together with the salary of the manager and her self-employed quota cost. It's also added the training expense in the first year, as it will be a single payment.

The detailed costs are provided in the following tables for the first three years of activity according to three different scenarios: an expected, an optimistic and a pessimistic one, detailed in the [Annex 14.12](#).

10 Legal and Fiscal Plan



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10.1 Legal form

The legal form Mak will take on will be the Individual entrepreneur or Sole proprietorship, which is a self-employed type of legal form. This is the most suitable legal form for a team of 3 workers where the owner is the manager and is also directly involved in all the stage of the creation, production and selling processes.

It is also the most suitable form as there is no minimum capital required to start the business activity and is recommended to small and starting businesses as it involves the least amount of paperwork for the business creation. Still, the main drawback is the unlimited liability, which compromises the owner and all company's and personal assets in case of business failure.

10.2 Legal, financial and accounting-labor counseling service providers

As for the legal, financial, and accounting-labour assessment services, Mak was weighing between three candidates: I & J Assesors, Gestoria Buch and Assessoria Bachs Roura S.L., being the last one the chosen one. The criteria used to make such decision has been mostly because of the company's fees and good reputation, as well as the fact that it had been recommended to the owner.

Bachs Roura S.L. bureau will be in charge, and not only, of:

- General procedures:
 - Registration of the owner self-employed in Social Security Regimes
 - Registration in AEAT (Spanish State Tax Administration Agency)
 - Legalization of the Minute Book and Book of Normative Actions
 - Legalization of the Journal, Inventory Book and Annual Accounts
 - Electronic certificate

- Procedures for the hiring of employees:
 - Registration of the agency in the Social Security
 - Affiliation of workers in the Social Security
 - Registration of workers in the Social Security Regime
 - Registration of employment contracts in the State Public Employment Service.



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Mak will be in charge of doing other complementary procedures, such as the Registration of Distinctive Signs of patents and/or trademarks, food handling course and certificate for both bakers and the owner and the municipality engineer's report for approval of the conditions of the facilities

10.3 Regulations

Apart from choosing a legal form under which to operate, prior to starting the business running, Mak will also need to comply to different legal and fiscal obligations and responsibilities. For the general and activity's specific requirements needed to start the business, Mak will also count with the help of external players, which is, other service providing companies.

As mentioned in the team overview section, besides of the two main external service providers, the imported ingredients supplier and the legal and accounting bureau, Mak will also count with the help of other service providers, whose collaboration is indispensable for a correct functioning of Mak. The requirements that Mak will need to fulfill will be:

- Food handling course and certificate for both bakers and the owner, so they can manipulate the ingredients and the final products
- Certificate of premises under pest control, to prove that the premises are clean and in good sanitary conditions
- General Society of Authors and Publishers (SGAE for its Spanish acronym), to be able to play music or put the TV in the premises
- Waste collection by the Municipality
- Fire protection systems installation, maintenance, and inspection
- Premises insurance

Detailed general and specific regulation are detailed in the [Annex 14.13](#).

11 Economic and Financial Plan

11.1 Investment plan

The investment plan reflects the amount of money Mak will need to start its business activity. The investment the founder will make in the business plan will be notably superior in the first year, as it will be the ground to start the business activity.

Three different scenarios are planned for the three first years of Mak's activity: an expected, an optimistic and a pessimistic one.

11.1.1 Expected scenario

Year 1		Expected Scenario		Year 3	
Year 1		Year 2		Year 3	
Intangible assets	1.656,00 €	Intangible assets	- €	Intangible assets	- €
Research expenses	- €	Research expenses	- €	Research expenses	- €
Development	- €	Development	- €	Development	- €
Administrative concessions	- €	Administrative concessions	- €	Administrative concessions	- €
Patents, licenses and trademarks	1.188,00 €	Patents, licenses and trademarks	- €	Patents, licenses and trademarks	- €
Goodwill	- €	Goodwill	- €	Goodwill	- €
Transfer rights	- €	Transfer rights	- €	Transfer rights	- €
Computer software	468,00 €	Computer software	- €	Computer software	- €
Other intangible assets	- €	Other intangible assets	- €	Other intangible assets	- €
Tangible assets	2.758,89 €	Tangible assets	165,00 €	Tangible assets	185,00 €
Land	- €	Land	- €	Land	- €
Buildings	- €	Buildings	- €	Buildings	- €
Technical installations	- €	Technical installations	- €	Technical installations	- €
Machinery	1.802,01 €	Machinery	- €	Machinery	- €
Equipment	488,88 €	Equipment	90,00 €	Equipment	185,00 €
Furniture	113,00 €	Furniture	75,00 €	Furniture	- €
Other facilities	- €	Other facilities	- €	Other facilities	- €
Computer process equipment	355,00 €	Computer process equipment	- €	Computer process equipment	- €
Transport equipment	- €	Transport equipment	- €	Transport equipment	- €
Other tangible fixed assets	- €	Other tangible fixed assets	- €	Other tangible fixed assets	- €
Long-term deposits and guarantees	- €	Long-term deposits and guarantees	- €	Long-term deposits and guarantees	- €
Long-term deposits	- €	Long-term deposits	- €	Long-term deposits	- €
Long-term deposits	- €	Long-term deposits	- €	Long-term deposits	- €
Total	4.414,89 €	Total	165,00 €	Total	185,00 €

More detailed costs of the items that have been invested in are in the following tables:



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One time payment expenses	Cost
Food handling course and certificate for both bakers and the owner	255
Engineer's report for approval of the conditions of the facilities	810,00 €
Telematic inscription	123,00 €
Total	1.188,00 €
Kitchen material (Initial investment)	Cost
Aprons	43,35 €
Uniforms (pants, shirts and shoes)	183,60 €
Large mixing bowl	20,58 €
Medium mixing bowl	9,90 €
Small bowls	8,10 €
Baking trays	17,80 €
Baking moulds	48,90 €
Large spatulas	13,10 €
Small spatulas	9,90 €
Whisk	2,90 €
Other small utilities (spoons, decoration tools, etc.)	27,80 €
Exposition plates and trays	47,80 €
Storage bins	35,60 €
Piping bags	19,55 €
Total	488,88 €

Mak's initial investment	Price	Unit	Cost
POS software	468,00 €	1	468,00 €
iPad	355,00 €	1	355,00 €
Ticket printer	59,90 €	1	59,90 €
Cash drawer	52,99 €	1	52,99 €
Hand blender	24,60 €	2	49,20 €
Hand mixers	19,95 €	1	19,95 €
Stand mixers	110,00 €	2	220,00 €
Kitchen scales	9,99 €	3	29,97 €
Chairs (for office corner)	22,00 €	3	66,00 €
Table (for office corner)	47,00 €	1	47,00 €
Glass refrigeration display cabinet	1.370,00 €	1	1.370,00 €
Total			2.738,01 €

In the expected scenario, for the first year, there is a high cost in investment because of the purchases and payments made to start the business activity. These expenses decrease immediately in the following year because some payments, such as the ones that are paid just once, and some other that are also made just at the beginning to start the activity and their useful life is more than 3 years, so most of them won't need to be replaced in the proposed scenarios.

All investment costs for the first year are exposed in the aforementioned tables.

For the second year there is no expected investment in intangible assets, as everything needed for the activity has been already purchased or was at the premises provided by the owner. Still, there is expected to be some expense on equipment and furniture in case something breaks down or is insufficient in quantity.

In the third year, as sales increase in the expected scenario, Mak could need some more or new and upgraded equipment, that is the reason why 185€ are allocated for equipment. Still, during the second and third year, investment is expected to be minimal due to the already high expenses derived in the first year.

11.1.2 Optimistic scenario

This scenario assumes that sales exceed forecasts during the first two years of activity, and that investment in the first year is the same as in the expected scenario. Because of this Mak would therefore make an extra investment and buy another stand mixer, much bigger in terms of capacity than the ones already bought in the first year.

Optimistic Scenario					
Year 1		Year 2		Year 3	
Intangible assets	1.656,00 €	Intangible assets	- €	Intangible assets	- €
Research expenses	- €	Research expenses	- €	Research expenses	- €
Development	- €	Development	- €	Development	- €
Administrative concessions	- €	Administrative concessions	- €	Administrative concessions	- €
Patents, licenses and trademarks	1.188,00 €	Patents, licenses and trademarks	- €	Patents, licenses and trademarks	- €
Goodwill	- €	Goodwill	- €	Goodwill	- €
Transfer rights	- €	Transfer rights	- €	Transfer rights	- €
Computer software	468,00 €	Computer software	- €	Computer software	- €
Other intangible assets	- €	Other intangible assets	- €	Other intangible assets	- €
Tangible assets	2.758,89 €	Tangible assets	645,00 €	Tangible assets	60,00 €
Land	- €	Land	- €	Land	- €
Buildings	- €	Buildings	- €	Buildings	- €
Technical installations	- €	Technical installations	- €	Technical installations	- €
Machinery	1.802,01 €	Machinery	590,00 €	Machinery	- €
Equipment	488,88 €	Equipment	55,00 €	Equipment	60,00 €
Furniture	113,00 €	Furniture	- €	Furniture	- €
Other facilities	- €	Other facilities	- €	Other facilities	- €
Computer process equipment	355,00 €	Computer process equipment	- €	Computer process equipment	- €
Transport equipment	- €	Transport equipment	- €	Transport equipment	- €
Other tangible fixed assets	- €	Other tangible fixed assets	- €	Other tangible fixed assets	- €
Long-term deposits and guarantees	- €	Long-term deposits and guarantees	- €	Long-term deposits and guarantees	- €
Long-term deposits	- €	Long-term deposits	- €	Long-term deposits	- €
Long-term deposits	- €	Long-term deposits	- €	Long-term deposits	- €
Total	4.414,89 €	Total	645,00 €	Total	60,00 €

Thus, in the second year of the optimistic scenario we can see the stand mixer expenses worth of 590€ as machinery, and 55€ allocated for equipment to be renovated or purchase because of lack.

For the third year, no investment besides equipment is made, for which 60€ are allocated.

As can be seen, the investment is lower with respect to the first year of activity, this is due to the fact that the assets in which it is necessary to invest are still smaller. The objective of the investment in this scenario is to achieve a progressive business growth.

11.1.3 Pessimistic scenario

For this scenario, investments during the first year of activity are expected to remain the same, but certain investments in the second and third year will be reduced due to the low sales volume.

Pessimistic Scenario					
Year 1		Year 2		Year 3	
Intangible assets	1.656,00 €	Intangible assets	- €	Intangible assets	- €
Research expenses	- €	Research expenses	- €	Research expenses	- €
Development	- €	Development	- €	Development	- €
Administrative concessions	- €	Administrative concessions	- €	Administrative concessions	- €
Patents, licenses and trademarks	1.188,00 €	Patents, licenses and trademarks	- €	Patents, licenses and trademarks	- €
Goodwill	- €	Goodwill	- €	Goodwill	- €
Transfer rights	- €	Transfer rights	- €	Transfer rights	- €
Computer software	468,00 €	Computer software	- €	Computer software	- €
Other intangible assets	- €	Other intangible assets	- €	Other intangible assets	- €
Tangible assets	2.758,89 €	Tangible assets	40,00 €	Tangible assets	30,00 €
Land	- €	Land	- €	Land	- €
Buildings	- €	Buildings	- €	Buildings	- €
Technical installations	- €	Technical installations	- €	Technical installations	- €
Machinery	1.802,01 €	Machinery	- €	Machinery	- €
Equipment	488,88 €	Equipment	40,00 €	Equipment	30,00 €
Furniture	113,00 €	Furniture	- €	Furniture	- €
Other facilities	- €	Other facilities	- €	Other facilities	- €
Computer process equipment	355,00 €	Computer process equipment	- €	Computer process equipment	- €
Transport equipment	- €	Transport equipment	- €	Transport equipment	- €
Other tangible fixed assets	- €	Other tangible fixed assets	- €	Other tangible fixed assets	- €
Long-term deposits and guarantees	- €	Long-term deposits and guarantees	- €	Long-term deposits and guarantees	- €
Long-term deposits	- €	Long-term deposits	- €	Long-term deposits	- €
Long-term deposits	- €	Long-term deposits	- €	Long-term deposits	- €
Total	4.414,89 €	Total	40,00 €	Total	30,00 €

No machinery is purchased in the second year and equipment costs are minimum.

11.2 Financial plan

To acquire the necessary capital to start up the entrepreneurial project Mak will resort to two different financing methods: the 3F funding and the ICO loan for companies and entrepreneurs.

The first source of funding will be the 3F, the Friends, Family and Fools. The owner and entrepreneur will contribute 6.000€ from her savings and will count with a total of 6.000€ given by friends and family members. Therefore, by this method, the amount to count on for starting the business will be of 12.000€.

It is important to mention that the family and friends' loan will have an interest rate of 0% with a one-year grace period and will be repaid in monthly installments of 416,67€ for 36 months. The choice of the 3F method is very convenient for Mak as a start-up company because it's the form of financing that implies zero cost and is also very easy to access in the case of Mak's owner.



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Financial Plan						
Loan	Amount	Interest	Periodicity	Num. of Installments	Grace period	Installment to pay
3F loan	6.000,00 €	0%	Monthly	36	12	166,67 €

In order to cover all the expected expenses involved in the starting of the business, Mak will apply for an ICO - Empresas y Emprendedores (Companies and Entrepreneurs) loan, provided by CaixaBank. The loan amounts to 25.000€ with an interest rate of 4% APR and will be repaid in 48 monthly installments of 564€ with no opening fees.

Financial Plan						
Loan	Amount	TAE	Periodicity	Num. of Installments	Grace period	Installment to pay
ICO loan	25.000,00 €	4%	Monthly	48	0	564,00 €

This type of loan has been chosen because they are public financing lines and therefore the conditions are more advantageous than those granted by commercial banks. In addition, these are financing lines compatible with other aids such as regional or institutional ones.

11.3 Revenue and expenses forecast

A forecast of income and expenses has been made for the first three running years of Mak, and for three different scenarios: expected, optimistic and pessimistic.

11.3.1 Expected scenario

As has been foreseen in the sales forecast, the expected gross sales for the first three years of Mak's operation amount to 144.997,28€, 156.575,46€, and 169.101,50€ respectively. This is, taking into account, an estimation that the 98% of all produced goods get sold, and after the first year, the number of sales increases approximately for an 8% percent every year.

Year 1	Year 2	Year 3
144.977,28 €	156.575,46 €	169.101,50 €

The costs expected for Mak's business activity for the first three years are the following:

1. For the COGS (Costs of Goods Sold), Mak accounts for:

- Raw materials: this accounts for the expected cash amount that will be employed in the production process. This numbers are expected to increase by a roughly estimated 0,8% due to IPC and inflation rates, which make prices of ingredients to increase.
- Labour costs: as has been calculated in the human resources budget, this amount is composed by net income costs, S.security costs, self-employed persona quota, and the external training payment, which is made only on the first year.

	Year1	Year 2	Year 3
Yearly net income	40.020,48 €	45.175,68 €	51.888,96 €
Yearly S.security	8.417,64 €	9.501,95 €	10.913,98 €
Yearly self-employed quota	720,00 €	2.058,60 €	2.400,00 €
Training	879,80 €	- €	- €
Total	50.037,92 €	56.736,23 €	65.202,94 €

- Inventory: inventory change is not accounted for in the case of Mak because of it's business nature. Being a bakery that produces and sells its products every day, it's hard to determine the stock change precisely and truthfully. Still, it has been considered that an at least 98% of all produced goods get sold at a maximum span of 3-4 days.

2. For the overhead expenses:

- Utilities: these costs calculated in the production budget amount to yearly 20.107,08€, which are expected increase in the following years because of the reason in the raw material section above. The same incremental percentage has been applied.
- Legal, financial, and accounting services: this is the payment to Back Roura S.L bureau for their services. This cost is expected to be maintained constant, and translates form a monthly cost of 270,41€ into a yearly of 3.244,92€.
- Marketing, advertisement and promotion: this annual cost amounts to 4.401,80€ as indicated in the marketing budget.
- Packaging and other: this is composed by the costs of packaging material and other kitchen material bond to be renewed every year, such as small kitchen tools or clothing and cleaning supplies, calculated in the production budget.

3. Depreciation and amortization: depreciation has been accounted separately and accounts to a yearly cost of 1.341,21€, which has been calculated based on the following table:

Depreciation and Amortization	Price	Unit	Total cost	Useful life	Yearly depreciation
Mak's intital investment					319,21 €
POS software	468,00 €	1	468,00 €	10	46,80 €
iPad	355,00 €	1	355,00 €	5	71,00 €
Ticket printer	59,90 €	1	59,90 €	10	5,99 €
Cash drawer	52,99 €	1	52,99 €	10	5,30 €
Hand blender	24,60 €	2	49,20 €	5	9,84 €
Hand mixers	19,95 €	1	19,95 €	5	3,99 €
Stand mixers	110,00 €	2	220,00 €	10	22,00 €
Kitchen scales	9,99 €	3	29,97 €	5	5,99 €
Chairs (for office corner)	22,00 €	3	66,00 €	10	6,60 €
Table (for office corner)	47,00 €	1	47,00 €	10	4,70 €
Glass refrigeration display cabinet	1.370,00 €	1	1.370,00 €	10	137,00 €
Already in the premises					511,00 €
Glass display cabinet	1.200,00 €	1	1.200,00 €	10	120,00 €
Microwave	45,00 €	1	45,00 €	6	7,50 €
Big freezer	530,00 €	1	530,00 €	10	53,00 €
Big fridge	410,00 €	2	820,00 €	10	82,00 €
Induction hob	285,00 €	1	285,00 €	10	28,50 €
Big ovenplaca	700,00 €	2	1.400,00 €	10	140,00 €
Kitchen adapted table	510,00 €	1	510,00 €	10	51,00 €
Kitchen adapted drawers	145,00 €	2	290,00 €	10	29,00 €
Total amortization and depreciation					1.341,21 €

4. Interest expenses: these account for the interest accrued on the ICO loan, which translates into a yearly cost of 250,00€.
5. Taxes: this cost arises from the quarterly payment for the tax on profits. As mentioned in the legal and fiscal plan, Mak is taxed under the Simplified Direct Estimation System for Personal Income Tax (IRPF), which is charged as a quarterly 20% on the Earnings Before Taxes results.

All detailed expected quantities for the first three years can be found in the following Income Statement:

Income Statement	Year 1	Year 2	Year 3
Sales	144.977,28 €	156.575,46 €	169.101,50 €
Cost of Goods Sold	82.202,61 €	89.158,24 €	97.884,32 €
Raw materials	32.164,69 €	32.422,01 €	32.681,38 €
Labour	50.037,92 €	56.736,23 €	65.202,94 €
Inventory change	- €	- €	- €
Gross Profit	62.774,67 €	67.417,23 €	71.217,18 €
Overhead	29.223,68 €	29.849,78 €	30.011,92 €
Utilities	20.107,08 €	20.267,94 €	20.430,08 €
Legal, financial and accounting services	3.244,92 €	3.244,92 €	3.244,92 €
Marketing, advertisement and promotion	4.401,80 €	4.401,80 €	4.401,80 €
Packaging and other	1.469,88 €	1.935,12 €	1.935,12 €
EBITDA	33.550,99 €	37.567,45 €	41.205,26 €
Depreciation and Amortization	1.341,21 €	1.341,21 €	1.341,21 €
EBIT	32.209,78 €	36.226,24 €	39.864,05 €
Interest Expenses	250,00 €	250,00 €	250,00 €
EBT	31.959,78 €	35.976,24 €	39.614,05 €
Taxes	6.391,96 €	7.195,25 €	7.922,81 €
Net profit	25.567,82 €	28.780,99 €	31.691,24 €

In the profit and loss account for the expected scenario we can see that the first year of business activity has profits of 25.567,82€, therefore sales revenues are sufficient to support the costs of personnel expenses, operating expenses and depreciation of fixed



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assets. Therefore, the result for the year after income tax is positive, which is maintained in the second and third year too.

As mentioned before, in the interest expenses section, we account for the interest generated in the repayment of the ICO loan, which has a 4% TAE rate. The total interest amount is repaid along 48 installments, which is equivalent to 250€ per year.

Mak is also taxed under the Simplified Direct Estimation Regime (*Régimen de Estimación Directa Simplificada*), which means that the tax on profits paid will amount to 20% per quarter on net profit.

11.3.2 Optimistic scenario

For the optimistic scenario, as stated in the sales forecast, the revenues of the business come from its sales, obtaining the following amounts for the first three years of business activity:

Year 1	Year 2	Year 3
173.972,74 €	187.890,55 €	202.921,80 €

In the optimistic scenario it is supposed that there is 20% more of revenues generated by sales than in the expected scenario. In this case, the amount also increases an 8% after the first year.

Due to the increase in sales, supposedly triggered by an increase in demand, costs also increase. The increase is expected to affect:

- Raw materials: where a higher quantity of it will be purchased to face the demand of final product.
- Utilities: some bills such as from water and electricity usage will increase because of more activity.
- Packaging and other: more packaging and kitchen material will be needed because of the increase in demand and necessity in the kitchen.

Another increase in costs Mak will face, will be because of an additional 10% increase on the net income of the employees and the manager. Costs derived from such changes will also be higher.

All detailed expected quantities in the optimistic scenario for the first three years can be found in the following Income Statement:

Income Statement	Year 1	Year 2	Year 3
Sales	173.972,74 €	187.890,55 €	202.921,80 €
Cost of Goods Sold	94.267,07 €	101.904,41 €	111.501,25 €
Raw materials	39.385,33 €	39.700,42 €	40.018,02 €
Labour	54.881,73 €	62.203,99 €	71.483,23 €
Inventory change	- €	- €	- €
Gross Profit	79.705,67 €	85.986,15 €	91.420,55 €
Overhead	34.635,34 €	34.851,25 €	35.068,89 €
Utilities	24.128,50 €	24.321,52 €	24.516,10 €
Legal, financial and accounting services	3.244,92 €	3.244,92 €	3.244,92 €
Marketing, advertisement and promotion	4.401,80 €	4.401,80 €	4.401,80 €
Packaging and other	2.860,13 €	2.883,01 €	2.906,07 €
EBITDA	45.070,33 €	51.134,89 €	56.351,66 €
Depreciation and Amortization	1.341,21 €	1.341,21 €	1.341,21 €
EBIT	43.729,11 €	49.793,68 €	55.010,45 €
Interest Expenses	250,00 €	250,00 €	250,00 €
EBT	43.479,11 €	49.543,68 €	54.760,45 €
Taxes	8.695,82 €	9.908,74 €	10.952,09 €
Net profit	34.783,29 €	39.634,94 €	43.808,36 €

In the analysis of the profit and loss account in the optimistic scenario, it can be seen that the profit from the first year is higher than in the expected scenario. This is because sales revenues are higher and can support the different generated costs. A high increase in profits is observed, again due to the large amount of sales revenue.

11.3.3 Pessimistic scenario

In the pessimistic scenario, we suppose sale are much lower than the expected ones. For this, we have taken into account that only a 75% of all expected to be generated products get sold in the first year.

Year 1	Year 2	Year 3
110.952,00 €	119.828,16 €	129.414,41 €

Due to a decrease in demand and sales, Mak would decrease also purchases in order to avoid losses in raw materials and final product stock. The decrease in purchases would be accompanied with a decrease in some overhead costs such as utilities and packaging.

Because of a lower demand than the expected in the first months, obtaining losses would be foreseen by Mak. For this reason, labor costs would be the first to be decreased, and

in that case, there would be no increase in the net income of the employees and the manager.

Income Statement	Year 1	Year 2	Year 3
Sales	110.952,00 €	119.828,16 €	129.414,41 €
Cost of Goods Sold	73.773,95 €	75.309,48 €	75.849,38 €
Raw materials	24.615,83 €	24.812,76 €	25.011,26 €
Labour	49.158,12 €	50.496,72 €	50.838,12 €
Inventory change	- €	- €	- €
Gross Profit	37.178,05 €	44.518,68 €	53.565,03 €
Overhead	37.998,85 €	36.348,43 €	36.487,23 €
Utilities	15.388,07 €	15.511,18 €	15.635,27 €
Administrative Expenses	3.244,92 €	4.456,80 €	4.456,80 €
Marketing, advertisement and promotion	4.401,80 €	4.401,80 €	4.401,80 €
Insurance	420,00 €	420,00 €	420,00 €
Rent	12.720,00 €	9.720,00 €	9.720,00 €
Packaging and other	1.824,06 €	1.838,65 €	1.853,36 €
EBITDA	- 820,81 €	8.170,25 €	17.077,80 €
Depreciation and Amortization	1.341,21 €	1.341,21 €	1.341,21 €
EBIT	- 2.162,02 €	6.829,04 €	15.736,59 €
Interest Expenses	250,00 €	250,00 €	250,00 €
EBT	- 2.412,02 €	6.579,04 €	15.486,59 €
Taxes	482,40 €	1.315,81 €	3.097,32 €
Net profit	- 1.929,62 €	5.263,23 €	12.389,27 €

The income statement for the pessimistic scenario shows negative results in the first year of activity, which translates to losses. Still, in the second and the third year, some positive numbers appear and income is produced.

In the first year, Mak will need to resort to external resources to cope with losses. Luckily, the situation improves for the second year as measures in cost reduction are implemented.

11.4 Treasury plan

The cash flow plan and analysis will help to forecast the cash inflow and outflow within the organization, thus having a control of the company's payments and collections. Three scenarios will be analyzed: expected, optimistic and pessimistic.

11.4.1 Expected scenario

Cash inflows

Referring to the items of capital inflow, January is when there is a greater inflow of capital from the contribution of €6,000 by the owner. On the other hand, €31,000 of financing came in, €6,000 from a family loan and €25,000 from a bank loan.

Sales take place as soon as the premises are opened, marketing communication and cold door sales techniques will be used to acquire customers from the first month of activity. The seasonality can be notorious, but since Calella is a town frequented by many inhabitants of nearby towns and cities, the decrease in sales in non-tourist seasons is commanded by local people. For this reason, we have to look at 12 months to have an approximate calculation of monthly sales.

It is worth mentioning that the high capital inflow only occurs in the first month of the first year, since this is when the company starts its activity and requires economic resources.

Year 1	January	February	March	April	May	June	July	August	September	October	November	December
Capital	6.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Share capital	6.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Issue premium	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Contributions to partners	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Capitalization	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Financing	31.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Loans	31.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Grants	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Sales	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €
VAT sales	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €	1.208,14 €
Cash inflow	49.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €	12.081,44 €
Year 1	January	February	March	April	May	June	July	August	September	October	November	December
Incorporation expenses	1.188,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Investments	3.226,89 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Intangible investments	468,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Tangible investments	2.758,89 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Leasing	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
L/T Bonds	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
L/T Deposits	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Financing	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €
Loans	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €
Leasing	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Ordinary expenses	13.112,46 €	9.232,66 €	10.784,97 €	9.205,39 €	9.205,39 €	10.757,70 €	9.205,39 €	9.205,39 €	10.757,70 €	9.205,39 €	9.205,39 €	10.757,70 €
Personnel expenses	4.976,31 €	4.096,51 €	5.648,82 €	4.096,51 €	4.096,51 €	5.648,82 €	4.096,51 €	4.096,51 €	5.648,82 €	4.096,51 €	4.096,51 €	5.648,82 €
Wage	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €
Social Security	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €
IRPF	- €	- €	1.552,31 €	- €	- €	1.552,31 €	- €	- €	1.552,31 €	- €	- €	1.552,31 €
Self employed quota	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €
Training	879,80 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
External services	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €
Utilities	4.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €	1.675,59 €
Purchases	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €	2.802,88 €
Packaging	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €	122,49 €
Ingredients	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €	2.680,39 €
VAT purchases	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €	588,60 €
Marketing and promotion	387,27 €	387,27 €	387,27 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €
Financial expenses	- €	- €	1.237,55 €	- €	- €	1.237,55 €	- €	- €	1.237,55 €	- €	- €	1.237,55 €
Extraordinary expenses	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €
Cash outflows	18.089,85 €	9.795,16 €	12.585,02 €	9.767,89 €	9.767,89 €	12.557,75 €	9.767,89 €	9.767,89 €	12.557,75 €	9.767,89 €	9.767,89 €	12.557,75 €
Final Cash	30.991,59 €	33.277,88 €	32.774,30 €	35.087,85 €	37.401,40 €	36.925,09 €	39.238,64 €	41.552,19 €	41.075,88 €	43.389,43 €	45.702,98 €	45.226,67 €

Cash outflows

In the month of January there is a higher expenditure, this is due to the fact that the company's incorporation costs amount to 1.188€ and the costs of the investments necessary for the start-up of the activity amounting to 3.226,89€ must be paid. In addition, the monthly ICO loan repayment takes place, of which 20,83€. It is worth mentioning that during the first year the family loan is not taken into account, since they granted a one-year grace period.

For the rest of the months the incorporation and investment costs disappear, therefore, the capital outflow items decrease. Finally, it can be observed that all the final balances are positive.

11.4.2 Optimistic scenario

Cash inflows

Referring to the items of capital inflow, just as in the expected scenario, January is when there is a greater inflow of capital from the contribution of €6,000 by the owner. On the other hand, €31,000 of financing came in, €6,000 from a family loan and €25,000 from a bank loan.

In this scenario, revenues are higher than the ones in the expected and pessimistic scenario, since it is considered that more sales are made.

Year 1	January	February	March	April	May	June	July	August	September	October	November	December
Capital	6.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Share capital	6.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Issue premium	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Contributions to partners	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Capitalization	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Financing	31.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Loans	31.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Grants	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Sales	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €
VAT sales	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €	1.449,77 €
Cash inflow	51.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €	14.497,73 €
Year 1	January	February	March	April	May	June	July	August	September	October	November	December
Incorporation expenses	1.188,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Investments	3.226,89 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Intangible investments	468,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Tangible investments	2.758,89 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Leasing	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
L/T Bonds	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
L/T Deposits	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Financing	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €
Loans	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €
Leasing	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Ordinary expenses	11.568,80 €	10.689,00 €	11.926,55 €	10.661,73 €	10.591,59 €	11.829,14 €	10.591,59 €	10.591,59 €	11.829,14 €	10.591,59 €	10.591,59 €	11.829,14 €
Personnel expenses	5.379,96 €	4.500,16 €	5.737,71 €	4.500,16 €	4.430,01 €	5.667,56 €	4.430,01 €	4.430,01 €	5.667,56 €	4.430,01 €	4.430,01 €	5.667,56 €
Wage	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €	3.668,54 €
Social Security	771,62 €	771,62 €	771,62 €	771,62 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €
IRPF	- €	- €	1.237,55 €	- €	- €	1.237,55 €	- €	- €	1.237,55 €	- €	- €	1.237,55 €
Self employed quota	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €
Training	879,80 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
External services	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €
Utilities	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €	2.010,71 €
Purchases	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €	3.520,46 €
Packaging	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €	238,34 €
Ingredients	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €	3.282,11 €
VAT purchases	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €	739,30 €
Marketing and promotion	387,27 €	387,27 €	387,27 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €
Financial expenses	- €	- €	2.173,96 €	- €	- €	2.173,96 €	- €	- €	2.173,96 €	- €	- €	2.173,96 €
Extraordinary expenses	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €
Cash outflows	16.546,19 €	11.251,50 €	14.663,01 €	11.224,23 €	11.154,09 €	14.565,59 €	11.154,09 €	11.154,09 €	14.565,59 €	11.154,09 €	11.154,09 €	14.565,59 €
Final Cash	34.951,54 €	38.197,76 €	38.032,49 €	41.305,98 €	44.649,62 €	44.581,76 €	47.925,40 €	51.269,04 €	51.201,17 €	54.544,81 €	57.888,45 €	57.820,59 €

Cash outflows

In the month of January there is a higher expenditure, this is due to the fact that the company's incorporation costs amount to 1.188€ and the costs of the investments necessary for the start-up of the activity amounting to 3.226,89€ must be paid. In addition, the monthly ICO loan repayment takes place, of which 20,83€. It is worth mentioning that during the first year the family loan is not taken into account, since they granted a one-year grace period.

In this optimistic scenario, costs also increase due to additional generated sales. This subsequently increases the cost of other items such as ingredients and packaging. Personnel expenses also increase due to the expectation of income increase in the optimistic scenario for human resources.

For the rest of the months the initial incorporation and investment costs disappear, therefore, the capital outflow items decrease. Finally, it can be observed that all the final balances are positive.

11.4.3 Pessimistic scenario

Cash inflows

Referring to the items of capital inflow, just as in the expected scenario, January is when there is a greater inflow of capital from the contribution of €6,000 by the owner. On the other hand, €31,000 of financing came in, €6,000 from a family loan and €25,000 from a bank loan.

In this scenario, sales are much lower than in the previous scenarios and this considerably affects the company's income statement.

Year 1	January	February	March	April	May	June	July	August	September	October	November	December
Capital	6.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Share capital	6.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Issue premium	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Contributions to partners	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Capitalization	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Financing	31.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Loans	31.000,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Grants	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Sales	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €
VAT sales	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €	924,60 €
Cash inflow	46.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €	9.246,00 €
Year 1	January	February	March	April	May	June	July	August	September	October	November	December
Incorporation expenses	1.188,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Investments	3.226,89 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Intangible investments	468,00 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Tangible investments	2.758,89 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Leasing	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
L/T Bonds	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
L/T Deposits	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Financing	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €
Loans	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €	541,67 €
Leasing	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Ordinary expenses	9.119,65 €	8.239,85 €	9.477,40 €	8.212,58 €	8.212,58 €	9.450,13 €	8.212,58 €	8.212,58 €	9.450,13 €	8.212,58 €	8.212,58 €	9.450,13 €
Personnel expenses	4.976,31 €	4.096,51 €	5.334,06 €	4.096,51 €	4.096,51 €	5.334,06 €	4.096,51 €	4.096,51 €	5.334,06 €	4.096,51 €	4.096,51 €	5.334,06 €
Wage	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €	3.335,04 €
Social Security	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €	701,47 €
IRPF	- €	- €	1.237,55 €	- €	- €	1.237,55 €	- €	- €	1.237,55 €	- €	- €	1.237,55 €
Self employed quota	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €	60,00 €
Training	879,80 €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
External services	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €	270,41 €
Utilities	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €	1.282,34 €
Purchases	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €	2.203,32 €
Packaging	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €	152,01 €
Ingredients	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €	2.051,32 €
VAT purchases	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €	462,70 €
Marketing and promotion	387,27 €	387,27 €	387,27 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €	360,00 €
Financial expenses	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Extraordinary expenses	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €	20,83 €
Cash outflows	14.097,04 €	8.802,35 €	10.039,90 €	8.775,08 €	8.775,08 €	10.012,63 €	8.775,08 €	8.775,08 €	10.012,63 €	8.775,08 €	8.775,08 €	10.012,63 €
Final Cash	32.148,96 €	32.592,61 €	31.798,71 €	32.269,62 €	32.740,54 €	31.973,91 €	32.444,82 €	32.915,74 €	32.149,11 €	32.620,02 €	33.090,94 €	32.324,30 €



Cash outflows

In the month of January there is a higher expenditure, this is due to the fact that the company's incorporation costs amount to 1.188€ and the costs of the investments necessary for the start-up of the activity amounting to 3.226,89€ must be paid. In addition, the monthly ICO loan repayment takes place, of which 20,83€. It is worth mentioning that during the first year the family loan is not taken into account, since they granted a one-year grace period.

Because sales are lower than the expected, Mak will have to reduce the some expenses. For this reason, for the pessimistic scenario, employee incomes will not increase, ad costs of utilities and other purchases such as packaging and material will be adapted and decreased.

Alos, there won't arise any financial expenses as this are calculated of the Net Profit, which is negative for the first year of the pessimistic scenario.

Even if the net income in the first year of the pessimistic scenario is negative, Mk still presents cash availability. This is because a company can present losses fot the period but receive enough cash from borrowing or other cash inflows to offset the loss and create positive cash flow.

11.5 Project viability

A viability study of the project will be carried out to identify whether the decisions and actions described conducted will have positive or negative results. For this reason, the most relevant ratios for the expected scenario will be analyzed.

Looking at the EBITDA, positive number from the first year and the following can be observed. Therefore, it can be said that, once the different costs are isolated, the operating activity generates profits. If this wasn't the case, Mak would have to increase sales or reduce direct and operating costs to generate profits and be viable.

EBITDA	32.637,43 €	37.100,06 €	40.718,65 €
Depreciation and Amortization	1.341,21 €	1.341,21 €	1.341,21 €
EBIT	31.296,22 €	35.758,85 €	39.377,44 €
Interest Expenses	250,00 €	250,00 €	250,00 €
EBT	31.046,22 €	35.508,85 €	39.127,44 €



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The return on investment (ROI) for the expected scenario is positive and high from the outset. It increases considerably for the second and third year, which is because decrease on its investment, what subsequently increases its pre-tax profit.

Investment	4.414,89 €	645,00 €	60,00 €
EBT	31.046,22 €	35.508,85 €	39.127,44 €
ROI	603%	5405%	65112%

By analyzing the viability of the project with the values from the expected scenario, it can be said that from the beginning the company generates profits. Despite not obtaining high profits at the beginning of its business activity, the company has been able to identify the costs to cope with them, as well as the investments necessary to carry out the economic activity. In addition, thanks to the analysis of the sector, the competition and the size of the market, there are great possibilities for the business to operate. It is foreseen that at the beginning it will be quite tough as in most of the start-up projects, but the numbers are positive and generate confidence in the business creation.

12 Conclusions

Mak was born as an idea full of passion for one's roots and origins. The main objective was always and still is to share the taste of a cultural variety and tradition, with the aim of spreading feelings of happiness.

For ten months this idea has been building and transforming into a business plan. The realization of this plan has allowed to review and organize the different concepts acquired during the university years at TecnoCampus-UPF. It has been applied from concepts of environmental analysis, target audience analysis, marketing, human resources, business organization, sales plan, legal and juridical aspects and finally economic and financial planning. But more importantly, it has spurred the possibility of it becoming a reality, as the analysis on the viability of the project gave positive outcomes.



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14 Annexes

14.1 Annex: Chronogram of Mak's business project

Task	Month Week	October				November				December				January				February				March				April				May				June				July			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Application for the TFG																																									
Choice of the topic to develop																																									
Search for information and data collection																																									
Background elaboration																																									
Establishing objectives																																									
Delivery of Report 1																																									
Rectification based on tutor feedback																																									
Report 2																																									
Delivery Report 2																																									
Tribunals																																									
Rectification according to tribunals feedback																																									
Project feasibility																																									
Final report																																									
Delivery of Report 3																																									
Final tribunals																																									

14.2 Annex: Product Portfolio of Mak

Pastry

1. *Syrnyku*: Syrnyky are roasted pancakes prepared with cheese, flour, eggs, salt, and sugar, and are sometimes referred to as the Ukrainian equivalent of cheesecake. Syrnyky, which has been around since the 18th century and is popular throughout Ukraine, can be sour or sweet depending on the dish. Sugar powder, honey, and other jams can be used to decorate the sweet ones. Even in urban multi-cuisine eateries, syrnyky are frequently served for breakfast or as a dessert.



2. *Nalysnyky*: Nalysnyky are one of the greatest examples of Ukrainian traditional cuisine, yet they are often disregarded by local culinary critics. Even in current times, these little rolls may be found in the refrigerator of a typical Ukrainian. The cuisine consists of thinly wrapped crêpes filled with cottage cheese, which are occasionally topped with jam, or varenyya in Ukrainian, for added sweetness. Cabbage,

mushrooms, caviar, and berries are among the other popular fillings, but sweet cottage cheese has been the traditional choice for ages.



3. *Knyshi*: Knyshi are delicious and fragrant packed buns that are famous across Western Ukraine. They can be loaded with cottage cheese or jam, caramelized onion, or cracklings, among other things. In Hutsul cuisine, the bryndza, mashed potatoes, cheese, or cabbage are used as fillings.



4. *Poppy-seed rolls*: In Ukrainian cuisine, poppy-seed pastries are highly popular. The poppy-seed roll is the most common visitor on the Ukrainian table. It's created using puff pastry and cooked in the oven. This meal has an unmistakable scent and a mouthwatering flavor. There is no other stuffing in the original poppy-seed roll recipe.



5. *Pampushky*: Ukrainian donuts are a traditional Christmas delicacy that go well with coffee. You can make your own stuffing with sweetened cherries, poppyseeds, or apple jam (or any other jam for that matter).



6. *Horishky*: These walnut-shaped cookies, which translate to "walnut," represent every major Ukrainian event and are without a doubt the cuisine's hallmark sweets. Horishky are crumbly cookies with condensed milk cream and walnuts filled within and cemented together with condensed milk.



Cakes and tarts

1. *Kyiv Cake*: Kiev cake is possibly one of the most well known Slavic cakes that has been around for almost 100 years. It is made with layers of crunchy hazelnut or cashew meringue (made with a little bit of flour), rum-infused buttercream (a little different from regular buttercream) and fluffy sponge cake layers.



2. *Medovyk or Honey Cake*: it's an authentic Slavic cake popular in Ukraine and Russia, also considered as one of the most popular desserts in Slavic countries. According to the classic recipes, the honey cake is made with many thin layers baked individually, spread with a sweet and appetizing cream.



3. *Lviv's Style Syrnyk or Cheesecake*: Qaurk cheese (is a fresh dairy product created from the curds of milk, either whole, part-skimmed, or skimmed) has a light, fluffy, and silky-smooth texture and is used in this dessert. It can have on and is flavored with fresh lemon zest. The icing on the cake is a thick chocolate glaze that leaves a pleasantly sweet aftertaste.



4. *Spartak*: this cake is one of the most popular among Ukrainians. It's made of eight chocolate backed thin layers that are put together with a light cream. The cake is left to sit for some hours after its elaboration so that the layers get soaked and become juicy.



5. *Makivnyk or poppy-seed roll*: Ukrainian Makivnyk is a traditional Easter and Christmas dessert, although it is also cooked on a regular basis just because it's delicious. It's made of lightly kneaded yeast bread and filled with poppy-seed and sugar paste.



14.3 Annex: Key activities for the production process

- Premises opening and closing: the employees and manager will be in charge of opening and closing the blinds of the premises.



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- Cash desk opening and closing: the employees and manager will be in charge of putting cash at the begging of the day, and accounting for all products sold at the end, with the help of the POS software and cash drawer.
- Kitchen preparations, product elaboration and display arrangement: the employees and manager will be in charge of turning on and checking on the machinery, preparing the products following the recipes and placing them on the displays or storing machinery.
- In-store selling and customer dispatching: the employees and manager will be in charge of assessing the customers, giving them advice, and selling them the products.
- Daily and weekly cleaning: the employees and manager will be in charge of all the cleaning of the premises.
- Ingredient stock management: the employees and manager will be in charge of conducting the stock management, which means to control how much raw material is used and the velocity of its consumption for the product elaboration, as well as checking for its condition. Accounts will be held in order to make the corresponding numbers for subsequent material purchase.
- Material purchase: following the raw material stock accounts, material purchase will be conducted by Mak's manager.
- Marketing and promotion activities: the manager will be in charge of conduction the marketing and promotion activities during the first months of the business activity, and after slowly passing down certain tasks on the employees, as their salaries are expected to increase.
- Customized orders intaking: the employees and manager will be in charge of takin in customized orders for ruther discussion and plan with the team.

14.4 Annex: Temporality of the production process



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1. From 8:00 to 9:00 from Monday to Saturday:
 - Opening of the premises
 - Cash desk opening
 - Kitchen preparations following the weekly pastry plan
 - Starting the ovens, the ingredients, utensils, and recipes
 - Product elaboration following the weekly pastry plan
 - Baking and assembling of the pastries
 - Arrangement of the pastry display stand and front desk product exposition
2. From 9:00 to 13:00 and from 17:00 to 19:00 from Monday to Saturday:
 - Product elaboration
 - Baking and assembling of the pastries
 - Dispatching customers and selling the products in-store
3. From 19:00 to 20:00 from Monday to Saturday:
 - Daily cleaning
 - Sweeping and mopping the floors
 - Cleaning the main pastry display stand, the front desk, the kitchen tables, and utensils used during the day
 - Ingredients stock management
 - Review and write down ingredients that the kitchen is running down on, and check for spoiled ones
 - Cash desk closing
 - Closing of the premises
4. From 12:00 to 14:00 on Sundays:
 - Deep cleaning of the premises
 - Sweeping and mopping the floors
 - Cleaning the glass doors and the cake display stands
 - Soaking in cleaning mixtures the baking utensils used during the week
 - Cleaning the fridges and ovens
 - Check for spoiled ingredients
 - Ready the stock annotations for the manager to make the command to the ingredient's supplier
 - Cash desk closing
 - Closing of the premises

The aforementioned processes will be carried out in the specified weekly order starting from the first day of economic activity of the business and all along the year. Some slight



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changes are expected to appear because of specific dates, such as national holidays or more commercialized festivities that require adjustments such as more dedication to certain tasks.

14.5 Annex: Communications Plan

Pre-acquisition

In the pre-acquisition of the conversion funnel we can observe two moments: attracting and converting. Within these, we find different stages that the customer goes through before making the decision to make the purchase

1. Strangers to Visitors: The objective of this moment is to make the brand known to the potential customer by creating actions linked to the value proposition and brand values. The actions to be carried out:

- Social networks: Facebook and Instagram have been chosen as the main social profiles for social media network presence.

- Instagram

Content marketing: Valuable content will be created to capture the user's attention with images and videos of the product. Three weekly publications, a daily Instastory and a video for IGTV per month will be planned. The objective of the content strategy is to get the client interested in the brand.

Instagram Ads: A publication and a Instastory will be promoted every week, they will be planned with special care and will be promoted at specific times. The promoted content will be aimed at users who are interested in sweets.

- Facebook

Content marketing: The same strategic line used in Instagram will be followed, since by default posts and stories will also be published on Facebook.

Facebook Ads: This platform allows for a much more precise, targeted and personalized segmentation according to the user's interests.



- SEO: It is important to take into account the positioning of the brand in search engines in order to ensure that Mak's website is optimized and that it appears in the top positions when the customer performs a search related to the catering sector, linking it to marketing. Content will be periodically published in the websites blog.
- SEO On Page: First of all, keywords related to Mak's business activity will be established. These will be introduced in the content published on the website and social networks. The Google KeyWord Planner platform will support the validation of the appropriate keywords to obtain a better positioning. During the first year, the SEO strategy will not be an expense for the company since the manager will be in charge of the content creation.
- Off Page SEO: For this strategy, the keywords mentioned in the previous section will be used. In addition, we will use tools such as Google My Business and Google Search Console that will support to obtain greater visibility and improve optimization of the business website. These two tools are free and do not represent an expense for the company. On the other hand, all Mak's social media profiles will be linked to the website, facilitating user access and improving web positioning.
- SEM: Advertising campaigns will be planned throughout the year, although they will be managed and modified every three months in Google Ads. The objective is to capture potential clients during their search for products similar to Mak ones. The purpose of the ads will be to raise awareness of the brand by attracting traffic to the website.
- Promotion in digital press Calella.com: The bakery will be promoted through a banner that will be placed inside the news that they publish on their website. According to information provided by the company, the banner produces 60,000 monthly visualizations with a price of 180€/month.
- Cold door: For customers who do not have or don't use digital resources, will be captured through the cold door commercial technique, where the following visual resources will be needed:

- Business cards : with the client's purchase at the premises, this will be offered a business card, this way leaving the possibility of communication after the visit, may the necessity of the client arise in ordering a customized product.
- Flyers in diptych format: In addition to promoting the company, the objective of this material is to communicate in a complete, simple, quick and orderly manner the products, offers, offered by Mak. They will be printed and designed with a high quality to reinforce the advertising idea.

2. Visitors to Leads: Once the client already knows the brand, it is time to turn him into a lead. This means that once they arrive at the website they subscribe to the newsletter to continue obtaining information about the brand.

- Chatot: A chatbot will be set up on Instagram, Facebook and the website. In the latter it will be connected to the company's WhatsApp and doubts will be answered in an individual and personalized way with the aim of obtaining information about the user.

Acquisition

Once we have achieved that the user performs an action the next objective is to convert it into a customer. In this section we will focus on making offers and promotions to persuade the contracting of a service.

3. Leads to Customers

- Offers and promotions:
 - Pastry of the day: Several days per week a different pastry will be chosen and labeled as the Pastry of the Day, and customer willing to purchase that specific pastry will get a 10% the regular price. This promotion will be specially applied to those products that customers may be hesitating in trying because of its newness or peculiar ingredients.
 - Buy 5 or 10, get 1 free: Intended for attracting customer's attention on buying, for instance, instead of 2 or 3 pieces, a larger quantity, and receiving a treat or a gift for it.
 - Loyalty card: After purchasing 10 times a same product, the customer will get one of the same kind for free. This type of promotion will be used in order to



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ensure repeat business as customers will feel competitive towards completing the card and receiving the free product.

- Photo contest: Customers will be invited to take pictures of the Mak products they have purchased and to send them to Mak's Instagram account. Later, a poll will be conducted in stories where the followers will vote for their favorite ones. The winner will be awarded with a box of Mak bakery items and the photo will be hung in the wall inside the premises, what will encourage them to bring other people to show their photo.
- Seasonal and holiday giveaways: To celebrate the festive atmosphere, Mak will conduct giveaways. Also, special treats will be given with the regular client purchases.
- Newsletters: The newsletter will be used to keep in touch with the brand's subscribers and inform them of the latest products and the launch of new offers. The MailChimp platform will be used, as it has no cost for databases of less than 2,000 customers.

Post-acquisition

4. Customers to Advocates

The objective of this stage is to turn the customer into an advocate so that he/she will recommend and value the brand positively. That is why an invitation will be sent to them to rate and leave a comment about their experience with the bakery in the Google reviews section. This will position the brand in searches and will give credibility and trust to future clients. For those who make the assessment will be offered a 10% discount on the next product purchase of minimum 20€ value. they hire.

14.6 Annex: Costs of Production and Expected Prices

Kyiv Cake (1 whole or 8 pieces)			
Ingredients	Quantity	Unit type	Prorated price
Eggs	6 u		0,60 €
Sugar	320 g		0,31 €
Hazelnuts	140 g		3,18 €
Pastry flour	40 g		0,05 €
Milk	120 g		0,10 €
Butter	180 g		1,93 €
Chocolate	100 g		0,84 €
Fresh cream	200 g		0,82 €
Coganc	20 g		0,15 €
Salt	1 g		0,00 €
Vainilla essence	1 g		0,02 €
Cost of elaboration			8,00 €
Cost per unit			1,00 €

Syrnyky (15 units)			
Ingredients	Quantity	Unit type	Prorated price
Eggs	2 u		0,20 €
Sugar	36 g		0,03 €
Quark cheese	500 g		5,27 €
Pastry flour	40 g		0,05 €
Salt	1 g		0,00 €
Sunflower seed oil	20 g		0,07 €
Cost of elaboration			5,63 €
Cost per unit			0,38 €

Medovyk Cake (1 whole or 8 pieces)			
Ingredients	Quantity	Unit type	Prorated price
Honey	125 g		1,03 €
Butter	100 g		1,07 €
Eggs	2 u		0,20 €
Sugar	70 g		0,07 €
Pastry flour	300 g		0,37 €
Baking soda	4 g		0,03 €
Rum	30 g		0,17 €
Fresh cream	500 g		2,05 €
Powdered sugar	50 g		0,13 €
Vainilla essence	1 g		0,02 €
Cost of elaboration			5,13 €
Cost per unit			0,64 €

Nalysnyky (Quark cheese filling) (8 units)			
Ingredients	Quantity	Unit type	Prorated price
Eggs	3 u		0,30 €
Pastry flour	125 g		0,15 €
Milk	400 g		0,35 €
Sunflower seed oil	50 g		0,17 €
Quark cheese	500 g		5,27 €
Sour cream	70 g		0,36 €
Sugar	40 g		0,04 €
Raisins	50 g		0,30 €
Vainilla essence	1 g		0,02 €
Cost of elaboration			6,95 €
Cost per unit			0,87 €

Syrnyk Cake (1 whole or 8 pieces)			
Ingredients	Quantity	Unit type	Prorated price
Raisins	100 g		0,59 €
Eggs	4 u		0,40 €
Sugar	65 g		0,06 €
Salt	1 g		0,00 €
Quark cheese	700 g		7,38 €
Lemon	1 u		0,35 €
Siemolina	50 g		0,11 €
Vainilla essence	1 g		0,02 €
Butter	15 g		0,16 €
Sour cream	25 g		0,13 €
Cocoa powder	10 g		0,13 €
Cost of elaboration			9,34 €
Cost per unit			1,17 €

Knyshi (6 units)			
Ingredients	Quantity	Unit type	Prorated price
Pastry flour	350 g		0,43 €
Sugar	60 g		0,06 €
Butter	40 g		0,43 €
Salt	1 g		0,00 €
Dry yeast	20 g		0,28 €
Eggs	2 u		0,20 €
Milk	200 g		0,17 €
Quark cheese	400 g		4,22 €
Cost of elaboration			5,79 €
Cost per unit			0,96 €

Spartak Cake (1 whole or 8 pieces)			
Ingredients	Quantity	Unit type	Prorated price
Sugar	400 g		0,39 €
Eggs	5 u		0,50 €
Butter	330 g		3,53 €
Honey	80 g		0,66 €
Baking soda	3 g		0,02 €
Cocoa powder	50 g		0,66 €
Pastry flour	250 g		0,31 €
Milk	600 g		0,52 €
Corn flour	60 g		0,31 €
Cocoa powder	5 g		0,07 €
Cost of elaboration			6,96 €
Cost per unit			0,87 €

Makivnyk Cake (1 whole or 8 pieces)			
Ingredients	Quantity	Unit type	Prorated price
Milk	120 g		0,10 €
Pastry flour	320 g		0,39 €
Butter	100 g		1,07 €
Eggs	3 u		0,30 €
Sugar	150 g		0,14 €
Salt	1 g		0,00 €
Dry yeast	10 g		0,14 €
Poppy flower seeds	150 g		2,58 €
Raisins	50 g		0,30 €
Honey	5 g		0,04 €
Butter	50 g		0,54 €
Cost of elaboration			5,60 €
Cost per unit			0,70 €

Poppy-seed rolls (12 units)			
Ingredients	Quantity	Unit type	Prorated price
Pastry flour	550 g		0,68 €
Sugar	230 g		0,22 €
Salt	5 g		0,00 €
Eggs	2 u		0,20 €
Butter	150 g		1,61 €
Dry yeast	15 g		0,21 €
Milk	300 g		0,26 €
Poppy flower seeds	60 g		1,03 €
Vainilla essence	1 g		0,02 €
Cost of elaboration			4,23 €
Cost per unit			0,35 €

Pampushky (15 units)			
Ingredients	Quantity	Unit type	Prorated price
Milk	200 g		0,17 €
Dry yeast	23 g		0,32 €
Pastry flour	380 g		0,47 €
Sugar	80 g		0,08 €
Eggs	4 u		0,40 €
Salt	5 g		0,00 €
Butter	75 g		0,80 €
Lemon	1 u		0,35 €
Cost of elaboration			2,59 €
Cost per unit			0,17 €

Horishky (25 units)			
Ingredients	Quantity	Unit type	Prorated price
Eggs	3 u		0,30 €
Sugar	250 g		0,24 €
Sour cream	150 g		0,76 €
Butter	300 g		3,21 €
Salt	1 g		0,00 €
Pastry flour	600 g		0,74 €
Baking soda	5 g		0,03 €
Apple vinegar	15 g		0,06 €
Condensed milk	400 g		1,60 €
Cost of elaboration			6,96 €
Cost per unit			0,28 €

Product elaboration cost			Selling price		Markup				Gross sales		
Product	Cost per batch	Cost per unit	Price per batch	Price per unit	Markup per batch	Markup per unit	Weekly total markup	Monthly total markup	Weekly	Monthly	Yearly
Kyiv cake	8,00 €	1,00 €	33,60 €	4,20 €	25,60 €	3,20 €	307,22 €	1.228,86 €	403,20 €	1.612,80 €	19.353,60 €
Medovyk cake	5,13 €	0,64 €	33,20 €	4,15 €	28,07 €	3,51 €	308,78 €	1.235,12 €	365,20 €	1.460,80 €	17.529,60 €
Syrnyk cake	9,34 €	1,17 €	31,20 €	3,90 €	21,86 €	2,73 €	196,76 €	787,03 €	280,80 €	1.123,20 €	13.478,40 €
Spartak cake	6,96 €	0,87 €	31,60 €	3,95 €	24,64 €	3,08 €	246,38 €	985,52 €	316,00 €	1.264,00 €	15.168,00 €
Makivnyk cake	5,60 €	0,70 €	28,00 €	3,50 €	22,40 €	2,80 €	179,18 €	716,71 €	224,00 €	896,00 €	10.752,00 €
Syrnyky	5,63 €	0,38 €	28,50 €	1,90 €	22,87 €	1,52 €	251,62 €	1.006,48 €	313,50 €	1.254,00 €	15.048,00 €
Nalysnyky	6,95 €	0,87 €	27,20 €	3,40 €	20,25 €	2,53 €	202,45 €	809,81 €	272,00 €	1.088,00 €	13.056,00 €
Knyshi	5,79 €	0,96 €	20,70 €	3,45 €	14,91 €	2,49 €	164,03 €	656,14 €	227,70 €	910,80 €	10.929,60 €
Poppy-seed rolls	4,23 €	0,35 €	25,20 €	2,10 €	20,97 €	1,75 €	167,78 €	671,13 €	201,60 €	806,40 €	9.676,80 €
Pampushky	2,59 €	0,17 €	28,50 €	1,90 €	25,91 €	1,73 €	207,27 €	829,09 €	228,00 €	912,00 €	10.944,00 €
Horishky	6,96 €	0,28 €	25,00 €	1,00 €	18,04 €	0,72 €	180,43 €	721,71 €	250,00 €	1.000,00 €	12.000,00 €
Total	67,17 €	7,39 €	312,70 €	33,45 €	245,53 €	26,06 €	2.411,90 €	9.647,61 €	3.082,00 €	12.328,00 €	147.936,00 €

14.7 Annex: Sales forecast scenarios

14.7.1 Expected scenario

For the expected scenario, it is supposed that a 98% of the total yearly gross sales 147.936€ are generated. In the following years, the amount in sales cash increases by an 8% over the previous year.

Year 1	Year 2	Year 3
144.977,28 €	156.575,46 €	169.101,50 €

14.7.2 Optimistic scenario

For the optimistic scenario, sales exceed by a 20% the expected sales of 147.936€ for the first year. In the following years, the amount in sales cash increases by a 8% over the previous year.

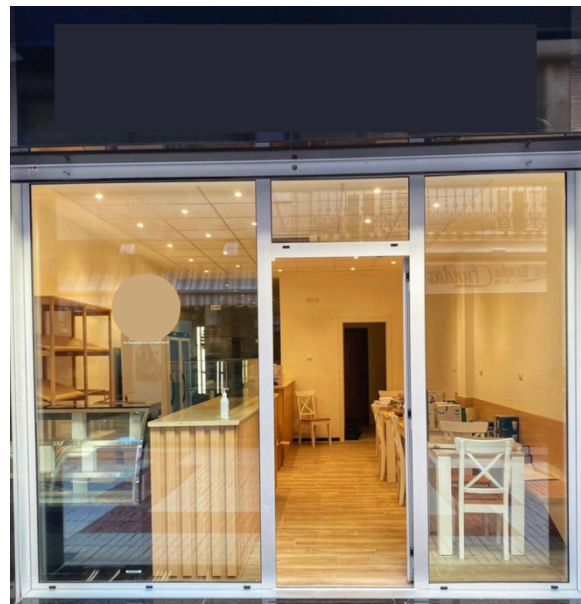
Year 1	Year 2	Year 3
173.972,74 €	187.890,55 €	202.921,80 €

14.7.3 Pessimistic scenario

For the pessimistic scenario, only a 75% of the total yearly gross sales of 147.936€ expected for the first year are generated. In the following years, the amount in sales cash increases by an 8% over the previous year.

Year 1	Year 2	Year 3
110.952,00 €	119.828,16 €	129.414,41 €

14.8 Annex: Rented premises



14.9 Annex: Initial investment on machinery and other kitchen material

	Price	Unit	Total cost
Mak's intital investment			2.738,01 €
POS software	468,00 €	1	468,00 €
iPad	355,00 €	1	355,00 €
Ticket printer	59,90 €	1	59,90 €
Cash drawer	52,99 €	1	52,99 €
Hand blender	24,60 €	2	49,20 €
Hand mixers	19,95 €	1	19,95 €
Stand mixers	110,00 €	2	220,00 €
Kitchen scales	9,99 €	3	29,97 €
Chairs (for office corner)	22,00 €	3	66,00 €
Table (for office corner)	47,00 €	1	47,00 €
Glass refrigeration display cabinet	1.370,00 €	1	1.370,00 €
Already in the premises			5.080,00 €
Glass display cabinet	1.200,00 €	1	1.200,00 €
Microwave	45,00 €	1	45,00 €
Big freezer	530,00 €	1	530,00 €
Big fridge	410,00 €	2	820,00 €
Induction hob	285,00 €	1	285,00 €
Big ovenplaca	700,00 €	2	1.400,00 €
Kitchen adapted table	510,00 €	1	510,00 €
Kitchen adapted drawers	145,00 €	2	290,00 €

Kitchen material (Initial investment)	Cost
Aprons	43,35 €
Uniforms (pants, shirts and shoes)	183,60 €
Large mixing bowl	20,58 €
Medium mixing bowl	9,90 €
Small bowls	8,10 €
Baking trays	17,80 €
Baking moulds	48,90 €
Large spatulas	13,10 €
Smal spatulas	9,90 €
Whisk	2,90 €
Other small utilities (spoons, decoration tools, etc.)	27,80 €
Exposition plates and trays	47,80 €
Storage bins	35,60 €
Piping bags	19,55 €
Total	488,88 €

14.10 Annex: Contingency plan

- Premises opening and closing:
 - If locks were damaged, a local locksmith would be called.
 - If an employee couldn't open or close the premises because of different reasons, the manager or any other close person would go personally do to so.
- Cash desk opening and closing:
 - In case the POS software failed, sales would be accounted manually while the technical service solves the problem.
 - If the iPad failed, the manager would bring her personal one while the business' one gets repaired.



- Kitchen preparations, product elaboration and display arrangement:
 - If any employee failed to come to work because of different reasons, the manager herself would replace that person and conducts the tasks.

- In-store selling and customer dispatching:
 - If any employee failed to come to work because of different reasons, the manager herself would replace that person and conducts the tasks.

- Daily and weekly cleaning:
 - If any employee failed to come to work because of different reasons, the manager herself would replace that person and conducts the tasks.

- Ingredient stock management:
 - If any employee failed to come to work because of different reasons, the manager herself would replace that person and conducts the tasks.

- Material purchase:
 - If the manager couldn't conduct the task for different reasons, a close person to her would make the purchase following a provided detailed list.

- Marketing and promotion activities:
 - If the manager or an employee failed to do conduct this task, another member of the team would do it, reason why the manager will be training the employees on marketing and promotion activities to split and interchange tasks given such circumstances or execution problems.

- Customized orders intaking:
 - Employees and the manager will be capable of doing such task, so if any problem arisen for the person on duty, another team member would take the order.



14.11 Annex: Employee working schedules

Shift	Morning	Afternoon	Morning	Afternoon
	Baker 1		Baker 2	
Monday	-	-	-	-
Tuesday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	-
Wednesday	8:00 - 13:00	-	8:00 - 13:00	17:00 - 20:00
Thursday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	-
Friday	8:00 - 13:00	-	8:00 - 13:00	17:00 - 20:00
Saturday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	17:00 - 20:00
Sunday	8:00 - 14:00	-	8:00 - 14:00	-
Total shift hours	31	9	31	9
Total weekly hours	40		40	

Shift	Morning	Afternoon	Morning	Afternoon
	Baker 1		Baker 2	
Monday	-	-	-	-
Tuesday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	-
Wednesday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	-
Thursday	8:00 - 13:00	-	8:00 - 13:00	17:00 - 20:00
Friday	8:00 - 13:00	-	8:00 - 13:00	17:00 - 20:00
Saturday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	17:00 - 20:00
Sunday	8:00 - 14:00	-	8:00 - 14:00	-
Total shift hours	31	9	31	9
Total weekly hours	40		40	

Shift	Morning	Afternoon	Morning	Afternoon
	Baker 1		Baker 2	
Monday	-	-	-	-
Tuesday	8:00 - 13:00	-	8:00 - 13:00	17:00 - 20:00
Wednesday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	-
Thursday	8:00 - 13:00	-	8:00 - 13:00	17:00 - 20:00
Friday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	-
Saturday	8:00 - 13:00	17:00 - 20:00	8:00 - 13:00	17:00 - 20:00
Sunday	8:00 - 14:00	-	8:00 - 14:00	-
Total shift hours	31	9	31	9
Total weekly hours	40		40	

14.12 Annex: Human resources budget scenarios

14.12.1 Expected scenario

In the expected scenario, employees and manager escalate positions along the years, from assistant, to official de 2^a in the second year, and to official de 1^a on the third one. Wages and subsequent human resources budget for the expected scenario are presented below:

Expected					
Y1					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Baker 2	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Manager	Full time	1.111,68 €	- €	1.111,68 €	13.340,16 €
Total (3 employees)		3.335,04 €	701,47 €	4.036,51 €	48.438,12 €
Y2					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.254,88 €	395,91 €	1.650,79 €	19.809,54 €
Baker 2	Full time	1.254,88 €	395,91 €	1.650,79 €	19.809,54 €
Manager	Full time	1.254,88 €	- €	1.254,88 €	15.058,56 €
Total (3 employees)		3.764,64 €	791,83 €	4.556,47 €	54.677,63 €
Y3					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.441,36 €	454,75 €	1.896,11 €	22.753,31 €
Baker 2	Full time	1.441,36 €	454,75 €	1.896,11 €	22.753,31 €
Manager	Full time	1.441,36 €	- €	1.441,36 €	17.296,32 €
Total (3 employees)		4.324,08 €	909,50 €	5.233,58 €	62.802,94 €

	Year1	Year 2	Year 3
Yearly net income	40.020,48 €	45.175,68 €	51.888,96 €
Yearly S.security	8.417,64 €	9.501,95 €	10.913,98 €
Yearly self-employed quota	720,00 €	2.058,60 €	2.400,00 €
Training	879,80 €	- €	- €
Total	50.037,92 €	56.736,23 €	65.202,94 €

14.12.2 Optimistic scenario

In the optimistic scenario, employees and manager are able to receive a net income higher in a 10% than in the expected scenario.

Wages and subsequent human resources budget for the optimistic scenario are presented below:

Optimistic					
Year 1 - Ayudante					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.222,85 €	385,81 €	1.608,66 €	19.303,88 €
Baker 2	Full time	1.222,85 €	385,81 €	1.608,66 €	19.303,88 €
Manager	Full time	1.222,85 €	- €	1.222,85 €	14.674,18 €
Total (3 employees)		3.668,54 €	771,62 €	4.440,16 €	53.281,93 €
Year 2 - Oficial 1ª					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.380,37 €	435,51 €	1.815,87 €	21.790,49 €
Baker 2	Full time	1.380,37 €	435,51 €	1.815,87 €	21.790,49 €
Manager	Full time	1.380,37 €	- €	1.380,37 €	16.564,42 €
Total (3 employees)		4.141,10 €	871,01 €	5.012,12 €	60.145,39 €
Year 3 - Oficial 2ª					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.585,50 €	500,22 €	2.085,72 €	25.028,64 €
Baker 2	Full time	1.585,50 €	500,22 €	2.085,72 €	25.028,64 €
Manager	Full time	1.585,50 €	- €	1.585,50 €	19.025,95 €
Total (3 employees)		4.756,49 €	1.000,45 €	5.756,94 €	69.083,23 €

	Year1	Year 2	Year 3
Yearly net income	44.022,53 €	49.693,25 €	57.077,86 €
Yearly S.security	9.259,41 €	10.452,15 €	12.005,38 €
Yearly self-employed quota	720,00 €	2.058,60 €	2.400,00 €
Training	879,80 €	- €	- €
Total	54.881,73 €	62.203,99 €	71.483,23 €

14.12.3 Pessimistic scenario

For the pessimistic scenario, wages simply do not increase and are maintained as in the first year of the expected scenario, meaning that position escalation is not possible and during 3 years the wages are the same.

Wages and subsequent human resources budget for the pessimistic scenario are presented below:

Pesimistic					
Year 1 - Ayudante					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Baker 2	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Manager	Full time	1.111,68 €	- €	1.111,68 €	13.340,16 €
Total (3 employees)		3.335,04 €	701,47 €	4.036,51 €	48.438,12 €
Year 2 - Oficial 1ª					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Baker 2	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Manager	Full time	1.111,68 €	- €	1.111,68 €	13.340,16 €
Total (3 employees)		3.335,04 €	701,47 €	4.036,51 €	48.438,12 €
Year 3 - Oficial 2ª					
Position	Type	Monthly Net Remuneration	Monthly S. Security (31,55%)	Total Monthly	Total Yearly
Baker 1	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Baker 2	Full time	1.111,68 €	350,74 €	1.462,42 €	17.548,98 €
Manager	Full time	1.111,68 €	- €	1.111,68 €	13.340,16 €
Total (3 employees)		3.335,04 €	701,47 €	4.036,51 €	48.438,12 €

	Year1	Year 2	Year 3
Yearly net income	40.020,48 €	40.020,48 €	40.020,48 €
Yearly S.security	8.417,64 €	8.417,64 €	8.417,64 €
Yearly self-employed quota	720,00 €	2.058,60 €	2.400,00 €
Training	- €	- €	- €
Total	49.158,12 €	50.496,72 €	50.838,12 €

14.13 Annex: General and Specific Regulations

14.13.1 General regulations

The general regulations to be taken into account for the incorporation of the company in charge of self-employed will be the following:

- Law on the Statute of Self-Employment and Law 6/2017, of October 24, on Urgent Reforms of Self-Employment.
- Law on collective rights (Council of the representativeness of professional associations of self-employed workers).
- TRADES or dependent self-employed (State Register of professional associations of self-employed workers).
- Occupational health (Occupational Risk Prevention Law).

- Social Security regulations relating to the self-employed (special regime or RETA, professional contingencies, cessation of activity and unemployment, agricultural regime).
- Administrative infringements and penalties.
- Promotion measures (Law on measures to support entrepreneurs and stimulate growth; Law on support for entrepreneurs and their internationalization; Law adopting measures to encourage and promote self-employment; Bases for the granting of subsidies for activities to promote self-employment).
- Other taxation:
 - Self-employed taxation will be carried out under the Simplified Direct Estimation Regime, which means that the tax on profits paid will amount to 20% per quarter on net profit.
 - A reduced VAT of 10% will be applied on the consumer prices of the products following the Law 37/1992, of December 28, 1992, on Value Added Tax (Article 91. Reduced tax rates) published by BOE.

The registration of the trademark and commercial name has a cost of approximately 144€ for the first registration and there is a 15% discount for telematic applications, this means that the cost of registration applying the discount would be 122.40€. For subsequent registrations the cost is approximately 93 euros. It is worth mentioning that it is necessary to renew this registration every 10 years.

14.13.2 Specific regulations

Specific regulations that apply to an artisan bakery have also been identified, since regulations must be correctly implemented to avoid possible penalties for non-compliance.

- Royal Decree 496/2010, of April 30, 2010, which approves the quality standard for confectionery, pastry, and bakery products, published by BOE.

EU Regulations

There are no harmonized regulations in the European Union on confectionery, pastry, bakery and confectionery products. In its absence, various horizontal Community provisions are applicable, related to foodstuffs in general, which affect certain aspects regulated by the aforementioned technical-sanitary regulations, leaving them inapplicable.



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They are currently harmonized in the EU by means of:

- Commission Regulation (EC) 2073/2005, of November 15, on microbiological criteria for foodstuffs.
- Regulation (EC) 852/2004, of the European Parliament and of the Council, of 29 April 2004, on the hygiene of foodstuffs.

Spanish regulations

Spanish regulations are specific and also generic

- Royal Decree 496/2010, of April 30, 2010, approving the quality standard for confectionery, pastry, bakery and confectionery products (BOE of May 14, 2010). This Royal Decree applies without prejudice to health regulations and other specific provisions affecting the production and marketing of confectionery, pastry, bakery and confectionery products, and repeals Royal Decree 2419/1978, of May 19, 1978, which approves the Technical-Sanitary Regulations for the production, circulation and trade of confectionery, pastry, bakery and confectionery products (BOE of May 14, 2010).
- Decree 2484/1967, of September 21, 1967, approving the text of the Spanish Food Code.

Regulations on additives

- Royal Decree 142/2002, of February 1, 2002, approving the positive list of additives other than colorants and sweeteners for use in the preparation of foodstuffs, as well as their conditions of use.
- Royal Decree 2002/1995, of December 7, 1995, approving the positive list of sweetening additives authorized for use in the preparation of foodstuffs, as well as their conditions of use.

Labeling regulations

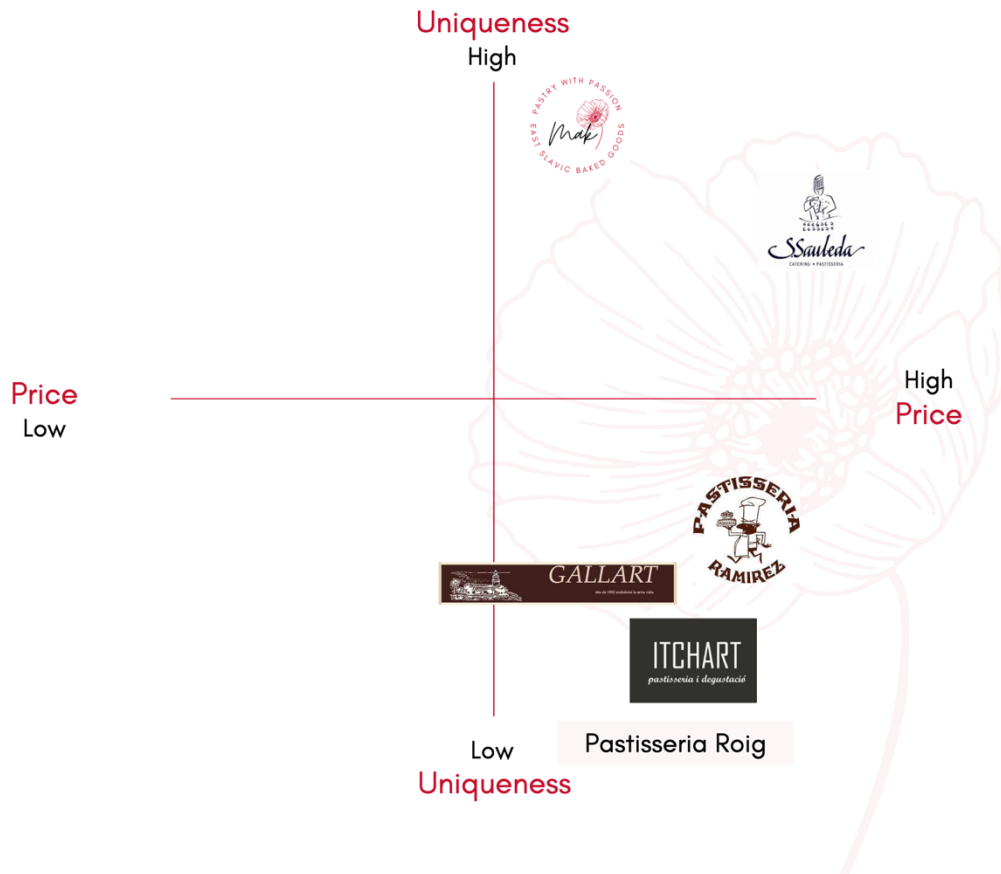
- Royal Decree 1334/1999, of July 31, 1999, approving the general standard for the labeling, presentation and advertising of foodstuffs.

The main changes in regulations that could affect Mak are those mentioned above, therefore, it is necessary to be constantly updated in these terms in order to be always within the legislative legal framework that affects an artisan bakery.



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14.14 Annex: Perceptual map of the competition



14.15 Annex: Paska bread



14.16 Annex: Production budget

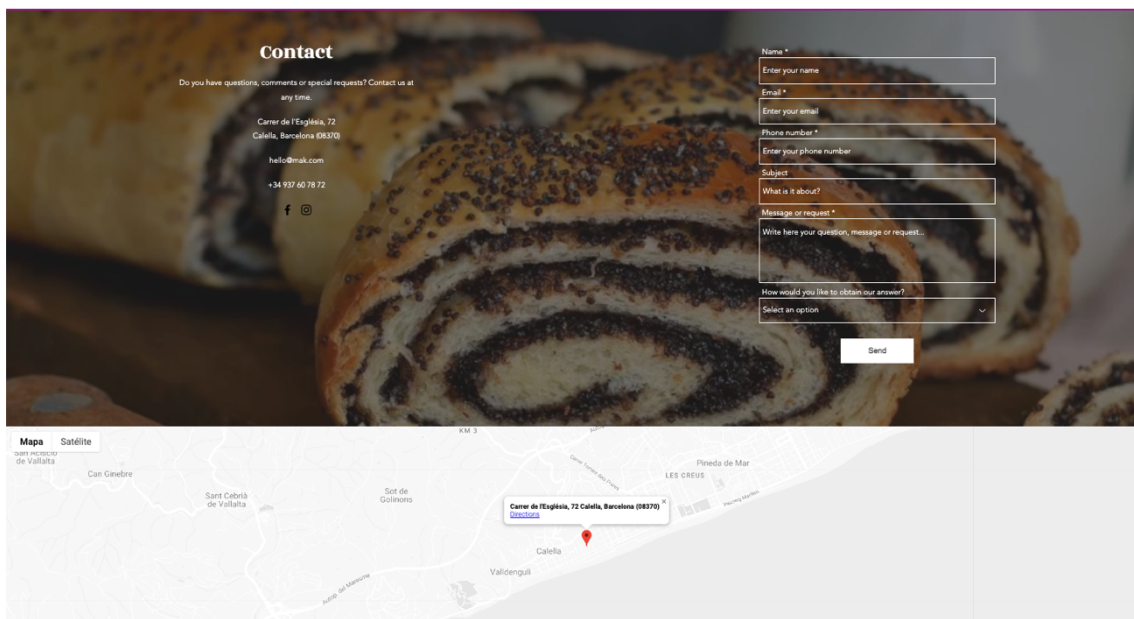
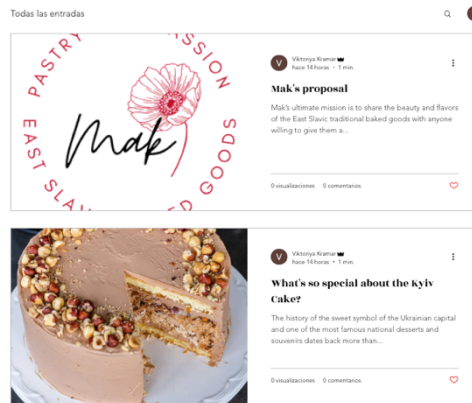
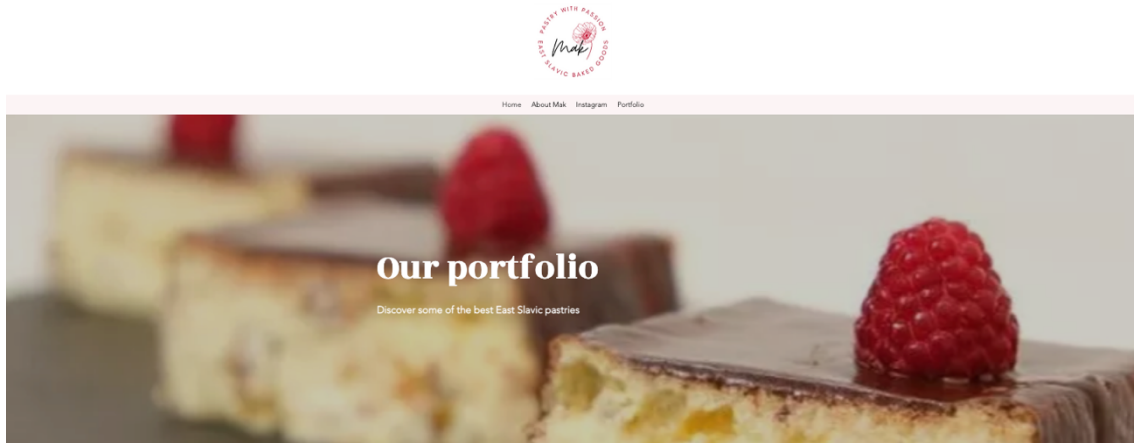
Monthly material		Packaging material			
Gloves	10,88 €	Big paper box	0,45 €	100	45,00 €
Parchment paper	40,25 €	Small paper box	0,12 €	100	12,00 €
Cleaning supplies	25,00 €	Paper bag	0,02 €	100	2,11 €
Total	76,13 €	Paper bag with asas	0,40 €	100	63,38 €
		Total			122,49 €

Fixed costs		Description	Monthly Cost	Annual Cost
Staff		Employee 1	1.462,42 €	17.548,98 €
		Employee 2	1.462,42 €	17.548,98 €
		Manager	1.111,68 €	14.939,96 €
Total				50.037,92 €
Utilities		Premises insurance	35,00 €	420,00 €
		Premises rent	810,00 €	9.720,00 €
		Water	51,20 €	614,40 €
		Electricity	623,00 €	7.476,00 €
		Fixed-line telephone	17,40 €	208,80 €
		Wi-Fi	24,00 €	288,00 €
		Alarm system	9,99 €	119,88 €
		Legal, financial and accounting services	279,41 €	3.352,92 €
		Pest control	20,00 €	240,00 €
		SGAE	23,33 €	280,00 €
		Waste collection	60,00 €	720,00 €
	Fire protection systems	1,67 €	20,00 €	
Total				23.460,00 €
Marketing	Online	Instagram Ads	150,00 €	600,00 €
		Facebook Ads	150,00 €	600,00 €
		SEO	- €	- €
		SEM	300,00 €	1.200,00 €
		MailChimp	- €	- €
		Calella.com promotional banners	480,00 €	1.920,00 €
	Offline	Business cards	0,07 €	16,30 €
Flyers		0,13 €	65,50 €	
Total				4.401,80 €
Taxes	Self-employed quota	60,00 €	720,00 €	
Total				720,00 €
Total Fixed Costs				78.619,72 €
Variable costs		Description	Monthly Cost	Annual Cost
Production material		Ingredients	2.680,39 €	32.164,69 €
		Kitchen material	76,13 €	913,56 €
		Packaging	122,49 €	1.469,88 €
Total Variable Costs				34.548,13 €
Total Production Costs				113.167,85 €



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14.17 Annex: Mak's website draft





Portfolio

Discover all the pastries that we elaborate with extra love and passion at Mak

