ESTIMATION OF BUSINESS EXPENSE

1.INTRODUCTION:

A business estimate is a document detailing how much you plan on charging a customer for a good or service. lt breaks down costs line by line (e.g., each cost for providing drywall installation) so customers now where the total is coming from.

* 1. Overview

This involves estimating all the expenses required to start and operate the business such as equipment, rent, inventory, and marketing.

* 1. Purpose

Estimates are important because they allow businesses to set expectations for their customers.

2. Problem Statement and Design thinking

Any expense that meets the IRS definition of ordiary and necessary can be deducted. To be written by off an expense needs to be incurred by a business intending to make a profit. Some expenses may be fully deductile.

2.1 Empathy map

2.2 Brainstorming Map

3. Result

4. Advantages and Disadvantages

It can be much more flexible and specific when compared to general accounting methods. The complexity of cost accounting. However, means that it can be costly in a number of ways.

5. Applications

6. Conclusion

In conclusion, cost estimation is an important component of project management that ensures projects are finished on schedule and within budget.