

Budget Forecast

all costs are monthly in \$US

1.3 production cost (Direct Costs)

category	#of units	cost per unit	total cost
raw materials	10000	\$ 10.00	\$ 100,000.00
labor (# of hours - 9 workers at \$12.25)	1500	\$ 1.80	\$ 18,000.00
capital resources	10000	\$ 1.00	\$ 10,000.00
Transportation	10000	\$ 1.00	\$ 10,000.00
Total production cost	1000	\$ 13.80	\$ 138,000.00

2.11 operating cost (indirect costs)

Roughly 10% of production costs

Cost

management burden	\$ 6,900.00
Accounting	\$ 5,000.00
HR	\$ 500.00
Information Technology	\$ 1,000.00
Total	\$ 13,400.00

2.8 sales cost

(10% of Production Cost)

Cost

Commission	\$ 13,800.00
new sales reps base salary	\$ 5,000.00
training costs	\$ 500.00
Total	\$ 19,300.00

4.1 Final cost analysis (Future Outlook)

Cost

Total production	\$ 138,000.00
Total operating cost	\$ 13,400.00
Total sales cost	\$ 19,300.00
Final production outlay	\$ 170,700.00

Profit margin	50%
Revenue	\$ 256,050.00
Final production outlay	\$ (170,700.00)
Net Income	\$ 85,350.00

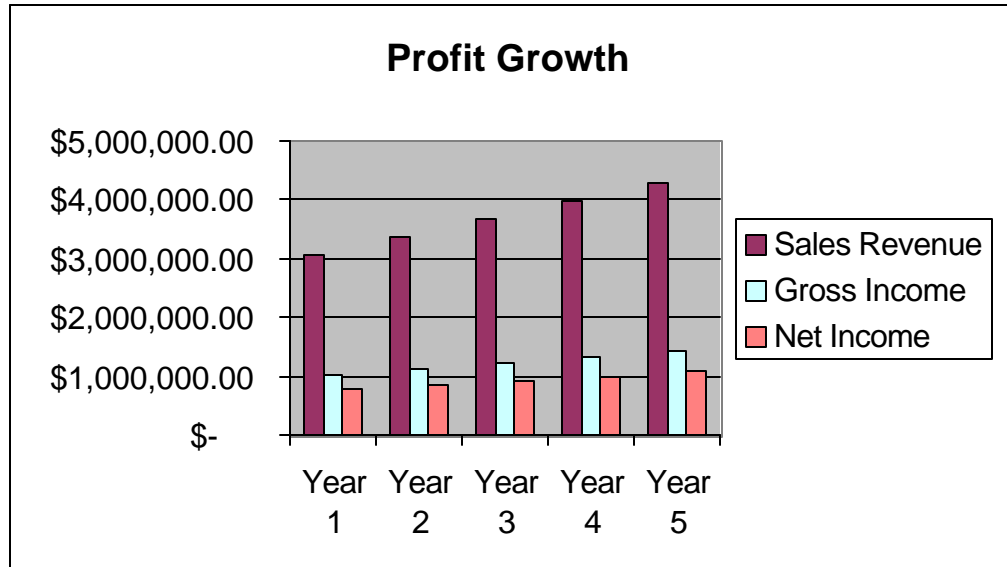
Final selling price/unit	\$ 25.61
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Budget Forecast

Section 4.2

Annual Estimates

	Year 1	Year 2	Year 3	Year 4
Sales Revenue	\$ 3,072,600.00	\$ 3,379,860.00	\$ 3,687,120.00	\$ 3,994,380.00
Total Production Outlay	\$ (2,048,400.00)	\$ (2,253,240.00)	\$ (2,458,080.00)	\$ (2,662,920.00)
Gross Income	\$ 1,024,200.00	\$ 1,126,620.00	\$ 1,229,040.00	\$ 1,331,460.00
Taxes (25%)	\$ 256,050.00	\$ 281,655.00	\$ 307,260.00	\$ 332,865.00
Net Income	\$ 768,150.00	\$ 844,965.00	\$ 921,780.00	\$ 998,595.00



Budget Forecast

Year 5

\$	4,301,640.00
\$	(2,867,760.00)
\$	1,433,880.00
\$	358,470.00
\$	1,075,410.00

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