

Instructions for Completing the Start Up Costs or Expansion Costs Worksheet

This section will help you understand how much money you need to start or expand your business. Like the Course 7 Projections worksheet, this is NOT a document that requires perfect information - rather these numbers will be based on your best guess of what the future expenses may be for your business.

Unlike the Course 7 Projections worksheet which focused on estimating future income, this worksheet will help you understand the additional costs that you should plan for when starting or expanding your business.

You will fill out either the "Start Up Costs" tab OR the "Expansion Costs" tab (not both) depending on whether you are just starting your business or if you are expanding your existing business.

As you make changes to this spreadsheet, be sure to save this document frequently! Use the "Save as" feature to save the document with your name so you can reference it later.

Instructions

Step 1: Click on either the tab labeled "Start Up Costs" OR "Expansion Costs", depending on whether you are just starting your business or if you are expanding your existing business.

Proceed to step 2A if you are planning to start a new business - you will be working in the "Start Up Costs" tab.

Proceed to step 2B if you are planning to expand your existing business - you will be working in the "Expansion Costs" tab. Expanding your business could include adding new products or services, adding a location, etc.

Step 2A: **For those starting a new business** - the purpose of this worksheet is to help you understand how much money you should have on-hand for the first six-months of your business. Many entrepreneurs find that sales are lower than expected during these first months in business, and many rely on money that they have saved to pay for expenses during this time.

Click on the tab labeled "Start Up Costs".

You are in luck! You already have the information for "Section 3: Monthly Operating Costs During Start-up". This information can be found in your Course 7 Projections worksheet under the tabs labeled "Step 2 Direct Expenses" and "Step 3 Indirect Expenses". Feel free to add or takeaway information if something has changed since you last filled out the Course 7 Projections worksheet.

After you have transferred the information from your Course 7 Projections worksheet to fill out section 3, fill out "Section 1 - One Time Start up Expenses" and "Section 2 - Start-up Assets". Again, this information doesn't have to be perfect. You can always come back and make changes later.

Once the worksheet is completed, you will know the amount of money you will need to fund the first 6 months of your business - [you can find this 6 month total in the worksheet cell I68 of the "Start Up Costs" worksheet.](#)

After you have completed the worksheet and found the total expenses to start your business, proceed to Step 3 of this worksheet.

Step 2B: **For those expanding an existing business** - the purpose of this worksheet is to help you understand the additional operating expenses that you will have by expanding your business. These additional costs are over and above your normal daily costs and are tied directly to your expansion. It is very important to understand what additional costs you will have when expanding so that you can accurately budget.

You will find three sections inside of this tab - "Expansion Expenses", "Additional Assets", and "Additional Operating Costs Due to Expansion". Please fill them out to the best of your knowledge. This information does not have to be perfect, but can be your best estimate of the additional costs you might experience in expanding your business. Find examples of "Additional Operating Costs due to Expansion" below:

Example 1: If you are currently paying \$1,000/month in rent, but will need to move to a new location to expand your business, and the new rent is \$1,500/month, then your additional rent cost is \$500 per month for expanding.

Example 2: You are currently spending \$5,000/month on materials to make a product. Expanding your business means that you will have to buy 50% more materials each month, which increases your materials cost to \$7,500/month. The additional materials cost that you experience due to expansion is \$2,500/month.

Once you have filled in this tab, you will know the additional costs that will be involved in expanding your business over the next 6 months - [you can find this 6 month total of additional costs in cell I69 of the "Expansion Costs" worksheet.](#)

After you have completed the worksheet and found the total additional costs to expand your business in cell I71, proceed to Step 3 of this worksheet.

Step 3: After you have completed calculating your costs, be sure to show this to your advisory board, a mentor or friends and family to get feedback. They may think of something you haven't thought of, or might have valuable input for some of your estimates!

NOTE: You should review the final numbers in your worksheet to see if they appear reasonable given your business. If the final numbers don't look right to you, go back to previous sections within the same tab (either "Start Up Costs" or Expansion Costs") and review the numbers you have input.

Printing Your Worksheet

After you have filled out the worksheet, either under the "Start Up Costs" OR "Expansion Costs" tab, you may want to print out the sheet.

The print option has been set to print the entire worksheet to fit one page. If you have difficulty reading the print out and wish to print the worksheet on multiple pages, follow the instructions below:

NOTE: Write the following instructions on a scrap paper, and make sure you are on the on the tab that you filled out with your information to either start or grow your business (either the "Start Up Costs" tab or the "Expansion Costs" tab).

Click on the "Page Layout" tab at the top of the screen.

Then, click on "Print Titles".

In the dialogue box that comes up, select the "Page" tab.

Under "Scaling", click "Adjust to:" and set this to 100% normal size.

Now, print!

THIS TAB IS FOR PEOPLE WHO ARE STARTING A NEW BUSINESS

Fill in the numbers in the white areas only. The light yellow cells will populate automatically.

Remember to transfer your answers from the Course 7 Projections worksheet to answer Section 3 of this worksheet. Remember that the information doesn't have to be perfect, just estimate to the best of your ability and you can always return to change the information later.

NOTE: "Month 1" in the six-month projection does not necessarily indicate January, but rather the month that you plan to start operating your business.

6-MONTH PROJECTION OF START-UP COSTS

MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	TOTAL
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Section 1: One-Time Start-up Expenses

Initial Marketing Design and Materials	\$	-	\$	-	\$	-	\$	-	\$	-
Website Set-Up	\$	-	\$	-	\$	-	\$	-	\$	-
Logo/Graphic Design	\$	-	\$	-	\$	-	\$	-	\$	-
Legal Advice	\$	-	\$	-	\$	-	\$	-	\$	-
Licenses	\$	-	\$	-	\$	-	\$	-	\$	-
Insurance	\$	-	\$	-	\$	-	\$	-	\$	-
Training	\$	-	\$	-	\$	-	\$	-	\$	-
Office Supplies	\$	-	\$	-	\$	-	\$	-	\$	-
Decorating/Design of Space	\$	-	\$	-	\$	-	\$	-	\$	-
Research and Development	\$	-	\$	-	\$	-	\$	-	\$	-

Total One-Time Start-up Expenses	\$	-	\$	-	\$	-	\$	-	\$	-
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Section 2: Start-up Assets

Land	\$	-	\$	-	\$	-	\$	-	\$	-
Equipment	\$	-	\$	-	\$	-	\$	-	\$	-
Computers/Printers/Electronics	\$	-	\$	-	\$	-	\$	-	\$	-
Computer Software Purchases	\$	-	\$	-	\$	-	\$	-	\$	-
Starting Inventory/Raw Materials/Packaging	\$	-	\$	-	\$	-	\$	-	\$	-
Furniture	\$	-	\$	-	\$	-	\$	-	\$	-
Vehicles	\$	-	\$	-	\$	-	\$	-	\$	-
Fixtures/Displays	\$	-	\$	-	\$	-	\$	-	\$	-
Signage	\$	-	\$	-	\$	-	\$	-	\$	-
Other 1	\$	-	\$	-	\$	-	\$	-	\$	-
Other 2	\$	-	\$	-	\$	-	\$	-	\$	-

Total Start-up Assets	\$	-	\$	-	\$	-	\$	-	\$	-
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Section 3: Monthly Operating Costs During Start-up (6 Month Estimate)**Direct Expenses**

Total Ingredients/Raw Materials	\$	-	\$	-	\$	-	\$	-	\$	-
Total Packaging, Labels, etc.	\$	-	\$	-	\$	-	\$	-	\$	-
Total Labor of people making the product	\$	-	\$	-	\$	-	\$	-	\$	-

Indirect Expenses

Rent	\$	-	\$	-	\$	-	\$	-	\$	-
Utility Bills	\$	-	\$	-	\$	-	\$	-	\$	-
Water	\$	-	\$	-	\$	-	\$	-	\$	-
My Salary	\$	-	\$	-	\$	-	\$	-	\$	-
Supplies	\$	-	\$	-	\$	-	\$	-	\$	-
Supplies	\$	-	\$	-	\$	-	\$	-	\$	-
Marketing	\$	-	\$	-	\$	-	\$	-	\$	-
Car Lease, Insurance, and Gasoline	\$	-	\$	-	\$	-	\$	-	\$	-
Business Insurance	\$	-	\$	-	\$	-	\$	-	\$	-
Banking Fees and Interest	\$	-	\$	-	\$	-	\$	-	\$	-
Other Workers' Wages	\$	-	\$	-	\$	-	\$	-	\$	-
Other Indirect Expenses	\$	-	\$	-	\$	-	\$	-	\$	-

Total Monthly Operating Costs During Start-up	\$	-	\$	-	\$	-	\$	-	\$	-
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Total Funding Needed	\$	-	\$	-	\$	-	\$	-	\$	-
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NOTE: This is the amount you should plan on having in order to fund your business for the first 6 months of operation.

THIS TAB IS FOR PEOPLE WHO WISH TO EXPAND THEIR EXISTING BUSINESS

Fill in the numbers in the white areas only. The light yellow cells will populate automatically.

After analyzing the expenses, assets and costs of your business, feel free to add or takeaway categories under each section below. You should customize these sections so that it makes sense for your business.

NOTE: "Month 1" in the 6-Month Projection does not necessarily indicate January, but rather the month that you plan to start expanding your business.

6-MONTH PROJECTION OF EXPANSION COSTS

MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	TOTAL
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Section 1: One-Time Expansion Expenses

Initial Marketing Design and Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Website Updates or Additions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Logo/Graphic Design	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Advice	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Decorating/Design of Space	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Research and Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total One-Time Expansion Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Section 2: Additional Assets (needed for expansion)

Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computers/Printers/Electronics	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer Software Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Starting Inventory/Raw Materials/Packaging	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Furniture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fixtures/Displays	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Signage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Additional Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Section 3: Additional Operating Costs Due to Expansion (6 Month Estimate)**Direct Expenses**

Total Ingredients/Raw Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Packaging, Labels, etc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Labor of people making the product	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Indirect Expenses

Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Bills	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
My Salary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Car Lease, Insurance, and Gasoline	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Banking Fees and Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Workers' Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Indirect Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Additional Monthly Costs During Expansion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Total Funding Needed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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NOTE: This is the amount you should plan on having in order to fund your expansion for the first 6 months of operation.