

Managerial Accounting - Individual Assignment

M/S Foot Insoles

Submitted to

Dr. Ram Kumar Kakani

Submitted by

Bhawna Manocha

B16015

Section: A

BM 2016-18



XLRI—Xavier School of Management

Submission 1: Manufacturing Business Plan

Name of the business: M/S Foot Insoles

Form of the business entity: Sole Proprietorship

Overview: M/S Foot Insoles are engaged in the manufacturing of Ethylene-vinyl acetate (EVA) insoles for sneakers (sports shoes) and selling the same to different shoe manufacturers across country. I will be contributing INR 45 Lakhs to the business. The business will be receiving a government grant as well, as part of the *Make in India* campaign. The amount will be as per the eligibility. The funds hence generated will be sufficient to set up the plant and make other necessary capital investments.

Manufacturing Process:

Process	Activity details
First Molding	Mixing an ethylene vinyl acetate resin with a foaming agent according to predetermined proportions
Second Molding	Repeating the first step, however, with a different concentration of foaming agent
Quality Control	Quality inspection is done at this stage to ensure only the right concentration mixtures move ahead on the assembly line
Integral Moulding	Placing the second molding within the opening of the first molding. Then, heat foaming both the first and second moldings together in a mold to form an integral molding.
Form Setting	Form setting the integral molding into an insole as per size specifications.
Packaging & Delivery	The same size insoles are stacked together and packed for delivery.

Procurement: The business will be following *Just in sequence* inventory approach not only to minimize the amount of supplies in storage in order to cut costs and streamline operations but also to minimize the handling of EVA which requires temperature controls and other precautions.

Distribution: Owing to the nature of the product, the business can indulge in only business to business sales. The production levels will be decided completely on the basis of contracts entered into with several shoe manufacturers. The business already has contracts with 5 different shoe manufacturing entities.

Submission 2: List of Transactions

Please refer to the below sheet to view the list of transactions for 3-month period – **Oct’16 to Dec’16:**



List of Transactions.xlsx

Submission 3: Financial Statements

Please find below the documents required:

Description	File
Journal entries for Oct-Dec 2016	 Journal Entries_Oct to Dec 2016
Ledger Entries for Expense Accounts for Oct-Dec 2016	 Ledger_Expense Accounts.xlsx
Ledger Entries for Income Accounts for Oct-Dec 2016	 Ledger_Income Accounts.xlsx
Ledger Entries for Asset Accounts for Oct-Dec 2016	 Ledger_Asset Accounts.xlsx
Ledger Entries for Liability Accounts for Oct-Dec 2016	 Ledger_Liability Accounts.xlsx
Trial Balance for Oct-Dec 2016	 Trial Balance_Oct to Dec'16.xls
Profit & Loss for Oct-Dec 2016	 P&L_Oct to Dec'16.xls
Balance Sheet for Oct-Dec 2016	 Balance sheet_Oct to Dec'16.xls

Please find below the **Compliance sheet** explaining the conditions met and assumptions made, if any:


 Compliance sheet.xlsx