APEX
Institute of Education

BSB51107 Diploma of Management

BSBFIM501A Manage budgets and financial plans

ASSESSMENT 1: Assignment

Student's Name	
Student No	
Student Declaration	I declare that the work submitted is my own. It has not been copied or plagiarised from any other person or source.
Student's Signature	
Date Submitted	

Assessor Use Only			
BSBFIM501A Manage budgets and financial plans Project Marking Guide			
Checklist	Links to Performance Criteria	Satisfactory	Not Satisfactory
Accessed budget/financial plans	1.1		
Clarified budget/financial plans with relevant personnel	1.2		
Negotiated any changes required to be made to budget/financial plans	1.3		
Prepared contingency plans	1.4		
Disseminated relevant details of the agreed budget/financial plans to team members	2.1		
Trained staff member to ensure that he/she can competently perform required roles associated with the management of finances.	2.2		
During training session did the student: • Explain budget relevance to team member's accountabilities • Use appropriate training or coaching techniques • Train learner in required spreadsheet techniques	2.2		
Determine and access resources and systems to manage financial management processes within the work team	2.3		
Implemented processes to monitor actual expenditure and to control costs across the work team	3.1		
Monitor expenditure an d costs on an agreed cyclical basis to identify cost variations and expenditure overruns	3.2		
Implemented, monitored and modified contingency plans as required to maintain financial objectives	3.3		
Reported on budget and expenditure in accordance with organisational protocols	3.4		
Collected data and information on the effectiveness of financial management processes	4.1		
Analysed data and information on the effectiveness of financial management processes recommended any improvements	4.2		
Implemented and monitored agreed improvements in line with financial objectives of the work team and the organisation	4.3		
Result: ❑ Satisfactory ❑ Not Satisfactory **Assessor signature:** **Date:**			

Assessment 1 – Project

This assessment project is to be completed in addition to the learning and assessment activities you complete in class. The project is designed to assess the knowledge and skills you have to undertake financial management within a work team in an organisation.

If you are not sure about any aspect of the assessment or would like to discuss your particular needs, please speak to your trainer. Your trainer will tell you the date you need to submit your assignment.

All parts of the project will be given to you at the same time. You need to complete all parts and submit them together by the due date. This will be in the last week of classes for the unit.

This project assignment is to be completed using the "**Syntac Garments Company Australia**" case study. It is included in the "Additional Information" section.

The **checklist and scope of submission** table will identify the records that you are required to prepare and submit (as a single submission).

Your assignment must be typed (in 12 point type on A4 paper) and attached to the front page of this assessment document, which you need to complete as an Assessment Cover Page.
Make sure you keep a copy of your assignment before you hand it in to your trainer.

Part 1

You have been provided with a case study on an organization - Syntac Garments, provided in the Additional information at the end of this project. You will be using this information to help you complete the tasks given in this project.

Task 1

Using the case study on the Syntac Garments, you are going to review the master budget and cost centre budgets prepared by the company accountant. You are required to meet with your Sales General Manager (your assessor in this case) and discuss the budget projections to see if they are achievable, accurate and fair.

Information you are aware of includes:

- Sales in the first quarter (Q1), second quarter (Q2), and the fourth quarter (Q4) are generally 30% less than Q2
- Sales in Q2 depends on completion of 90% of repair and maintenance
- Commission negotiated with members of the sales team is now at 2.5%

You will be required to:

- Identify at least two issues for clarification
- Negotiate at least two changes

Task 2

It has come to the managing director's attention that due to the current economic climate, sales volume may be 20% below target this financial year. The MD is worried that this may severely impact profit projections. The company can accept as much as 10% variance in profit projections; however, more than this could severely affect the company's ability to pay obligations and invest. Reliable data to determine whether the risk has eventuated should be available my mid Q2, when sales data for the company's product are in.
As a special project, the MD asked you to perform a risk assessment and develop a contingency plan to manage the risk of sales falling 20%. As per the company's policy you should use the contingency template (your assessor will provide you this template)

Part 1. Checklist and Scope of Submission

Before you hand in these assessment tasks, use the checklist below to make sure you have completed all the tasks and have included all relevant information.

- Met with the manager (assessor) to clarify budget and negotiate changes
- Provided a contingency plan

Part 2

Using the information given in Additional information at the end of the project, and the information in part 1 you are now going to access and communicate the details of the budget to team member (your assessor in this case).

Task 1

You have determined that you will need to access budget information to explain to your team. You will explain the overall financial objective of the business, provide an overview of the budget and explain how the budget translates to expense allocations for the team.

You have also determined that one of the team member (your assessor) will be responsible for tracking expense and petty cash throughout the financial year. To meet organisational needs, this duty will need to be performed in accordance with the policies and procedures. You have determined that expenses will need to be divided equally and tracked by quarter. The team member will need to develop a spreadsheet to keep track of actual expenditure by account. To help you control expenses, the spreadsheet will need to provide an ongoing tally of expense by account. The team member's skills include basic accounting. The team member needs to be informed of the company's policies and procedure for petty cash. The team member is familiar with Microsoft Excel but does not know how to use formula and functions to sum columns or rows of figures.

a. Access the budget information and provide the overall business objective, an overview of the budget with expense allocations to your team member (your assessor).
b. Prepare a training session plan. The outcome of this session is to train the team member to produce spreadsheet to meet management requirement. Include activities /elements to instruct, practice and test
c. Meet with the team member (assessor) to coach/train in the role:
   - Explain budget relevance to team member's accountabilities
   - Use appropriate coaching techniques or models such as GROW
   - Train learner in required spreadsheet techniques.

Part 2. Checklist and Scope of Submission

Before you hand in these assessment tasks, use the checklist below to make sure you have completed all the tasks and have included all relevant information.

- Submit training session plan
- Met with the team member to support him/her

Your assessor will be looking for:

- Your numeracy skills to read and understand a budget
- Technological skills to use software associated with financial record keeping
- Knowledge of basic accounting principles
- Requirements for organisational recordkeeping and auditing with respect to petty cash
- Knowledge of principles and techniques involved in budgeting and electronic spreadsheets

Part 3

Using the information given in Additional information at the end of the project, and the information in part 1 and 2 you are now set budgets and monitor budgetary performance for the organisation. While completing these tasks you have to consider organisational protocols.

Task 1

The managing director asked you to implement a process to monitor expenditure and income. He has asked you to prepare a spreadsheet to capture and compare actual income and expenditure to budgeted figures. Your spreadsheet must contain columns for each of the four quarters of the financial year. You are required to gather data from the relevant managers (your assessor) to complete the budget variation report.

The report should confirm to the organisational requirements in policies and procedures and contain:

- Columns to show actual account values
- Absolute variation
- Percentage variation

a. Prepare a budget spreadsheet
b. Prepare a budget variance report

Task 2

Consider the information from Part 1 Task 2 above. Consider the contingency plan and the implementation plan for the contingency given under the Additional Information. You have already implemented a portion of the contingency plan, namely the monitoring of budget performance in the variation report you have prepared. You should now analyse the report to determine the effectiveness of the contingency plan and its implementation.

You have received the following feedback from the team members

- Full-time workers and sales people resentful of time wasting and distracting contract employees
- Overtime not used but employees resentful of suggestion it might not be approved if needed
- Training suited the needs of many sales team members but was not relevant about half
- Sales team members were happy with the incentives program and tried hard to make sales in the third quarter (Q3); however they were also resentful at the threatening tone of emails and soon lost enthusiasm
- Effect of one-day training wearing off
- 50 percent of direct wages costs are attributable to short-term contract employees whose contracts have expired and how are no longer needed
- Employees concerned about lack of attention paid to wastage; water; electricity; paper; raw materials

- Employees feel left out of budgetary decision-making in general

The MD would like you to submit a revised contingency plan and contingency plan implementation (your assessor will provide you the templates) to bring income and expenses under more effective control.

a. Prepare a modified contingency plan and modified implementation plan

Part 3. Checklist and Scope of Submission

Before you hand Part 3 assessment tasks, use the checklist below to make sure you have completed all the tasks and have included all relevant information.

- Submitted budget spreadsheet printout
- Submitted a variance report
- Submitted modified contingency plan and modified implementation plan

Your assessor will be looking for:

- Numeracy skills to read and understand a budget and to produce a variance report
- Technology skills to use software associated with financial record-keeping
- Knowledge of basic accounting principles to identify and use account balances
- Knowledge of organisational requirements
- Knowledge or principles and techniques involved in budgeting, profit and loss statements, electronic spreadsheets

Part 4

Using the information given in Additional information at the end of the project, and the information from scenarios below, you will respond to a number of scenarios tasks. You will collect and analyse financial data and make recommendations to improve existing processes. Your will also create a plan to implement and monitoring solutions.

Task 1

Syntac is considering of manufacturing a new range of latest style clothing in China.

- The factory in China has a capacity to make 8000 pieces of clothing per week.
- Syntac's strategic goal is to generate a pre-tax profit of $1million for the next financial year from its Chinese operations alone.
- Customers will pay on an average of $100 per item
- Chances are of increasing a capacity of $10,000 pieces per week.
- It aims to make only top end clothing
- Current variable cost per piece is $50
- Fixed costs at this stage are $1,280,000

a. You are now going to work out and show the following calculations:
   - The number of pieces of clothing at current variable cost that would need to be produced to achieve profit target.

- At current manufacturing capacity what the variable costs per piece would need to be to achieve profit targets.

b. In your response document, make a recommendation based on this analysis. This document report must be supported by organisational needs and analytical techniques used.

c. In the report also include two sources of information that helped in the completion of this task.

Task 2

Consider the recommendation made in Task 1 above, develop an action plan to implement and monitor the recommendation. You must include appropriate activities, monitoring, timelines and accountabilities.

Task 3

Soon you will need to prepare a business activity statement (BAS) for the first quarter on the current financial year.

Complete the GST budget to anticipate GST liability. Your assessor will provide you the work sheet.

Part 4. Checklist and Scope of Submission

Before you hand Part 4 assessment tasks, use the checklist below to make sure you have completed all the tasks and have included all relevant information.

- Submitted the financial calculations to determine targets
- Submitted recommendation abased on the analysis
- Identified two sources that helped in the completion of the task
- Prepared an action plan to implement and monitor the recommendation
- Completed GST budget worksheet

Your assessor will be looking for:

- Numeracy skills to read and understand a budget and perform cost accounting calculations
- Technology skills to use software associated with financial record-keeping
- Knowledge of basic accounting principles to identify and use account balances
- Knowledge of organisational requirements
- Knowledge of current requirements of the ATO with respect to GST
- Knowledge or principles and techniques involved in budgeting, cash flows, electronic spreadsheets, GST, ledgers and financial statements, profit and loss statements.

Additional Information: Case Study- SYNTAC GARMENTS COMPANY AUSTRALIA

Syntac garments manufacturing company employs 300 people in various areas like production, marketing, purchase, R&D, IT, etc. The company is having its own showrooms across Australia in addition to the distribution to retail garments store. Due to upcoming Christmas time & school holidays, company is expecting a huge demand in garments. At the moment 90 people are working across Australia in the Sales, Marketing & Customer Services Function. In the current season, you anticipate that at least 20 more full times, 20 part time & approximately 30 casual staff will be required to ensure that the sales are handled in a proper way.

SYNTAC STRATEGIC AND OPERATIONAL PLANS:

The key organisational goals for the next five years are to:

1. Increase the number of showrooms by 10 over the next 5 years
2. Break into new markets e.g. new international regions
3. Expand into the larger garments market
4. Maintain quality service reputation during expansion
5. Attract & retain high quality, experienced staff
6. Ensure all services and quality are maintained to top standards
7. Provide a unique dressing experience for all customers

Strategic Business Objectives

1. Syntac Garments aims to achieve a net profit before tax of $1,000,000 in the next financial year.
2. Syntac Garments will focus on growing their reputation for quality service and improving whole clothing experience for the customer
3. Syntac Garments will have demonstrated recognition as the specialist in the garments business
4. Syntac Garments will implement design strategies to ensure consistency of experience across the chain of stores
5. Syntac Garments will introduce a segmented approach to marketing to appeal to higher income and medium income markets with the main focus on the higher income.
6. Syntac Garments will develop and implement a direct marketing plan to update their marketing approach.
7. Strengthen the regular customer base by developing customer retention and loyalty strategies.
8. Be recognised as an employer of choice with the capacity to attract and retain the highest quality staff in the industry.

Operational Plan

- Introduce new products every quarter, 3 each in April, June, Aug and Sep.
- Ensuring that overall staffing budget does not exceed 12-14% of the gross turnover.
- Contact at least 5 potential affiliate partners per week
- Run split tests on webpages to increases conversions
- Identify other affiliate products to offer to build profits

- Develop cross-sell and upsell for existing and new customers
- Establish Twitter and Facebook presence and post daily

Potential Risks in achievement of above Goals:

- In the event of unavailability of suitable experienced staff within the planned timeframes at the new locations, existing staff may need to be transferred to new locations thus increasing relocation costs as well as resulting in discomfort / dissatisfaction of some employees.
- Additional Training costs will be incurred to train the new staff required to replace relocated team members.
- Locations planned may be expensive than budgeted ending up in more costs related to lease, parking location, facilities planned.
- poor sales due to economic downturn
- Increase in wage expenses resulting in total increase in expense

Budgeting and finance policy

Budget Preparations

- The business plan will set the key parameters for all financial budgeting.
- Variations to the business plan must be approved by the CEO and senior management.
- Prior period results are to be analysed to identify the profit level of cost centres, correlate financial statistics and to set key performance indicators for future budgets.
- The budget committee will meet prior to budgets being prepared and agree on budget parameters. The committee to consist of all department managers and CEO and also the finance manager.
- A sales budget must be completed before completing the profit budget for the year.
- A cash flow budget covering the first quarter will be prepared after the profit budget is completed.
- A master budget including profit projections will be completed from which cost centre allocations will be made.
- Overheads (non- direct expenses) will be apportioned across the cost centres equally. Exceptions need to be negotiated with the relevant authorities.
- All income and expenses will be spread equally throughout the year unless otherwise required by business environment or needs.
- The financial cycle for budgeting will be yearly ending 30 June.

Financial delegations:

- Each manager is responsible for achieving the revenue budgets agreed to in the budget committee.
- Each manager is responsible to approve, by signing the necessary paperwork, all expenditures that fall within the area of responsibility.
- Expenditures must be within the budget guidelines for the individual departments.

Format for budgets and reports

Budgets must include the details given below:

- Name of the person who prepared it.
- Cost centre
- Name of the budget or report
- Period of the budget

Master budget with profit projections

SYNTAC GARMENTS COMPANY AUSTRALIA					
Master budget FY 20XX /20XX					
	FY	Q1	Q2	Q3	Q4
REVENUE					
Commissions	60,000	15,000	15,000	15,000	15,000
Direct wages	200,000	50,000	50,000	50,000	50,000
Sales	3,000,000	750,000	750,000	750,000	750,000
Cost of goods sold	400,000	100,000	100,000	100,000	100,000
Gross Profit	2,340,000	585,000	585,000	585,000	585,000
EXPENSES					
General and Administrative					
Accounting fees	20,000	5,000	5,000	5,000	5,000
Legal fees	5,000	1,250	1,250	1,250	1,250
Bank charges	600	150	150	150	150
Office supplies	5,000	1,250	1,250	1,250	1,250
Postage & printing	400	100	100	100	100
Dues & subscriptions	500	125	125	125	125
Telephone	10,000	2,500	2,500	2,500	2,500
Repairs & maintenance	50,000	12,500	12,500	12,500	12,500
Payroll tax	25,000	6,250	6,250	6,250	6,250
Marketing expenses					
Advertising	200,000	50,000	50,000	50,000	50,000
Employment expenses					
Superannuation	45,000	11,250	11,250	11,250	11,250
Wages & salaries	500,000	125,000	125,000	125,000	125,000
Staff amenities	20,000	5,000	5,000	5,000	5,000
Occupancy costs					
Electricity	40, 000	10,000	10,000	10,000	10,000
Insurance	100,000	25,000	25,000	25,000	25,000
Rates	100,000	25,000	25,000	25,000	25,000
Rent	200,000	50,000	50,000	50,000	50,000
Water	30,000	7,500	7,500	7,500	7,500
Waste disposal	50,000	12,500	12,500	12,500	12,500
Total Expenses	1,401,500	350,375	350,375	350,375	350,375
Net Profit (Before tax & interest)	938,500	234,625	234,625	234,625	234,625

Income Tax expense (30%)	281,550	70,387	70,387	70,387	70,387
Net profit after Tax	656,950	164,237	164,237	164,237	164,237

Sales cost centre expense budget

	Sales centre 1	Sales centre 2	Sales centre 3
Commissions	$20,000	$20,000	$20,000
Wages	$100,000	$100,000	$100,000
Telephone	$3,000	$3,000	$3,000
Office supplies	$1,000	$1,000	$1,000

Expense Reimbursement

Purpose of the policy

To detail procedures to be followed in relation to expense reimbursement that has been incurred on behalf of the organisation

The policy

The company will reimburse staff for reasonable and authorised expenses that have been incurred by them on behalf of the organisation or in the course of conducting business.

Procedure

1. Will not reimburse staff in the following circumstances
    a. A. any late payment penalties, e.g. overdue interest on credit cards
    b. Expenses that are usually recovered from a third party
    c. Penalties and fines, e.g. parking, traffic
    d. Those claims that should have been made using the purchase order system
    e. Those expense claims made by staff as a tax deduction
    f. Those expenses that were not made for business purposes
2. Travel expenses claims:
    a. Insurance for trip cancellation will be reimbursed
    b. Mileage allowance will be given for the use of a staff member's vehicle when used for work-related travel
    c. Personal stopovers or indirect routes will not be reimbursed
    d. Travel reimbursement is not provided for the most direct and economical mode of travel available; consideration on case-by-case basis
3. Accommodation expenses
    a. Reimbursement will cover moderate accommodation expenses; circumstances will be considered on a case-by-case basis
    b. Items of a personal nature that are charged to a hotel account will be reimbursed
4. Employee's own meals
    a. Employees on business will be reimbursed for any reasonable an appropriate meal expenses

b. All relevant and original source documents must be attached to the expense reimbursement form. A statutory declaration may be required when these originals are not provided
c. Appropriate advance payment may be authorised
d. Employees have authority to approve expenses up to the amount detailed in their individual job description. Any expenditure claims above the level prescribed must be forwarded to supervisor for approval
e. Employees incurring authorised expenditure must submit their requests on a singed Expense Reimbursement Form
f. Source documents (including tickets, receipts, vouchers, invoices) must be kept for all purchasers and expenses claims.
g. The Financial Controller will use discretion to reimburse reasonable but unauthorised expenses.
h. Those claims that have not been adequately prepared, have not been duly authorised, or are lacking in original documentation, will be returned to the employee with reasons that outline why the claim has not been processed

Petty Cash

Purpose of the policy

To detail procedures to be followed in relation to tracking petty cash expenditure

The policy

The company maintains a petty cash system to allow authorised personnel to pay for small expenditures in connection with business activity

Procedure

1. One team member is authorised to disburse petty cash with one alternate in case of sickness or emergency
2. Petty cash is to be kept in secure, locked in safe
3. Receipts for cash must be issued
4. Receipts must be reconciled nightly
5. Amounts over $800 must be banked
6. Petty cash expense will be recorded as miscellaneous expense

Contingency plan for Part 3 Task 2

Company name: Syntac Garments Company Australia. Person developing the plan : Name : Rod Smith Position : Managing Director		
Risk identified : Profit for FY more than 10% less than budgeted		
Strategies to minimise risk	**By when**	**By whom**
Produce quarterly variation reports to identify income/expenditure and profit shortfalls over 10%	Q2	Accountant
Implement sales training/ coaching	Q2	Accountant
Implement incentives program	Q2	Accountant
Reduce overtime	Q2	Accountant

Contingency implementation plan for Part 3 Task 2

Risk identified : Profit for FY more than 10% less than budgeted		
Activity	**Monitoring activity and date**	**By whom**
Monitor variance	Completion of report :Q2	Accountant
Analysis of report to identify issues.	Management report: Q2	Accountant
Email to warn employees of risk to jobs	Monitoring of variation report results: Q4	Accountant
Email to announce rise of commission	Monitoring of variation report results: Q3	Accountant
Email to inform employees that overtime will no longer be approved.	Monitoring of variation report results: Q3	Accountant
Email to inform employees of mandatory sales skills training : set program	Monitoring of variation report results: Q3	Accountant
Mandatory training conducted	Monitoring of variation report results: Q3	Accountant

Statement of Financial Performance

Syntac Garment Company, Australia	
For the year ended 30 June 20XX	
REVENUE	
Sales	2,900,000
Less direct wages and commissions	272,500
Opening stock	100,000
Purchases	300,000
Closing stock	20,000
Less cost of goods sold	380,000
Gross Profit	2,247,500
EXPENSES	
General & Administrative Expenses	
Travel	22,000
Legal fees	4,500
Bank charges	700
Office supplies	4,000
Postage & printing	500
Dues & subscriptions	600
Telephone	11,200
Repairs & Maintenance	45,000
Payroll tax	25,000
Marketing expense	
Advertising	208,000
Employment expenses	
Superannuation	45,000
Wages and salaries	500,000
Staff amenities	23,000
Occupancy costs	
Electricity	38,000
Insurance	100,000
Rates	100,000
Rent	200,000
Water	35,000
Waste disposal	60,000
Total Expenses	1,422,500
Net Profit (Before tax & interest)	825,000
Income Tax expense	206,250
Net Profit After Tax	618,750

TEMPLATE: CONTINGENCY PLAN TEMPLATE

Company name : Name of the Person developing the plan: Position :		
Risk identified:		
Strategies to minimise risk	By when	By whom

TEMPLATE: CONTINGENCY IMPLEMENTATION PLAN

Risk Identified:		
Activity	Monitoring activity and date	Person

GST BUDGET WORK SHEET

GST Liability Budget for Quarter 1				
	July	August	September	Total
Budgeted receipt incurring GST:				
Regular Sales:				
Other sales				
Total Budgeted sales incurring GST: (A)				
Budgeted payment incurring GST:				
Purchase of stock				
Other Purchase				
Total Payment subject to GST (B)				
GST Liability Calculations				
1. GST receipt (A/11)				
2. GST Payment (B/11)				
3. GST (Liability)/ Refund (Difference in 1 and 2 above)				

GST Liability Budget for Quarter 1				
	July	**August**	**September**	**Total**
Budgeted receipt incurring GST:				
Regular Sales:	225,000.0	225,000.0	225,000.0	675,000.0
Other sales	25,000.0	25,000.0	25,000.0	75,000.0
Total Budgeted sales incurring GST: (A)	**250,000.0**	**250,000.0**	**250,000.0**	**750,000.0**
Budgeted payment incurring GST:				
Purchase of stock	112,500.0	112,500.0	112,500.0	337,500.0
Other Purchase	22,500.0	22,500.0	22,500.0	67,500.0
Total Payment subject to GST (B)	**135,000.0**	**135,000.0**	**135,000.0**	**405,000.0**
GST Liability Calculations				
1. GST receipt (A/11)	**22,727.3**	**22,727.3**	**22,727.3**	**68,181.8**
2. GST Payment (B/11)	**12,272.7**	**12,272.7**	**12,272.7**	**36,818.2**
3. GST (Liability)/ Refund (Difference in 1 and 2 above)	**-10,454.5**	**-10,454.5**	**-10,454.5**	**-31,363.6**

Budget variance for year ending 30 June 20XX

	Actual Q1	**Budget Q1**	**$ Variance**	**% Variance**	**F/UF**
Revenue					
Sales	**2,900,000**	**3,000,000**	**-100,000**	**-3.3%**	**UF**
Direct wages and commission	272,500	260,000	-12,500	-4.8%	**UF**
Less cost of goods sold	380,000	400,000	20,000	5.0%	**F**
Gross Profit	**2,247,500**	**2,340,000**	**-92,500**	**-4.0%**	**UF**
Expenses					
Greneral & Administrative Expenses					
Travel	22,000	20,000	-2,000	-10.0%	**UF**
Legal Fee	4,500	5,000	500	10.0%	**F**
Bank charges	700	600	-100	-16.7%	**UF**
Office Supplies	4,000	5,000	1,000	20.0%	**F**
Postage and printing	500	400	-100	-25.0%	**F**
Dues and Subscriptions	600	500	-100	-20.0%	**F**
Telephone	11,200	10,000	-1,200	-12.0%	**F**
Repairs and Maintenance	45,000	50,000	5,000	10.0%	**UF**
Payroll tax	25,000	25,000	0	0.0%	
Marketing expenses					
Advertising	208,000	200,000	-8,000	-4.0%	**UF**
Employment expenses					
Superannuation	45,000	45,000	0	0.0%	
Wages and salaries	500,000	500,000	0	0.0%	
Staff amenities	23,000	20,000	-3,000	-15.0%	**UF**
Occupancy Costs					
Electricity	38,000	40,000	-2,000	-5.0%	**UF**
Insurance	100,000	100,000	0	0.0%	
Rates	100,000	100,000	0	0.0%	
Rent	200,000	200,000	0	0.0%	
Water	35,000	30,000	-5,000	-16.7%	**UF**
Waste disposal	60,000	50,000	-10,000	-20.0%	**UF**
Total Expenses	**1,422,500**	**1,401,500**	**-21,000**	**-1.5%**	**UF**
Net Profit (Before tax & interest)	825,000	938,500	**-113,500**	-12.1%	**UF**
Income tax expenses	206,250	281,550	**-75,300**	-26.7%	**UF**
Net profit after tax	618,750	656,950	**-38,200**	-5.8%	**UF**