

## Breakeven Analysis for The Kangaroos

We are planning to make 40 burgers. Here are the main costs involved in making a

<b>Resources</b>	<b>Cost</b>	<b>Quantity provided for this cost</b>	<b>Quantity required for 40 burgers</b>	<b>Total Cost for 40 burgers</b>
				(Cost * Quantity required)
Kangaroo Meat	\$10	for 8 pieces	5	\$50.00
Cooking Oil	No cost	(borrow from home)	0	\$0.00
Buns	\$3.99	for 12	4	\$15.96
Lettuce	\$1.99	per lettuce	2	\$3.98
Tomatoes	\$3.00	for bag of 6 tomatoes	2	\$6.00
BBQ Sauce	\$3.98	for 500ml	1	\$3.98
Serviettes	\$2	for pack of 100	1	\$2.00
<b>Total Cost</b>				<b>\$81.92</b>

**Note:** all marketing materials will be produced in class using resources provided by our team

**Our cost per unit is \$2.05**

**Our selling price is \$3.50**

Our breakeven point is the point at which we start to make a profit. This is calculated as

Total Cost ÷ Selling Price = **23.4**

**We will need to sell 24 Kangaroo Burgers before we break even.**

## Instructions

Put your company name here

Kangaroo Burger:

Change this to suit your company

Cost per burger
(Total cost / quantity to be sold)
\$1.25
\$0.00
\$0.40
\$0.10
\$0.15
\$0.10
\$0.05
<b>\$2.05</b>

Change the column labels for Columns D, E and F to match your

Change the information in Column A, B, C and D to show your costs  
Column E (Total Cost) should calculate automatically

Click on cell F9. The formula there is " $=E9/40$ " as 40 is the number of burgers.  
Change the 40 to show **YOUR** quantity that you plan to sell.  
Copy the formula down to F15.

The totals should calculate automatically

so we will not have to pay for Marketing Expenses.

This should calculate automatically to match what is in cell F16

Put your **SELLING PRICE** here

calculated by:

Your Break Even point should calculate automatically

Round UP your answer and write your break even point here  
**REMEMBER** - If your break even point has a decimal point you must round up.  
E.g. if your break even point is **15.3 T shirts**, you will need to sell 16 shirts.

**product**

**costs of production**

number of burgers to be sold by The Kangaroos

**price (from cell C26)**

must round it **UP** to the next whole number  
sell **16 T shirts** before you make a profit.

**Forecast Income Statement  
for The Kangaroos  
for Market Day 2018**

**Instructions**

- ← Put your company name here
- ← Put your Market Day date here

<b>Sales Revenue</b>	\$	\$ ###	← Put in sales revenue (\$) that you expect
<b>Less: Expenses</b>			
Kangaroo Meat	\$50.00		← Put in ALL of your expenses
Buns	\$15.96		This will include all of your costs of production ( AND any business expenses that you may have Make sure your costs of production match those
Lettuce	\$3.98		
Tomatoes	\$6.00		
BBQ sauce	\$3.98		
Serviettes	\$2.00		
<b>Total Expenses</b>		<b><u>\$81.92</u></b>	← This should calculate automatically
<b>NET PROFIT</b>		<b><u>\$58.08</u></b>	← This should calculate automatically

Preview

**Revenue to make here (No. of sales x selling price)**

Costs (the cost of producing the product)

Fixed Costs (e.g. wages, market stall fee)

Variable Costs (e.g. materials) *shown in Column E of your Break-Even Table*