

About this Document

These course materials were written to support the online module which is available at www.plumsolutions.com.au. The courseware which includes this material and the online component remains the intellectual property of Plum Solutions Pty Ltd.

These materials are distributed to enrolled students of this course, and may be stored for personal future reference, but no part of this publication may be reproduced in any form, or distributed in any way without written permission from Plum Solutions Pty Ltd.

Model Build - Expenses

Let's start to calculate our expenses. This is all fairly straightforward, it won't take you very long at all.

Let's go to the Barista salary, take that, put in there, 50000, F4 and then that's annual salary and we're converting it to monthly so we can just hard code it in like that. We did say that it's not good practice to be hard coding numbers into formulas but when it comes to something like 12 months in the year, 7 days in the week that's not something that's likely to change in the near future so that's okay to be typing that into a formula. We can then say on-costs multiplied by well we're not going to type 25% in here. We're going to link that through to the on-costs so that if that changes or we want to do some sensitivity or scenario analysis we can just change that number and it will flow throughout the model. F4 and then we can add those two up like that and copy it across. So it's fairly flat.

Our rent, this is even easier we can just link that straight through to our assumptions, \$1200, F2, F4 enter. Utilities, that's just \$100, F4 and there we go. Consumables has a little bit more to it. We'll say equals the 45c and we're going to link that one through to the number of cups per day but then we also need to multiply that by the number of days per month. So consumables is just a little bit more complicated. You should have \$950. We have our total here and then we can copy it across.

That gives us all of our expenses. We can just add those together. Our staff costs plus our other costs and copy that across. That's our expenses.