**AREC 213: In Class Activity 7**

**You are going to be creating a simple income statement for a nursery that also has a small coffee shop.**

Costs for June

* Rent: $3,200
* Nursery Vehicle: $400

Products Sold

* Coffee: 800 at $4.5
* Potted Plants: 1000 at $15
* Small Trees: 240 at $50

Labor

* Manager $3200
* Nursery and Coffee Shop Employee 160 hours at $10 an hour

Supply costs

* Coffee: $2
* Potted Plants: $8
* Small Trees: $20

**Complete the Following Tasks**

1. **Calculate your Total Revenue**
2. **Calculate your Fixed Costs**
3. **Calculate your Variable Costs**
4. **Calculate your Net Income (before taxes)**
5. **What is the contribution margin for** 
   1. **Coffee**
   2. **Plants**
   3. **Small Trees**
6. **Create an Income Statement from these values on a new excel sheet**
7. **The owner is wondering how much coffee they will need to sell to break even Calculate a Break Even Point for just coffee that covers all expenses.**
8. **Utilize cell references where appropriate but be sure to absolute reference any unit costs**
9. **Name your excel file with your three last names like below** 
   1. ICA7\_vasquez\_vasquez\_vasquez