

# Manual for the Online - game “The merchant of Venice”

## The merchant of Venice!

The aim of this game is to earn money by trading with foreign countries in the Venice of the 15th Century, and to build buildings with the money earned.

The team which has reached the Rialto Square first debt-free has won and will be accepted into the international „Hall of Fame“.

You don't have to read these instructions to play the game! You can just start it and explore. If in doubt, click on the relevant question mark.

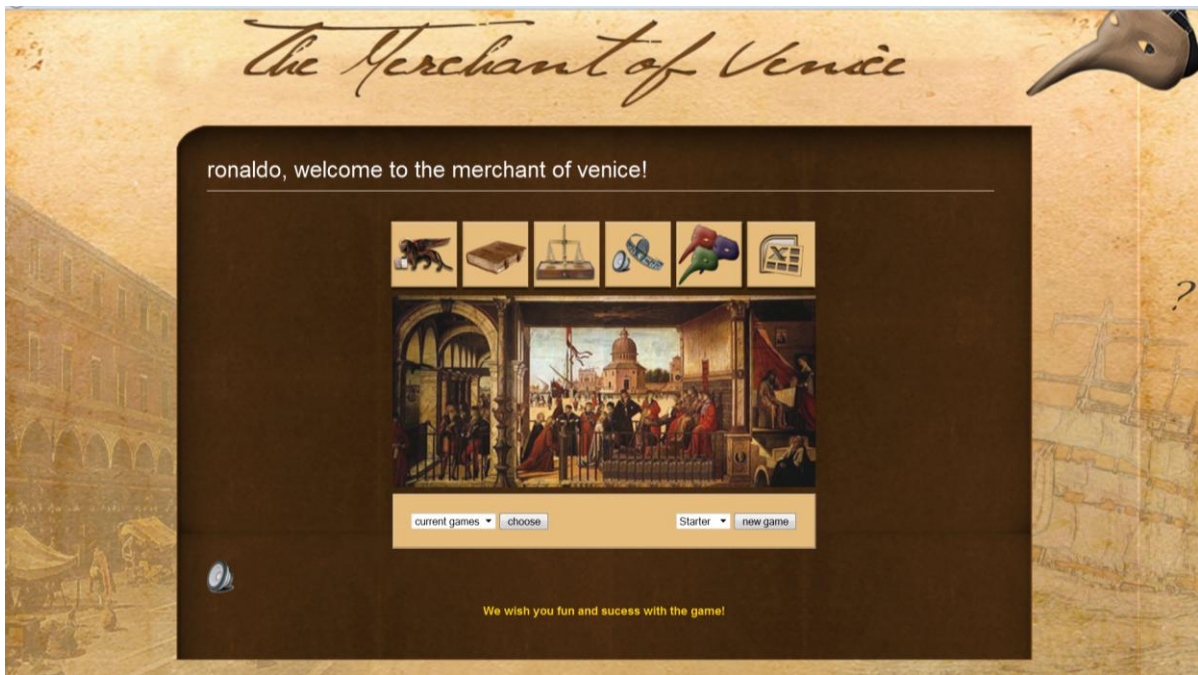
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## 1 Start a game

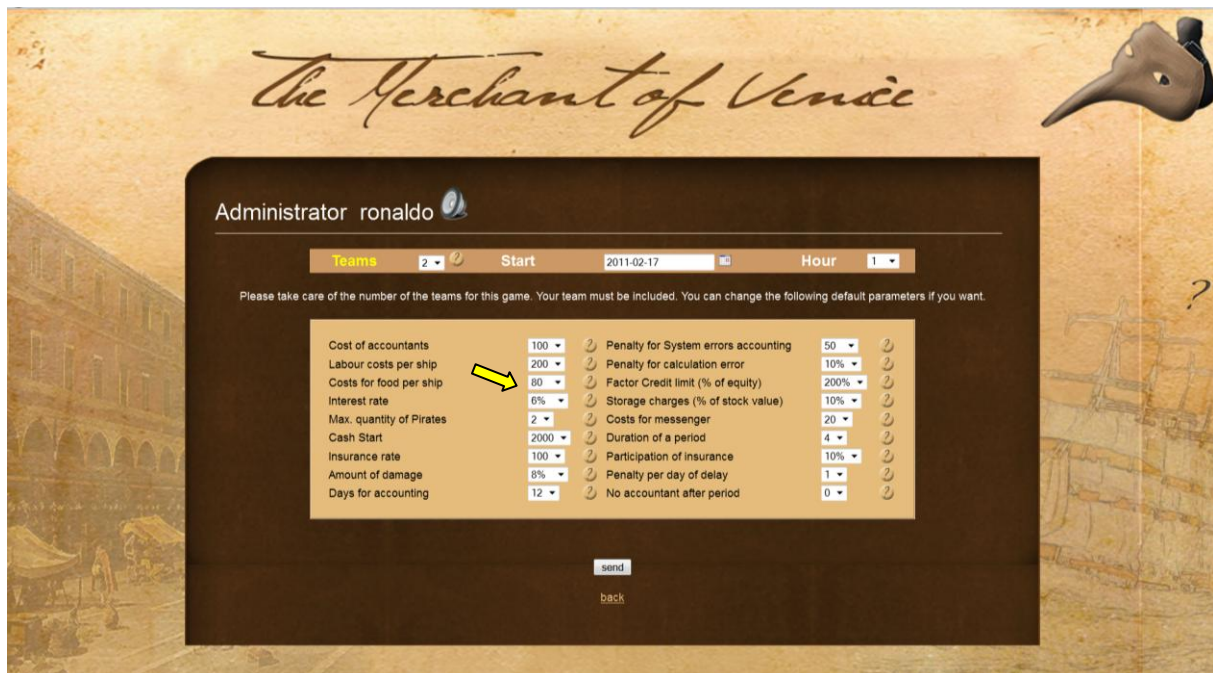
The merchant of Venice is a „Multi User Online“ game. The first team creates a new game and selects the default settings. The important thing is the number of desired teams (between 2 and 5) and the start date. This team is the administrator of the game.



The other default settings can be easily incorporated. The administrator may choose to emphasize particular aspects of the game. For example the cost of the accountant could be increased to strengthen the incentive for the team to make the accounts themselves.

As administrator you can change the parameters and disqualify other teams. Otherwise, you play as other teams.

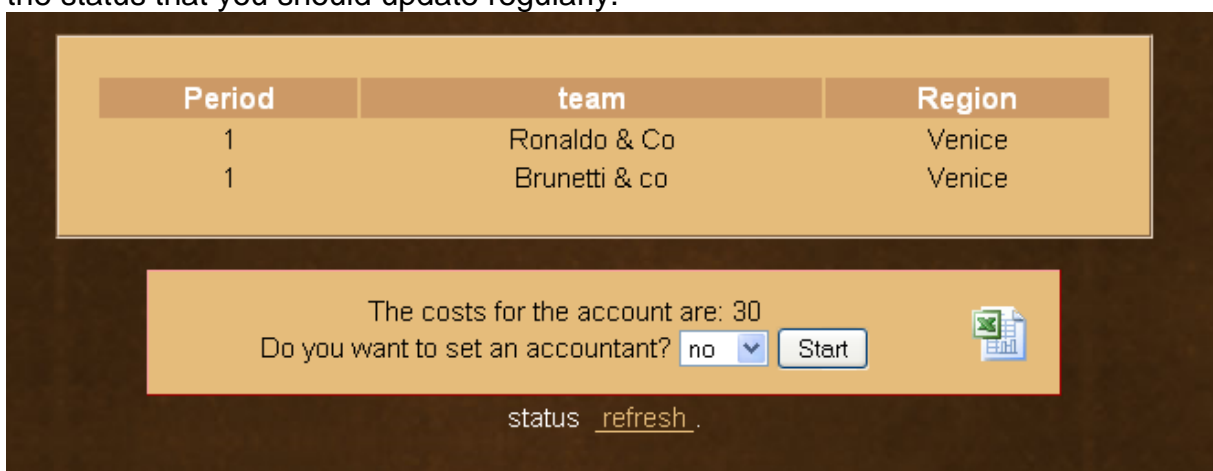
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Click the Help icon to explore the effect of the parameters.

Then you give your team a fancy name and enter the members of the team - if you want. Ideally, at least 2 members play in each team.

The other teams can join the game by selecting "free games". If the required number of teams is reached, the game begins. To find out whether this is the case, look at the status that you should update regularly.



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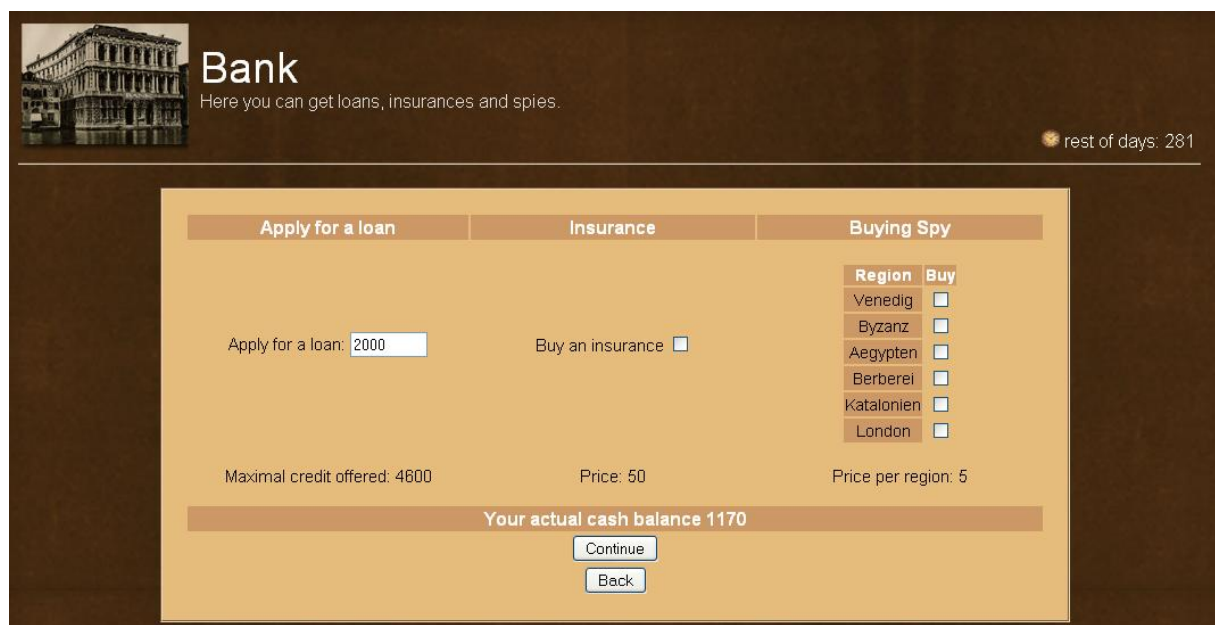
## 2 First decisions

Decide whether you want to set an accountant. If you do so you always know the current status of the cash during the year. The cost of the accountant has been set by the administrator of the game. If you want to save costs, you can do the accounting yourself and download the Excel model for the "Income and expenditure account".

The starting point is always Venice. Here you can get a loan in the bank, insure your ships, invest in new ships and guns and buy goods at the Rialto Square



Move your mouse over the icons to learn what you can find.






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You can take out a loan in the bank up to the credit limit. The cost of insurance always refers to a ship. The insurance will cover the damage (minus the deductible) if you cannot fend off a pirate attack.



You can hire messengers to explore the prices in other regions. But these may go down if for example the other teams in this region meet the demand for these goods.



### Factory

Here you can buy canons and ships.


☀ rest of days: 269

Name	Type	Price	Amount	Package room	Buy
 Canon	A	50	Unit	0	<input type="text" value="3"/>
 Ship	A	1000	Unit	200	<input type="text" value="1"/>

Your actual cash balance 3170

Your maximal useable capacity: 200      Not used capacity: 200





At the beginning of the game you get a ship with a canon. You can buy ships to increase your capacity. By investing in additional canons you can better defend yourself in the event of a pirate attack. But please make sure that you do have enough money to buy goods.



### Purchase market

Here you can buy products.

☀ rest of days: 250

Name	Price	Volume	Unity	Buy
 Iron	23	9	Crate	<input type="text" value="5"/>
 Lumber	9	8	Cord	<input type="text" value="5"/>
 Salt	11	2	Barrel	<input type="text" value="100"/>
 Silk	15	3	Bale	<input type="text" value="30"/>

Your purchase summed up      375      Costs:      1710

Your actual cash balance 2020

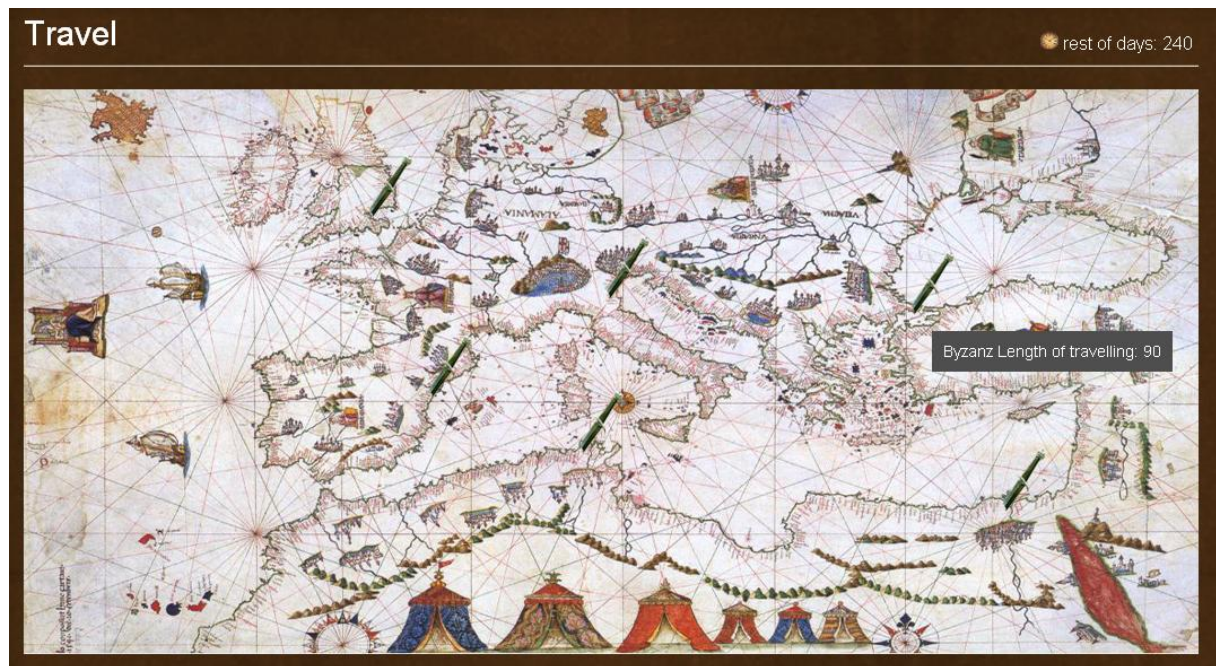
Your maximal useable capacity: 400

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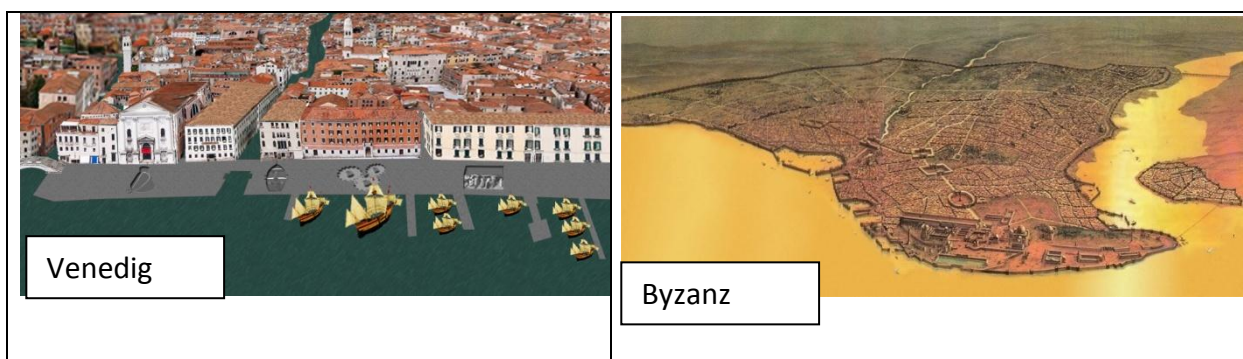
When purchasing products, ensure that you have enough money and capacity on your ships to do so. With the function "Control" you can check it at any time if you set an accountant

## 3 Travel and pirate defense

When you have completed the purchases in Venice you can go on trips. Choose a destination and consider the average travel time, which may be increased by storms or pirate attacks.

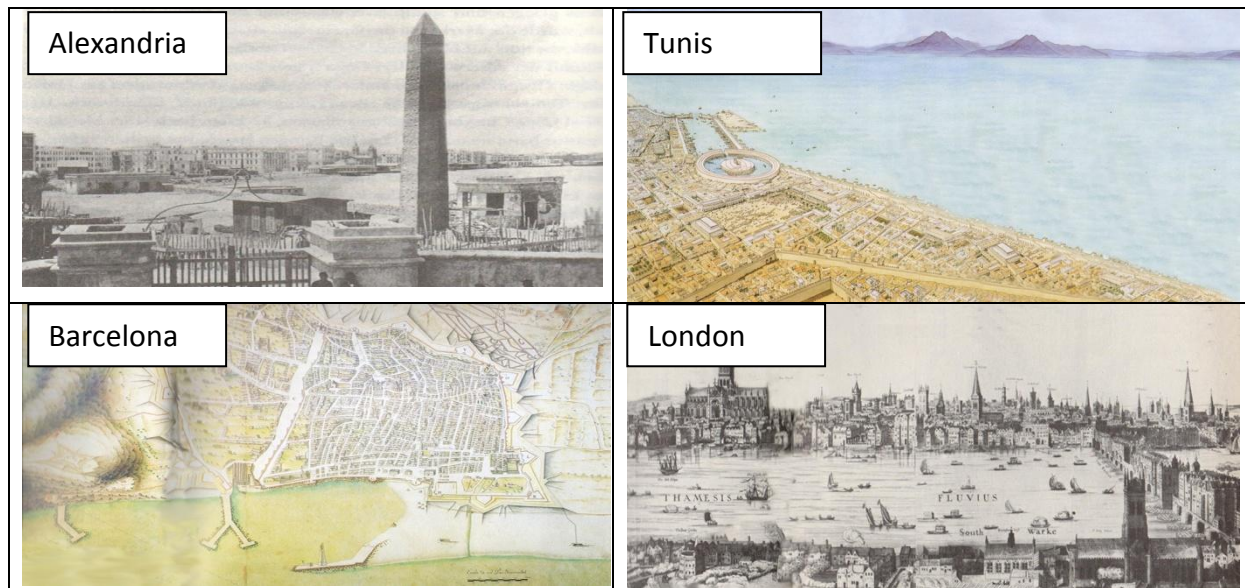


During the crossing you may be subject to random pirate attacks. You have to hit the pirate ships twice to destroy them. If you do not succeed, a part of your ships will be damaged. The insurance will cover the repairs minus the deductible. The repairs and other expenses, e.g. for staff, will be due at the end of the year. You should make provisions for it.






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## 4 Selling





If you arrive in your target area, you can sell your goods. The figure indicates the current prices as they stand. An arrow pointing down indicates that the price has dropped because of declining demand. You can therefore decide to sell some of the goods or nothing at all.



### Retail market

Here you can sell products.

☀ rest of days: 101

Namr	Retail price	Purchase price	Unity	Amount	Volume	Sell
 Silk*	32	15	Bale	30	3	<input type="text" value="30"/>
 Lumber*	21	9	Cord	5	8	<input type="text" value="5"/>
 Iron*	48	23	Crate	5	9	<input type="text" value="5"/>
 Salt*	18	11	Barrel	100	2	<input type="text" value="100"/>

Sum up :

If you sell these products you make a gross profit of:

Your actual cash balance 310

Your maximal useable capacity: 25

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If you do not sell all the goods you can travel to another region and hope that no other teams have been there, provided there is enough time. If you have already landed in Venice, you have to pay the storage fees for all unsold goods unless you have built a warehouse.

You can sell the stored goods at the beginning of a new period at normal prices. Do not forget to purchase goods before starting a new trip.

Please remember that you must be back in Venice within one year, otherwise the administration will calculate a penalty according to delay.

### 5 Financial statements.

After the return and sale in Venice, you can start with the financial statements.

Unfortunately, you arrived to late in Venice. The administration charged a fee.  
This penalty may not be included in the accounting, it reduces your cash position, but has no effort to the profit and therefore it does not reduce taxes!  
Ducats: 90!!



expenditure	Amount
Labour costs	160
Cost of meals	60
Repairs	0
Interest cost	120
warehouse charges	170
<b>Total expenditure</b>	<b>510</b>
<b>Your cash in hand:</b>	<b>-585</b>

Caution You do not have enough money for the expenses! If possible, take out a loan. Otherwise you will be insolvent!!

<b>Borrowed capital</b>	<b>2000</b>
<b>Credit limit</b>	<b>4600</b>
Borrowing	<input type="text" value="2000"/>
Loan repayment	<input type="text" value="0"/>
Cost of accounting	<input type="text" value="60"/>
Select type of year end closing	<input type="text" value="Outsourcing"/>



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Here lurks a potential economic trap. If you do not have enough money for annual expenses, you can get a loan within the credit limit.

If the credit limit has been reached, you can sell off your inventory at half price. If that is still not enough, you must register for bankruptcy and disappear from the game but you can then participate in another game.

You can also pay a portion of the loan back, because you have to be debt free to win the game.

Then you can decide whether to increase the accounting staff for the financial statements or make the financial statements yourself.

By doing it yourself you can save the costs, learn about accounting and apply practical knowledge.

A sensible strategy to gain experience and save money may be to learn from the accountant before doing it on your own.

The Excel model makes the accounting considerably easier.

You can decide to make the easy „Income and expenditure account“ or the “double entry accounting”.

Since the financial office of Venice supports the introduction of double entry accounting you pay only half of the 30% tax if you use it.

The accountant has its own manual, which you do not need if you outsource the accounting.

## 6 Interpret the reports

Finally, you get the reports which describe the state of your company.

Even users with no business experience can learn to understand the numbers by moving your mouse over the main terms.

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Profit and Loss statement			
	Your entry	Solution	Difference
Sales	0	3.105	-3.105
Cost of goods sold	0	1.710	-1.710
Labour costs	0	160	-160
Cost of meals	0	60	-60
Repairs	0	0	0
Interest cost	0	120	-120
warehouse charges	0	170	-170
Insurance	0	0	0
Cost of accounting	0	90	-90
Market research	0	0	0
Depreciation	0	225	-225
Sum of expenses	0	2.535	-2.535
Profit before taxation	0	570	-570
Income tax	0	171	-171

Balance sheet		
Your entry	Assets	Liabilities
Fixed assets	0	
Current assets	0	
Equity		0
Borrowed capital		0
Total	0	0
Solution	Assets	Liabilities
Fixed assets	2.025	
Current assets	4.845	
Equity		2.870
Borrowed capital		4.000
Total	6.870	6.870

The equity figure on the balance sheet is particularly important. It shows your share of the assets and is the basis for calculating the credit limit.

If you have made the financial statements yourself and an error has been found, you have to pay a penalty. This corresponds to the discrepancy between the actual profit and the amount which you have reported. This fee is deducted from the cash but does not affect the accounting

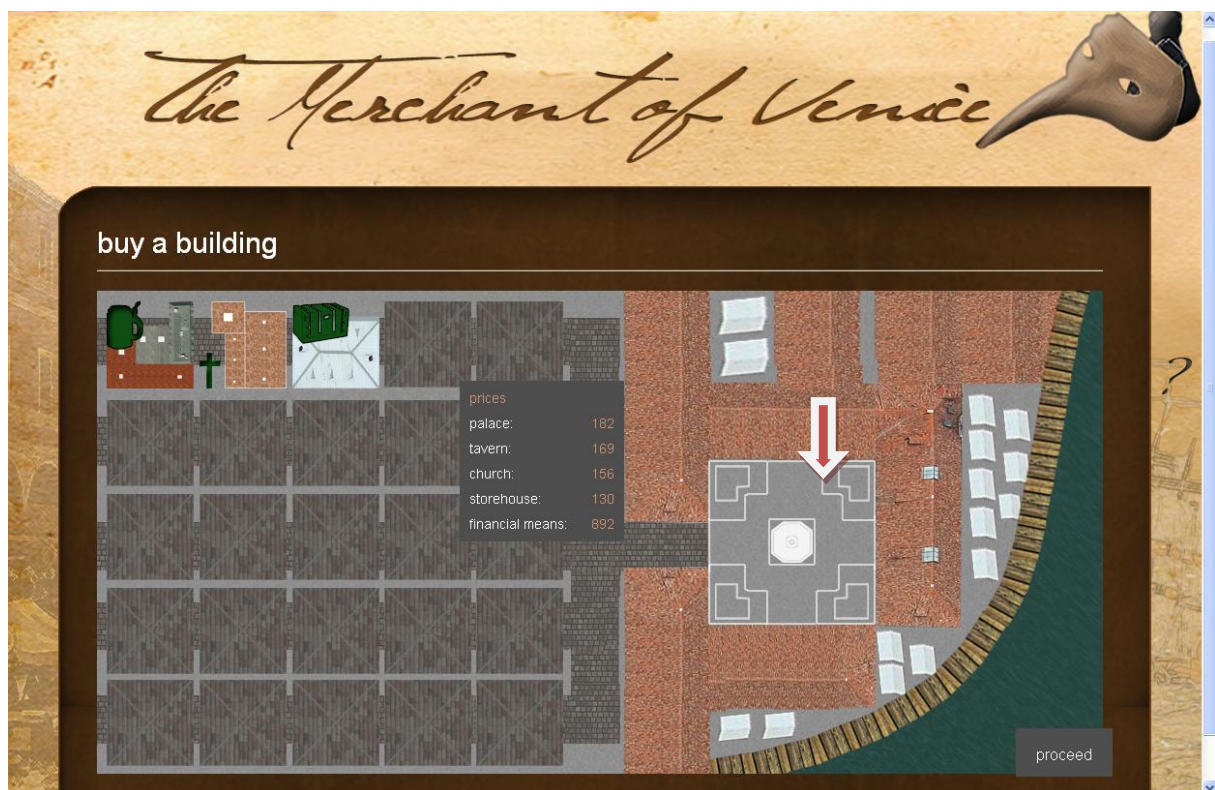
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## 7 Construction of buildings

You can build the following buildings from the outskirts towards the Rialto Square :

Type of building	Special rights
Palace	none
Storehouse	You do not pay any charges for storing your goods
Tavern	A tavern produces regular income. This money is added to your financial means so you can use it to reinvest.
Churches	Churches have three abilities. One of these is chosen randomly. Either you can forbid an enemy to build nearby or the interest on your loan is halved. The third ability is to increase the income of one of your taverns.

Move your mouse over the buildings to see information about them. Click on them to buy then a dialogue box will appear in which you can choose your preferred type of building. You will then be informed if everything went well or if it failed.



The team which has reached the Rialto Square first debt-free has won and will be accepted into the international „Hall of Fame“.



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You can now proceed with the next period, or pause the game and continue at a later date. You should definitely coordinate the date and time with the administrator as the game can only continue when all teams are online.