

PROJECT REPORT TEMPLATE

ESTIMATION OF BUSINESS EXPENSES

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I.INTRODUCTION :

1.1.Overview

Start by categorizing your expenses, such as fixed costs (rent, salaries) and variable costs (utilities, supplies). Review past financial records to understand past expenses. This can serve as a baseline for estimation.

Project fixed costs, which remain relatively stable, by considering contracts, lease agreement, and salaries. Be aware of any upcoming changes. Estimate variable costs based on past trends, expected business activity, and industry benchmarks. Include a contingency budget for unexpected expenses or emergencies.

Plan for larger, long-term expenses like equipment purchases or facility expansions. Consider revenue forecasts to ensure expenses align with expected income. Regularly review and adjust your expenses estimates as circumstances change. Maintain detailed records to track actual expenses and compare them to your estimates. Consider using accounting software or budgeting tools to streamline the estimation and tracking process.

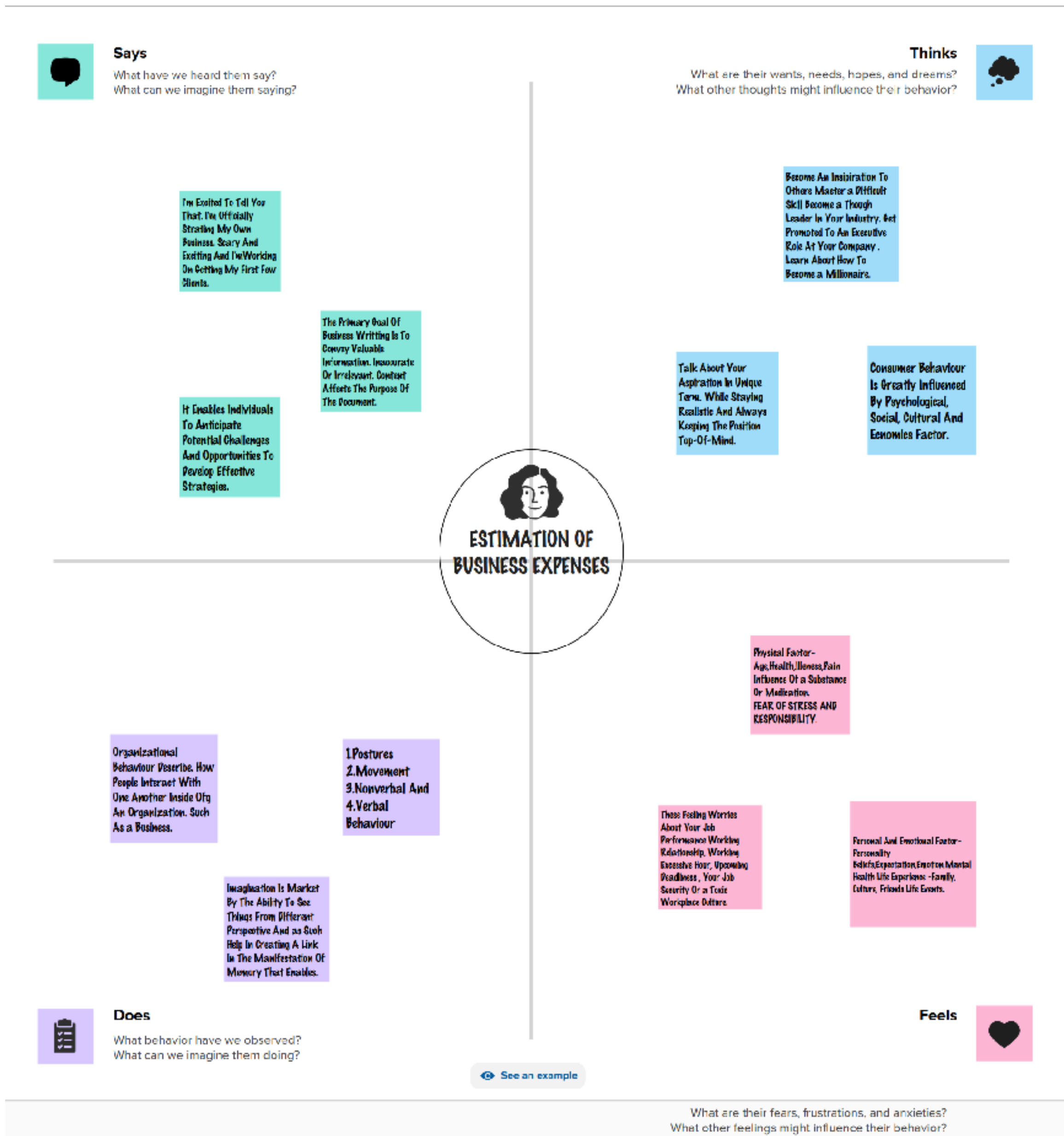
1.2 Purpose

It helps in creating a comprehensive financial plan for your business. By estimating expenses, you can allocate resources effectively and set realistic financial goals.

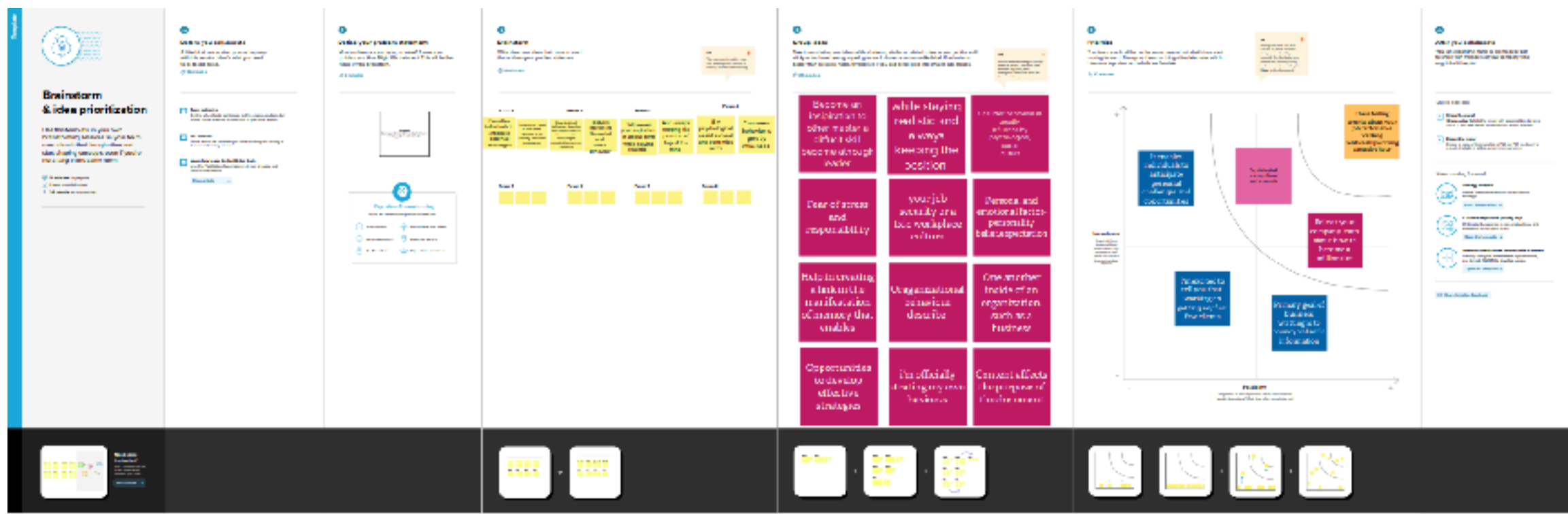
Expenses estimation is the foundation of creating a budget . It allows you to allocate funds to different areas of your business, ensuring that you have enough money to cover all necessary costs.

2.PROBLEM DEFINITION & DESIGN THINKING

2.1.Empathy Map:



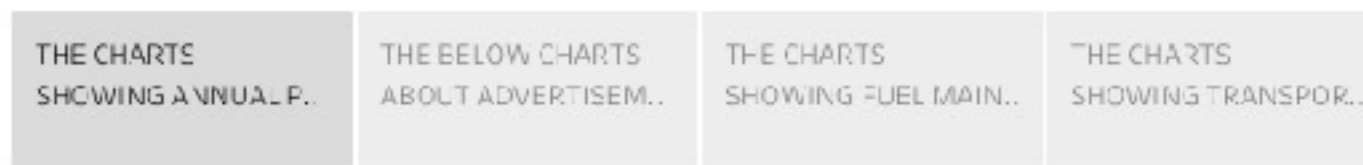
2.2 IDEATION & BRAINSTORMING MAP



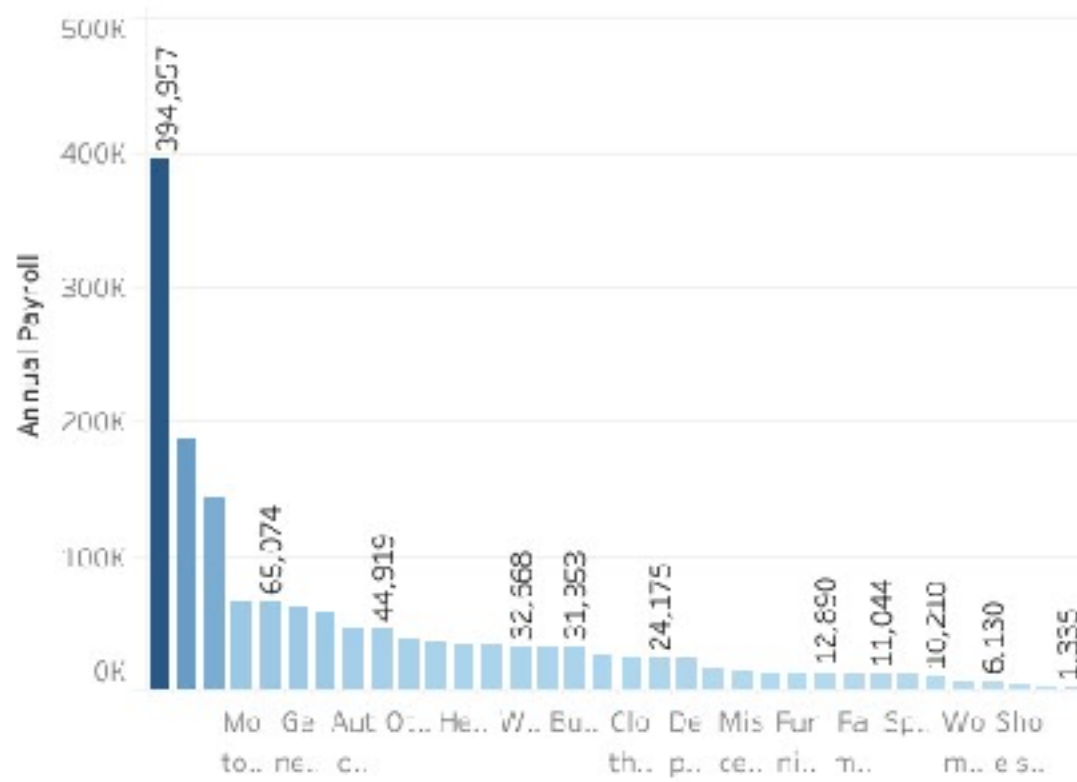
RESULT

Dashboard 1

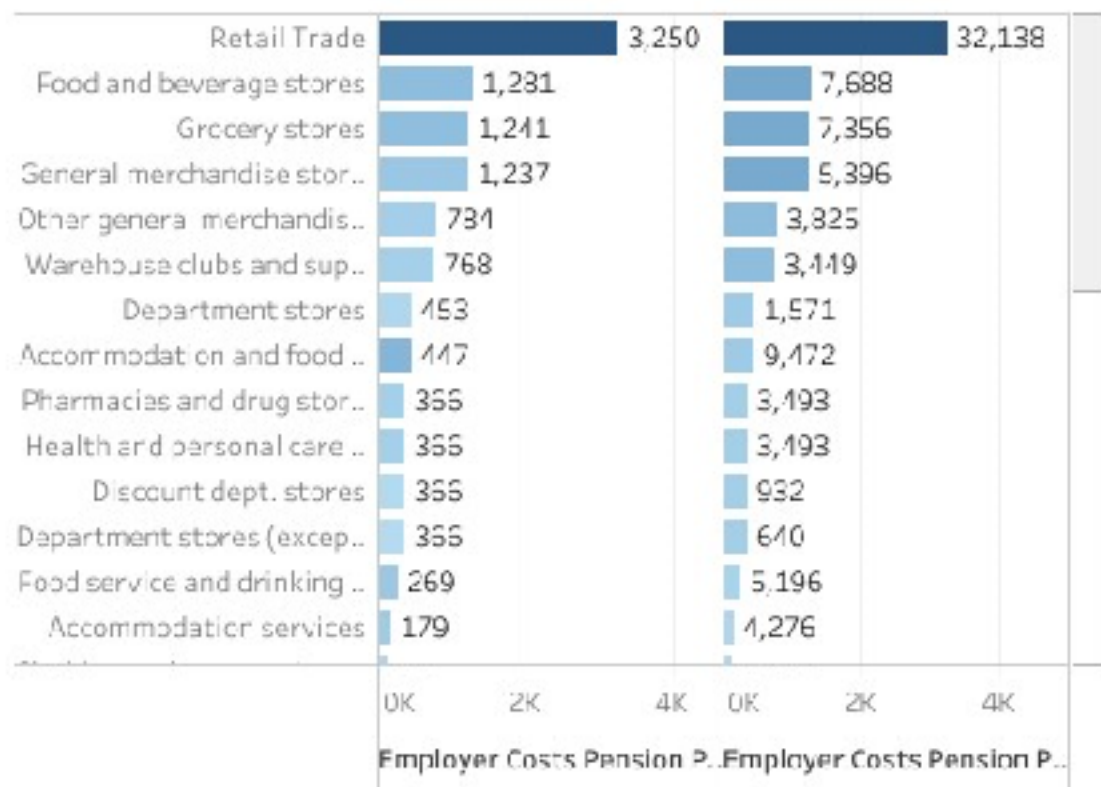
Story 1



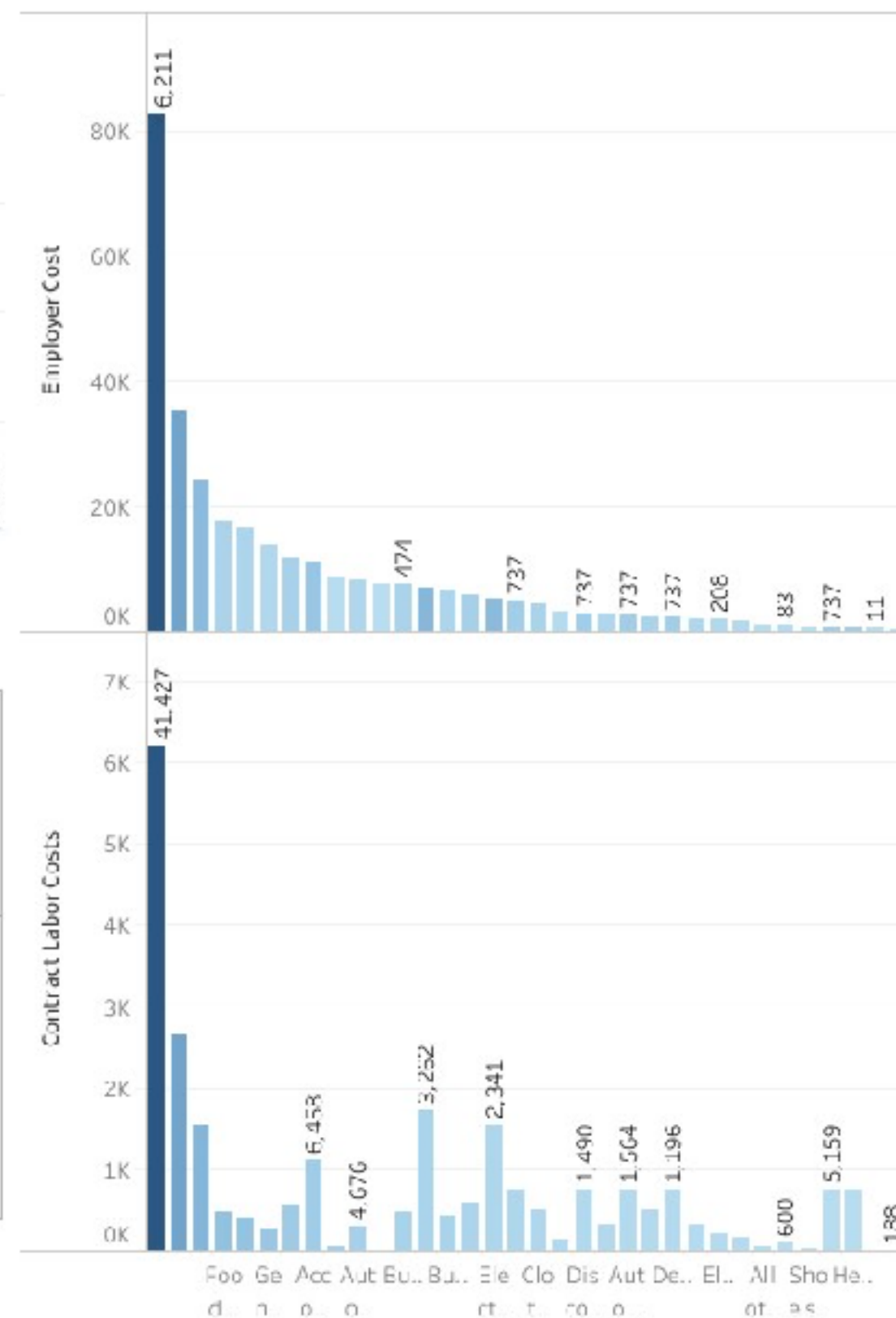
ANNUAL PAY ROLL



EMPLOYEE(INSURANCE vs PENSION)



CONTRACT LABOUR vs EMPLOYEE



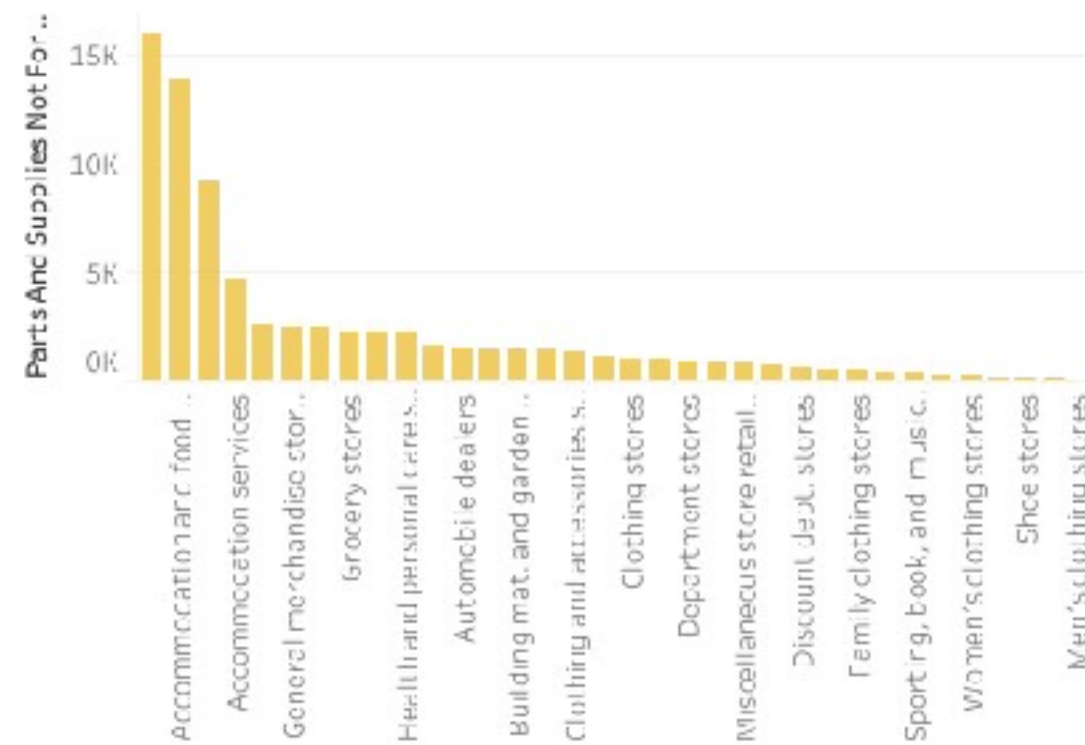
Dashboard 2

Story 1

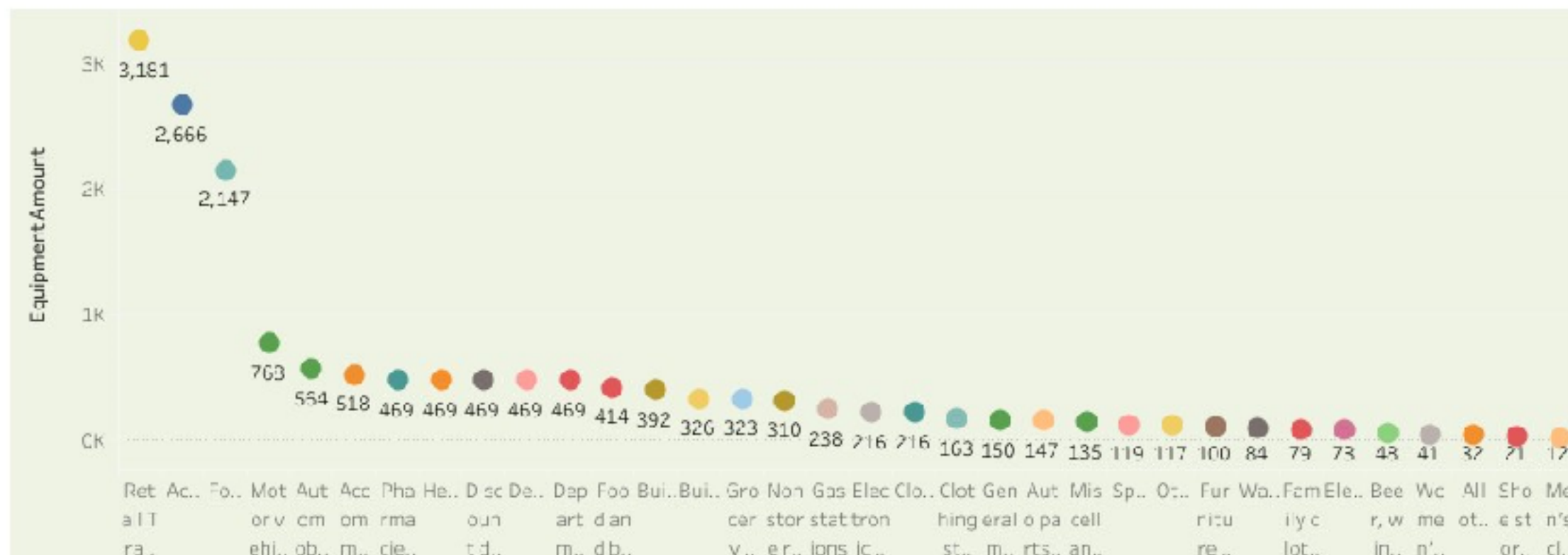
THE CHARTS SHOWING ANNUAL P...	THE BELOW CHARTS ABOUT ADVERTISEM...	THE CHARTS SHOWING FUEL MAIN...	THE CHARTS SHOWING TRANSPOR...
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ADVERTISEMENT COST

PARTS AND SUPPLIES NOT FOR RESALE



EQUIPMENT COSTS



Dashboard 3

Story 1

- THE CHARTS
SHOWING ANNUAL P...
- THE BELOW CHARTS
ABOUT ADVERTISEM...
- THE CHARTS
SHOWING FUEL MAIN...
- THE CHARTS
SHOWING TRANSPOR...



Dashboard 4

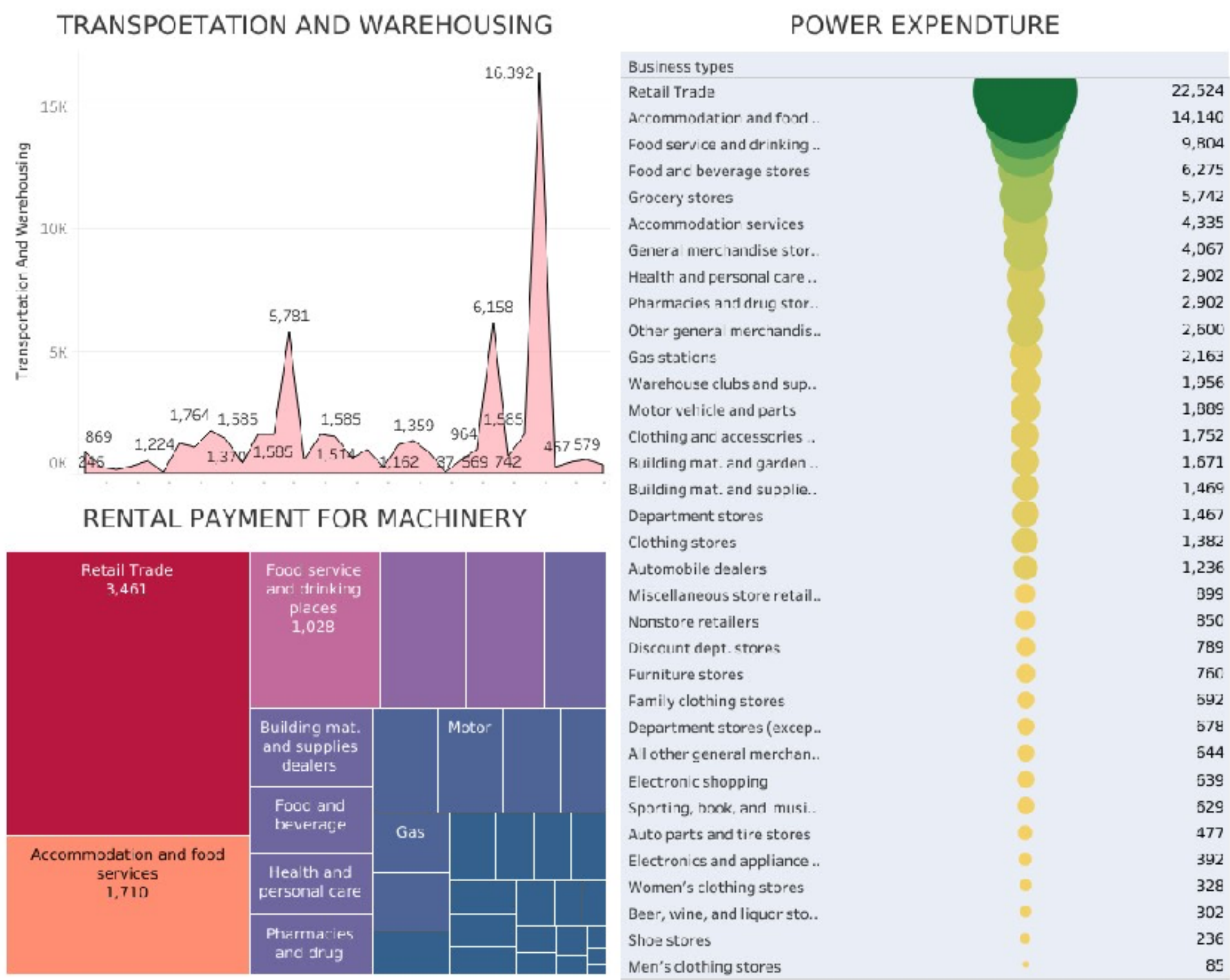
Story 1

THE CHARTS
SHOWING ANNUAL P...

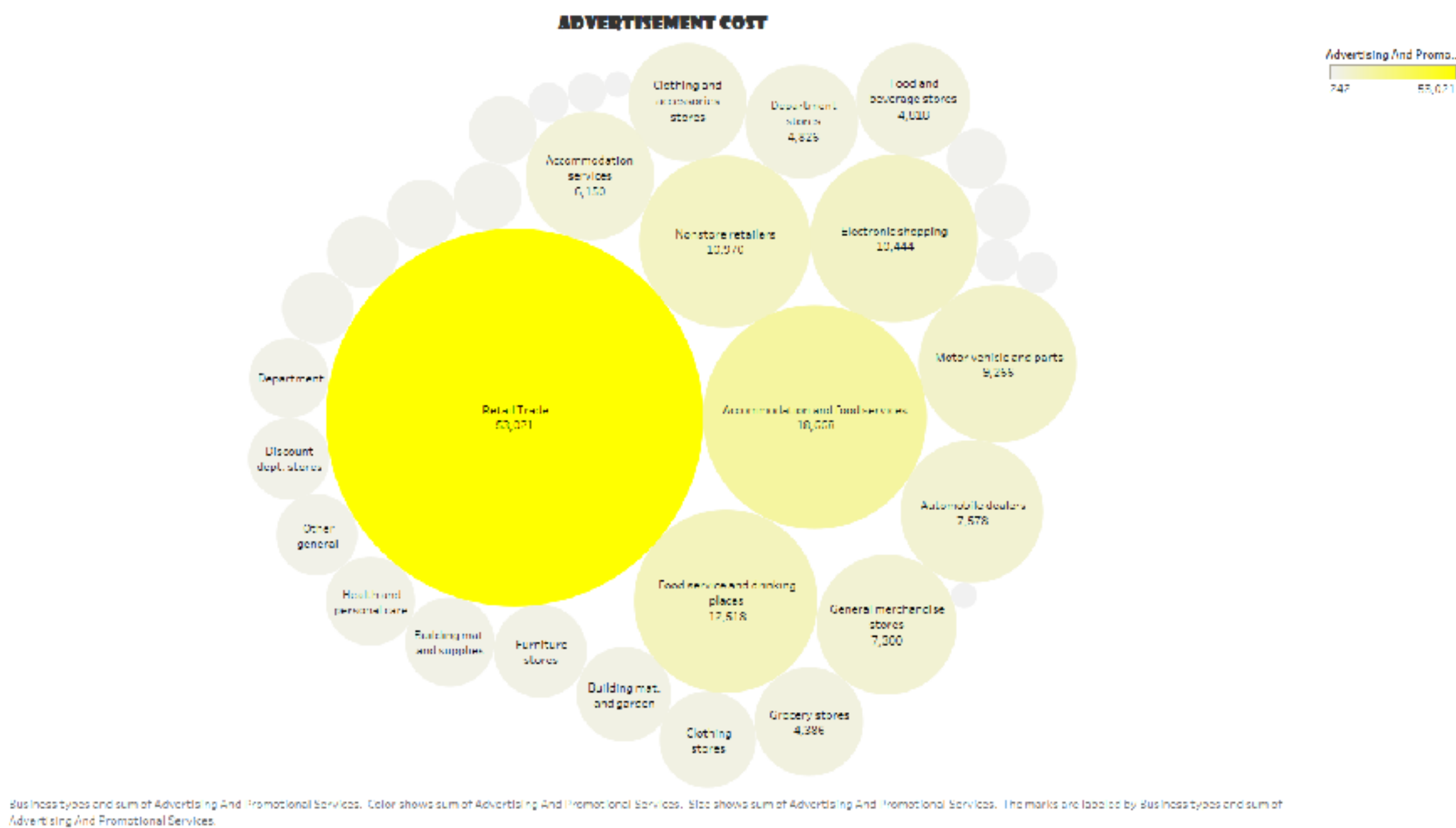
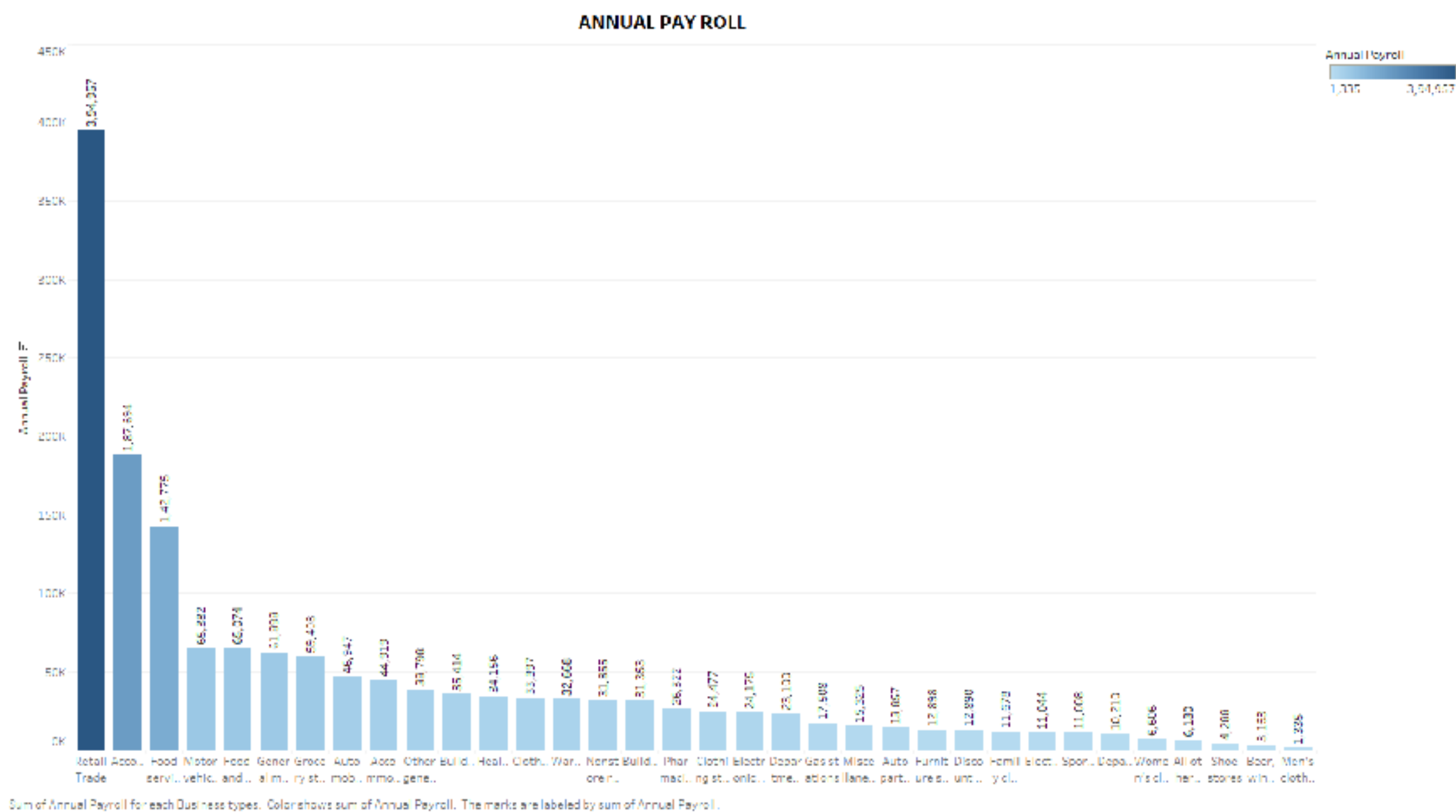
THE BELOW CHARTS
ABOUT ADVERTISEM...

THE CHARTS
SHOWING FUEL MAIN...

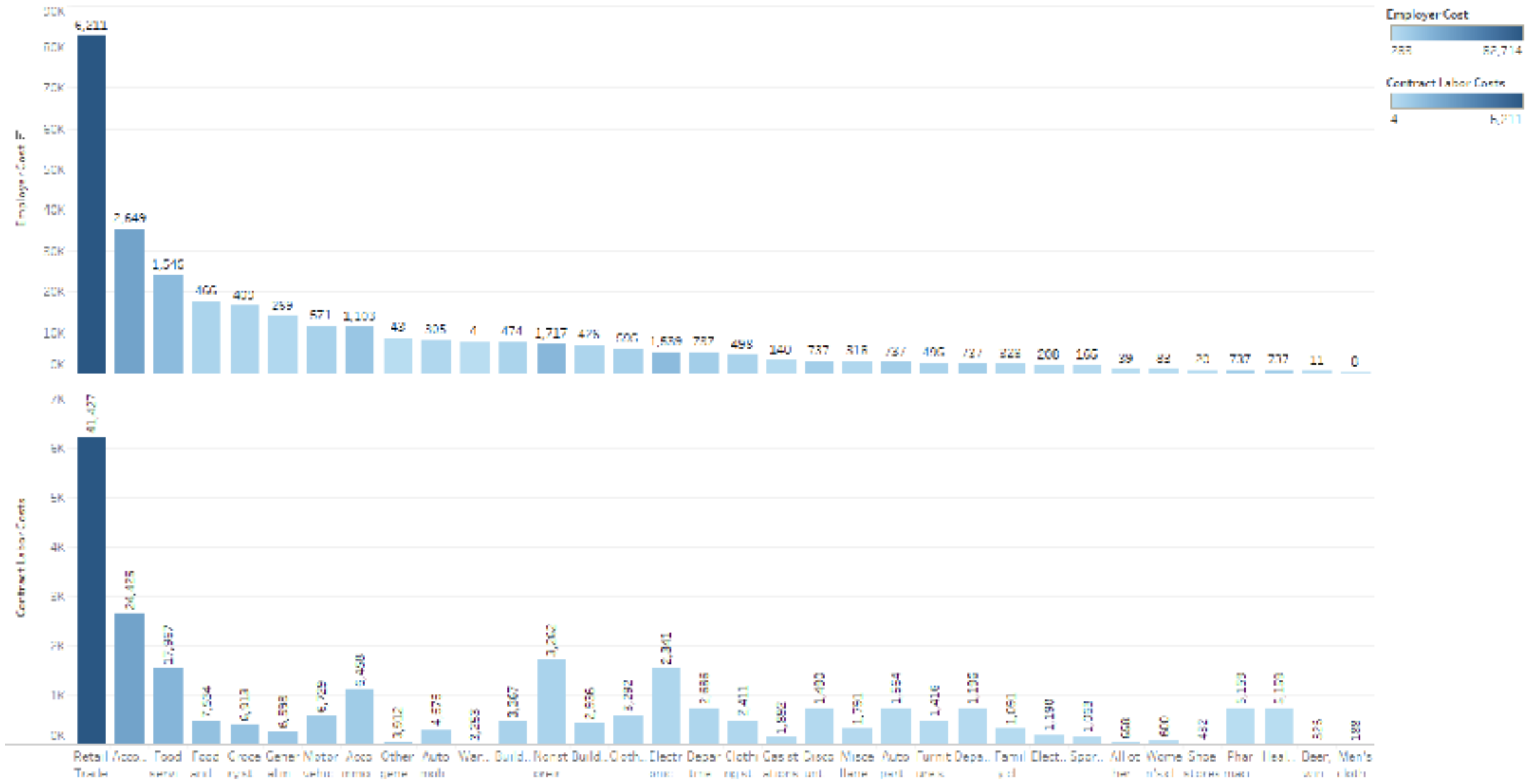
THE CHARTS
SHOWING TRANSPOR...



Story 1

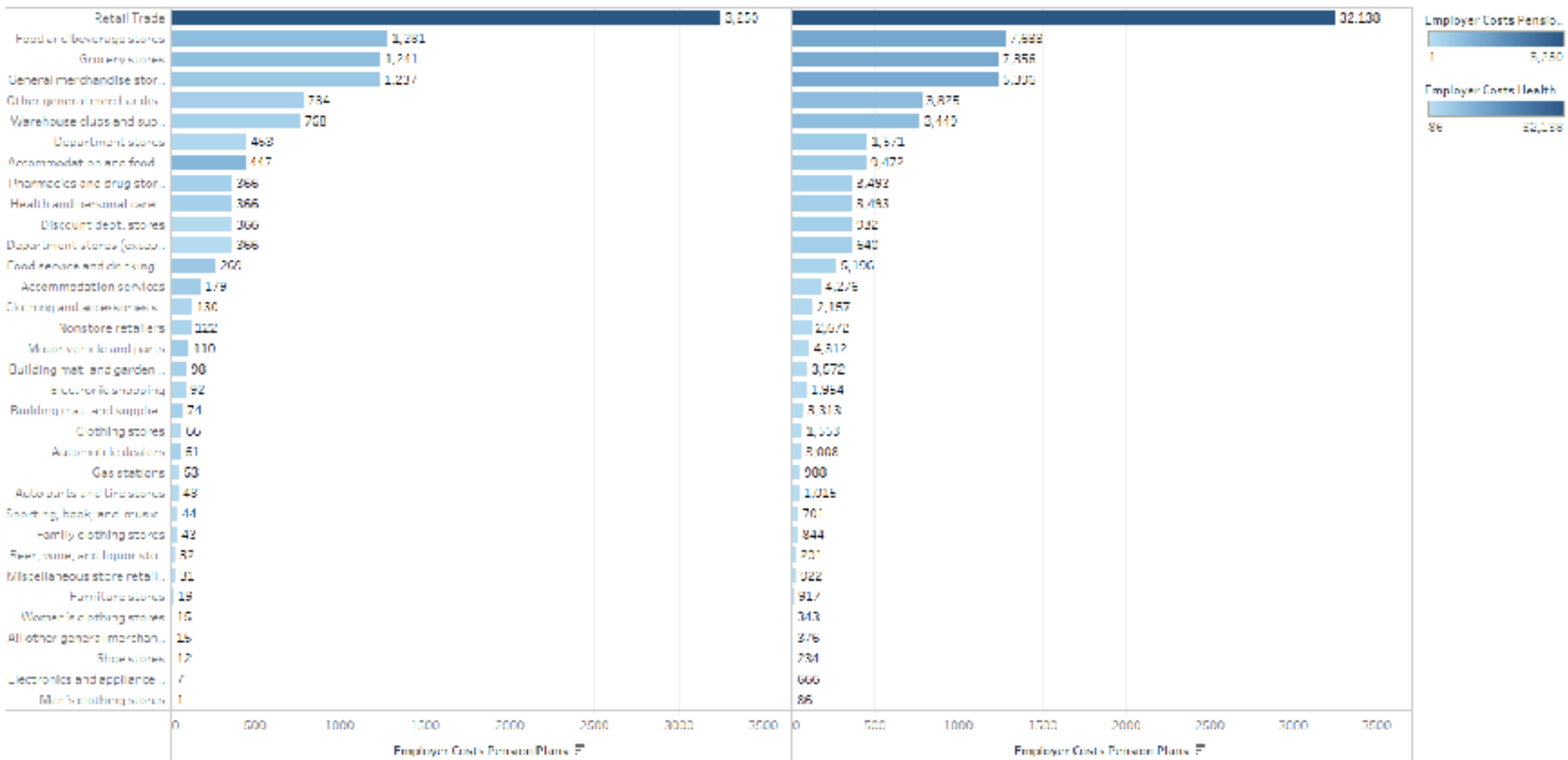


CONTRACT LABOUR vs EMPLOYEE

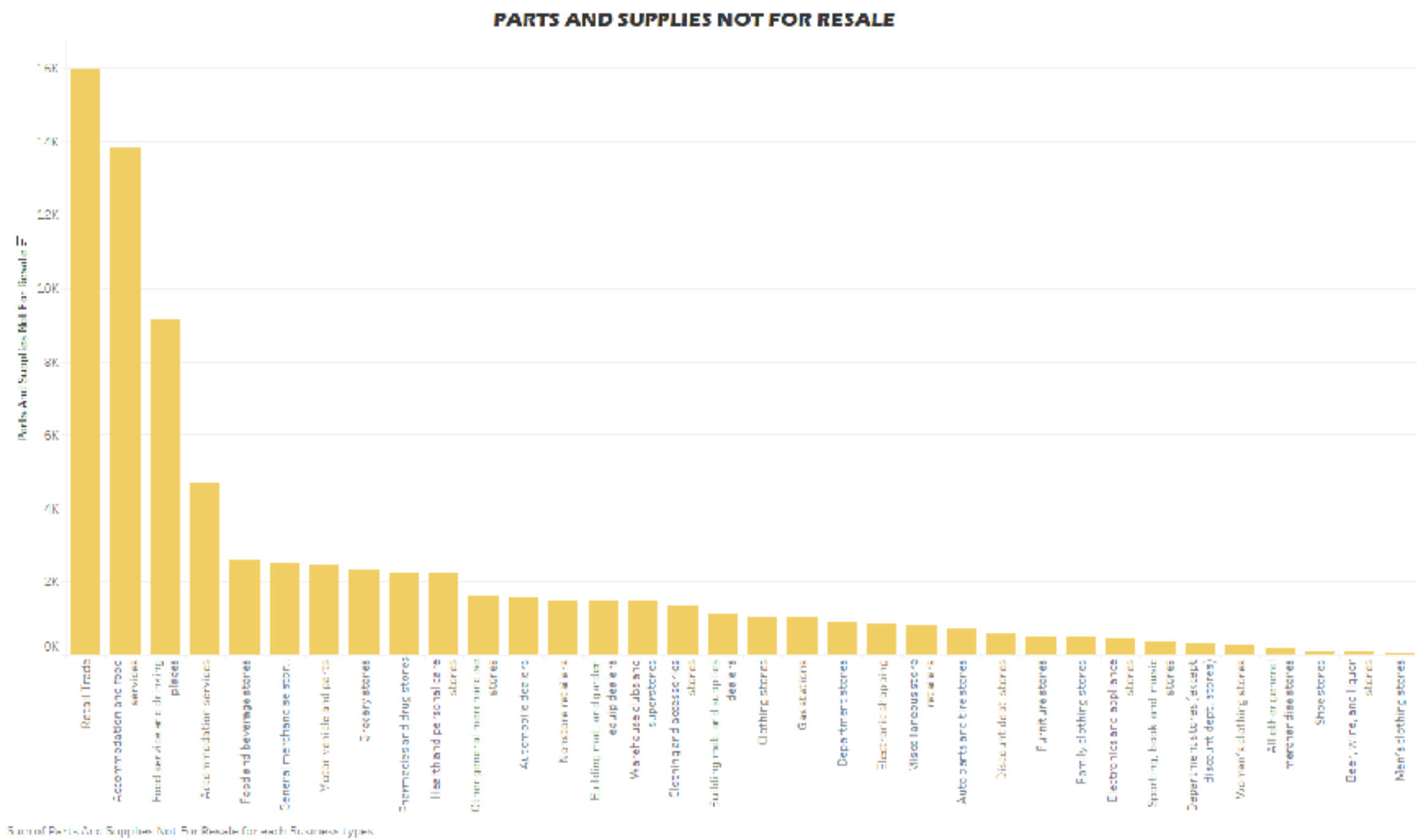
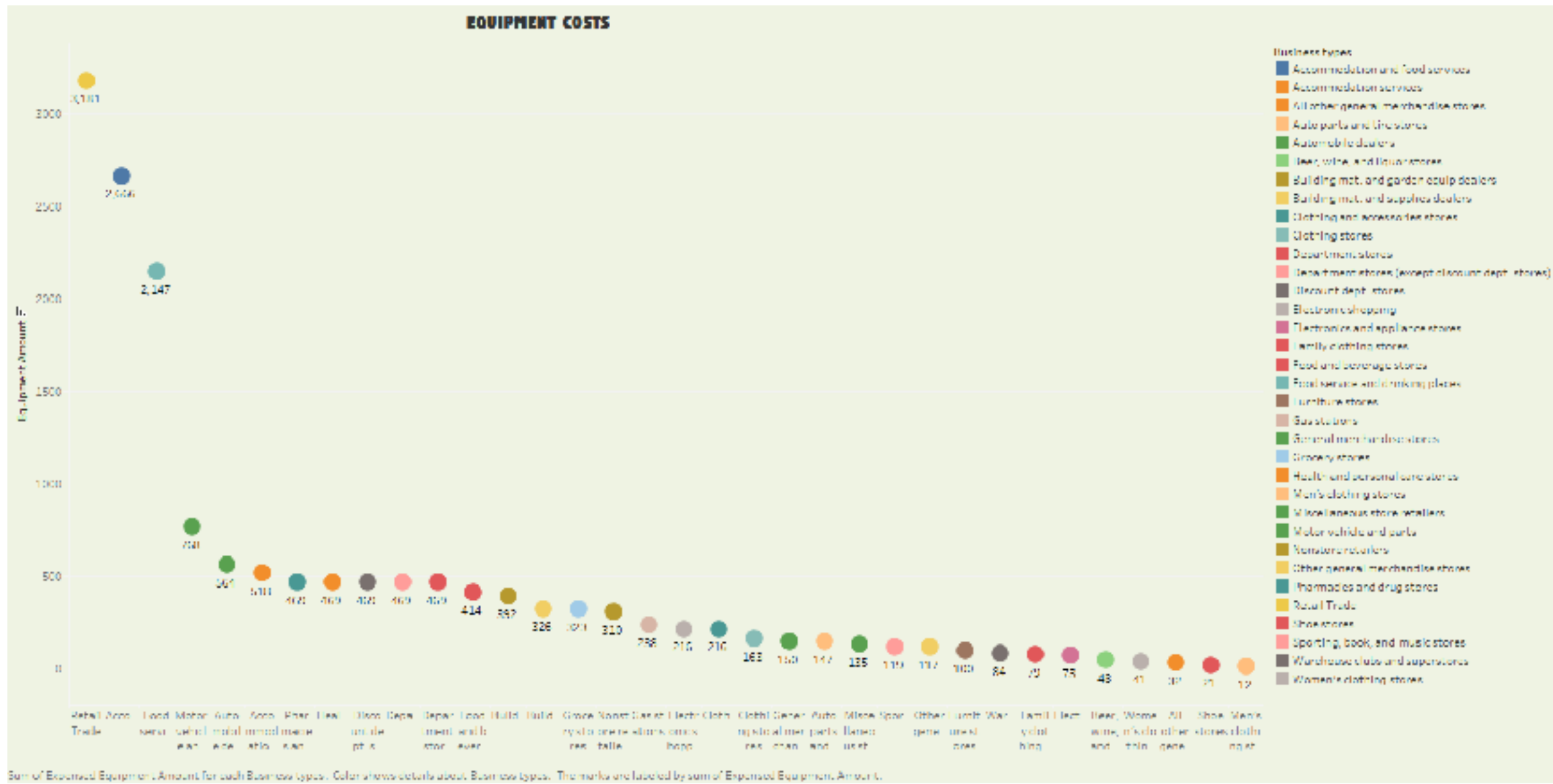


Sum of Employer Cost and sum of Contract Labor Costs for each Business Type. For pane Sum of Employee Cost. Color shows sum of Contract Labor Costs. The marks are labeled by sum of Contract Labor Costs. For pane Sum of Contract Labor Costs. Color shows sum of Employer Cost. The marks are labeled by sum of Employer Costs Manilla.

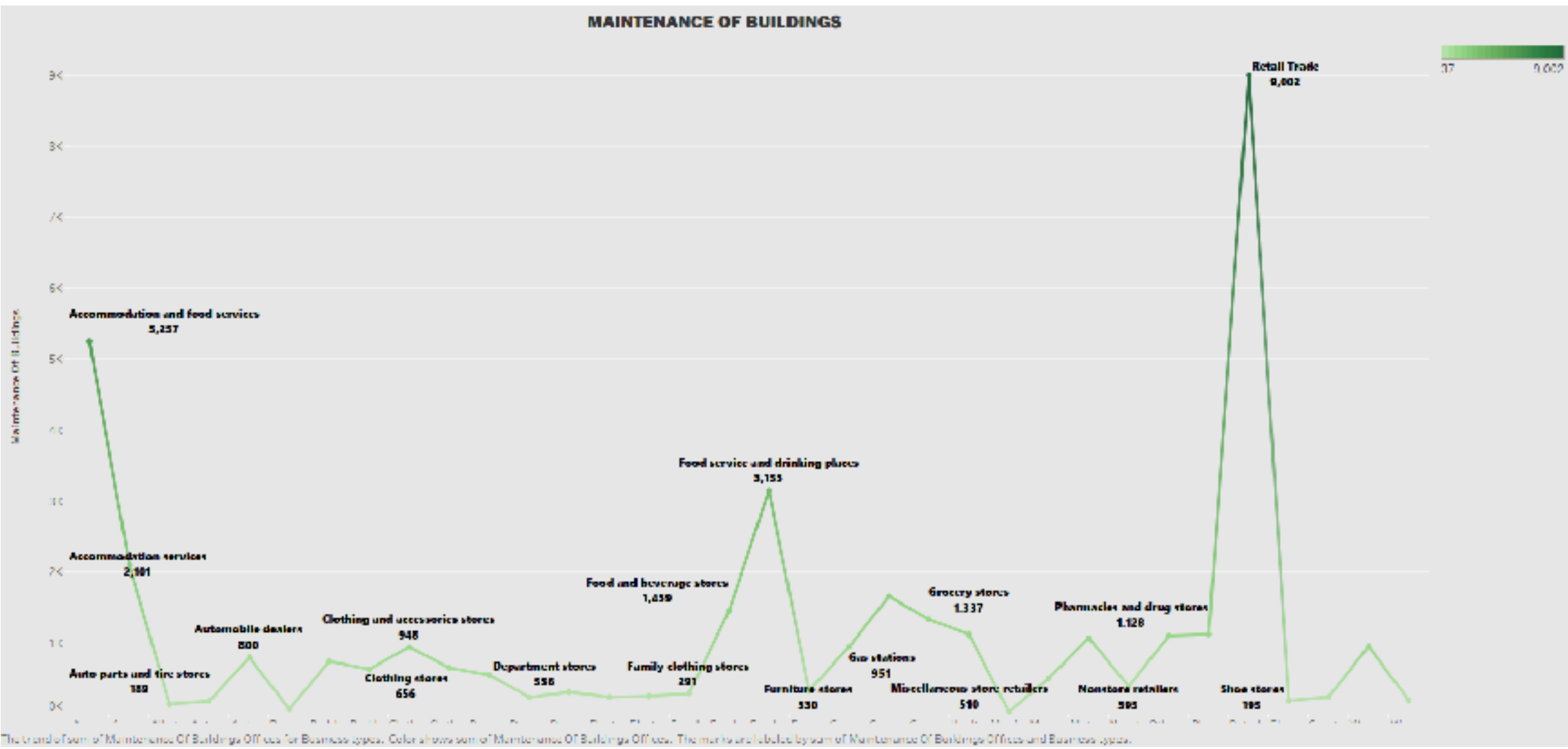
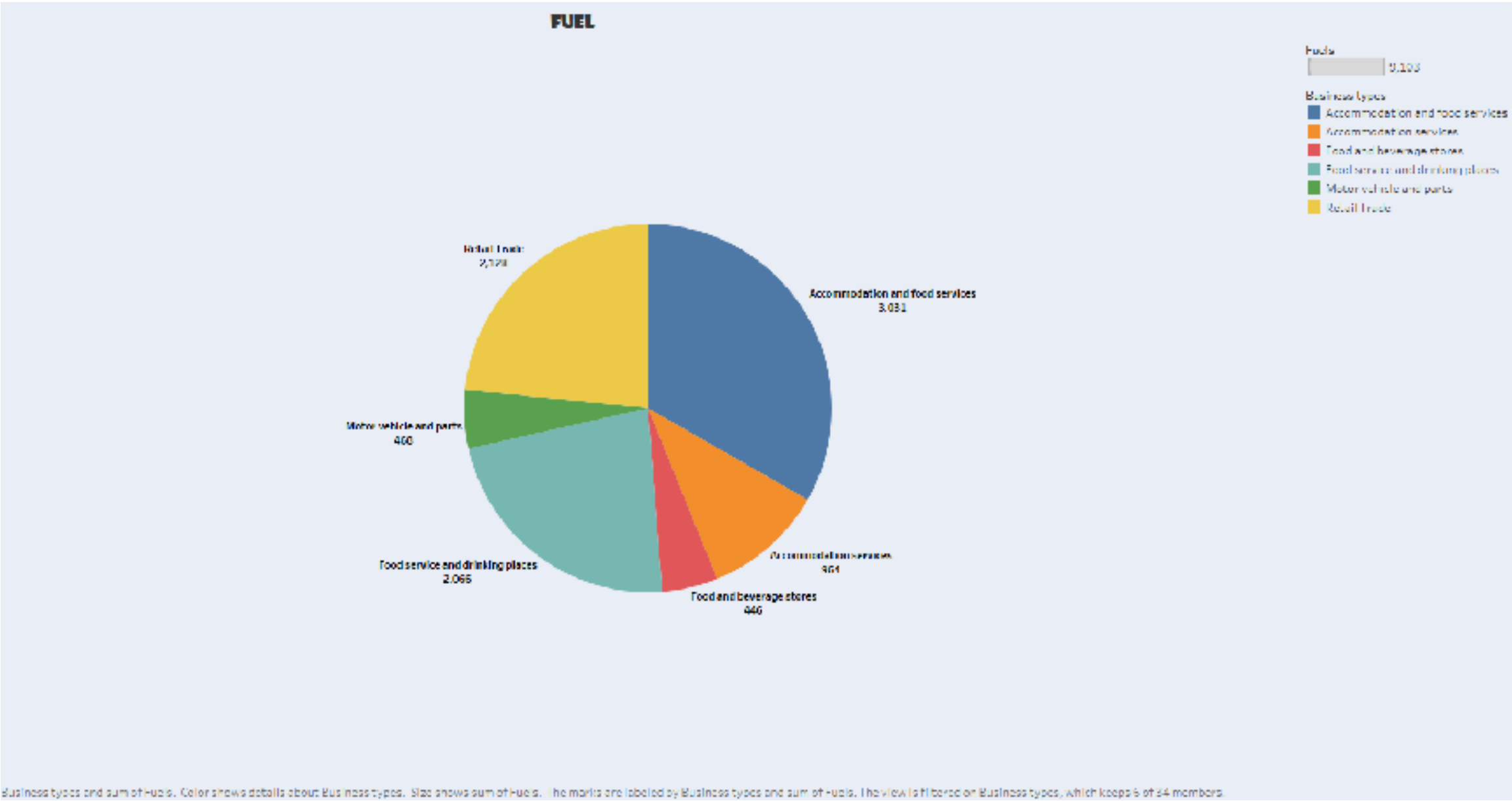
EMPLOYEE(INSURANCE vs PENSION)

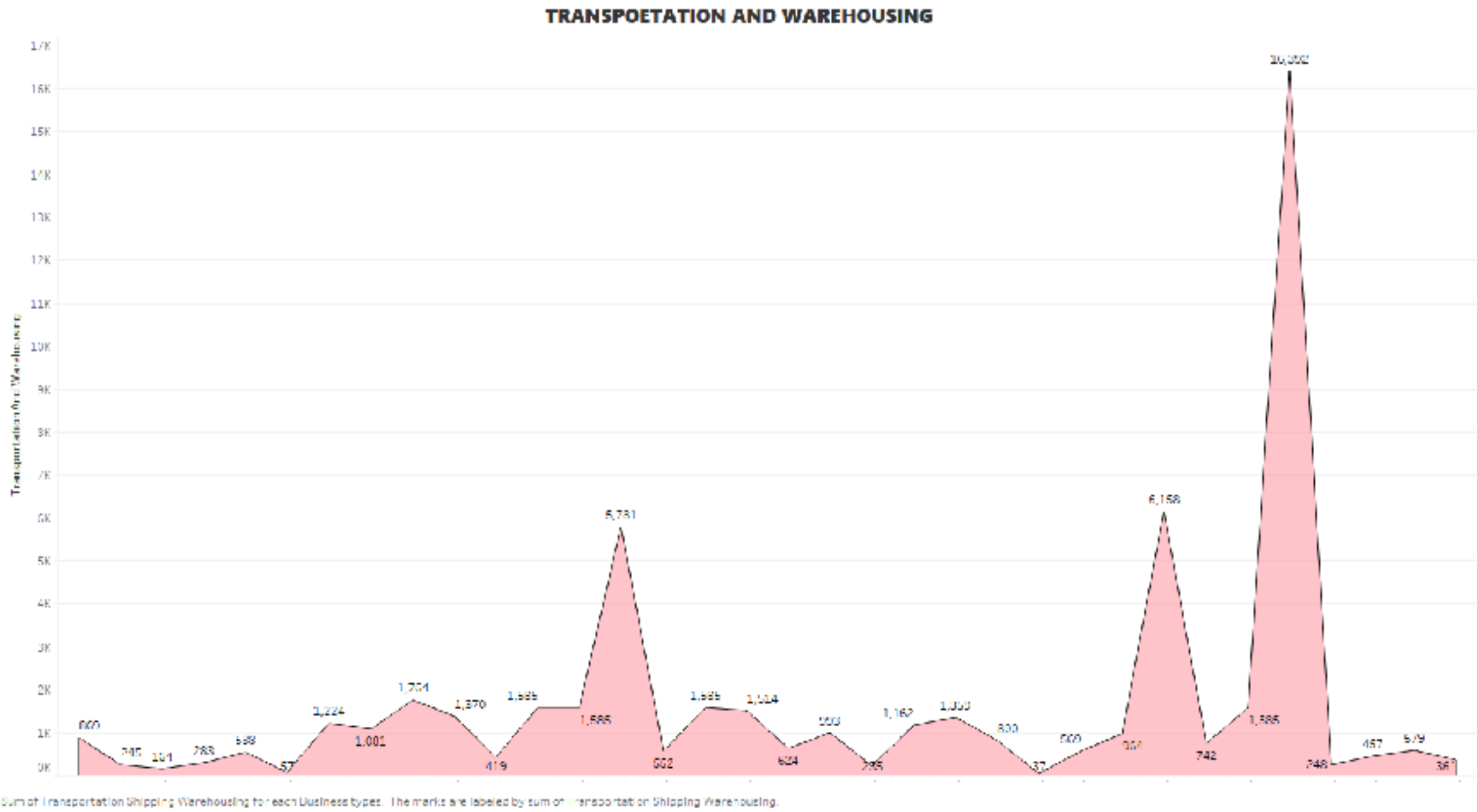
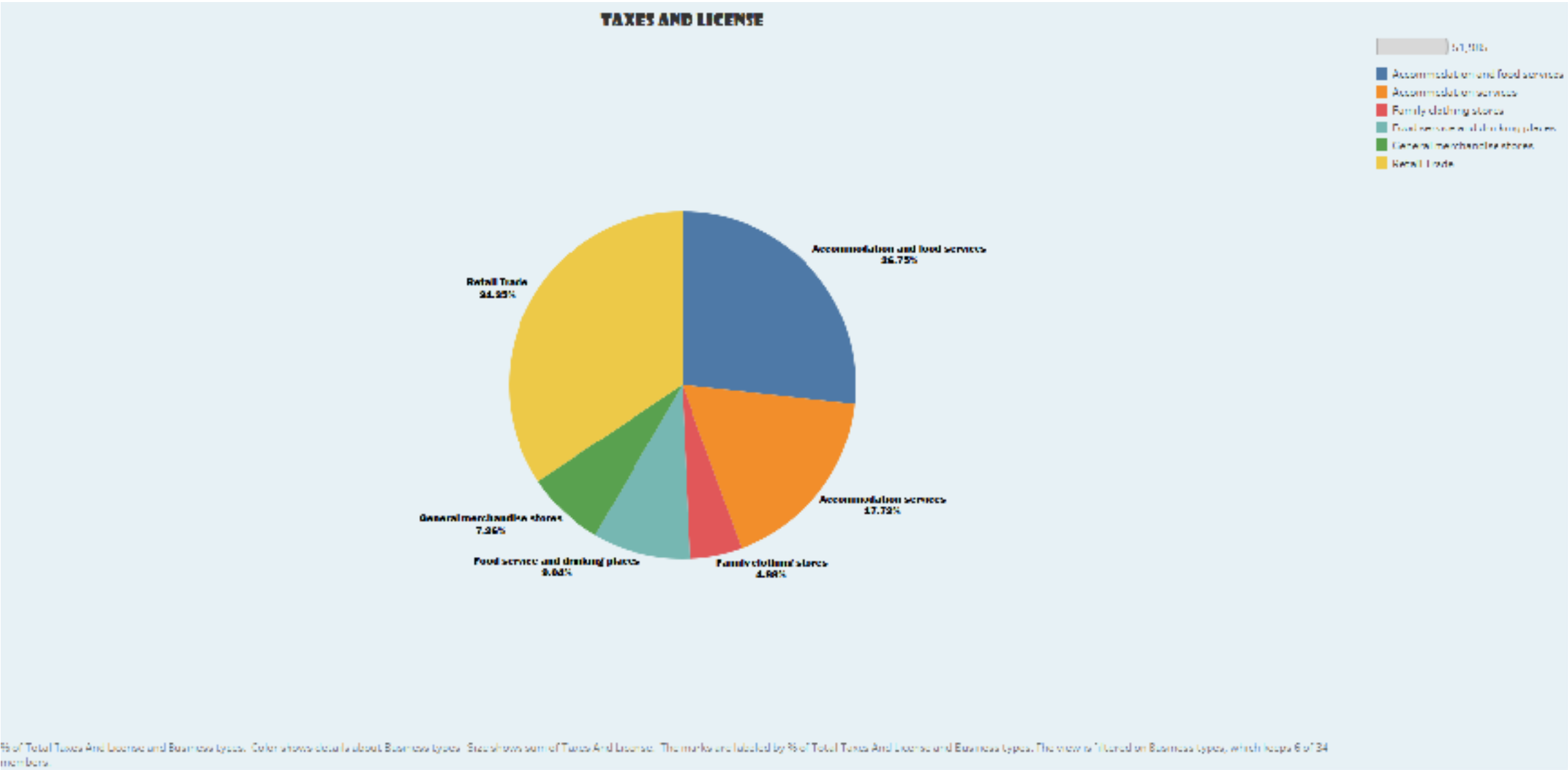


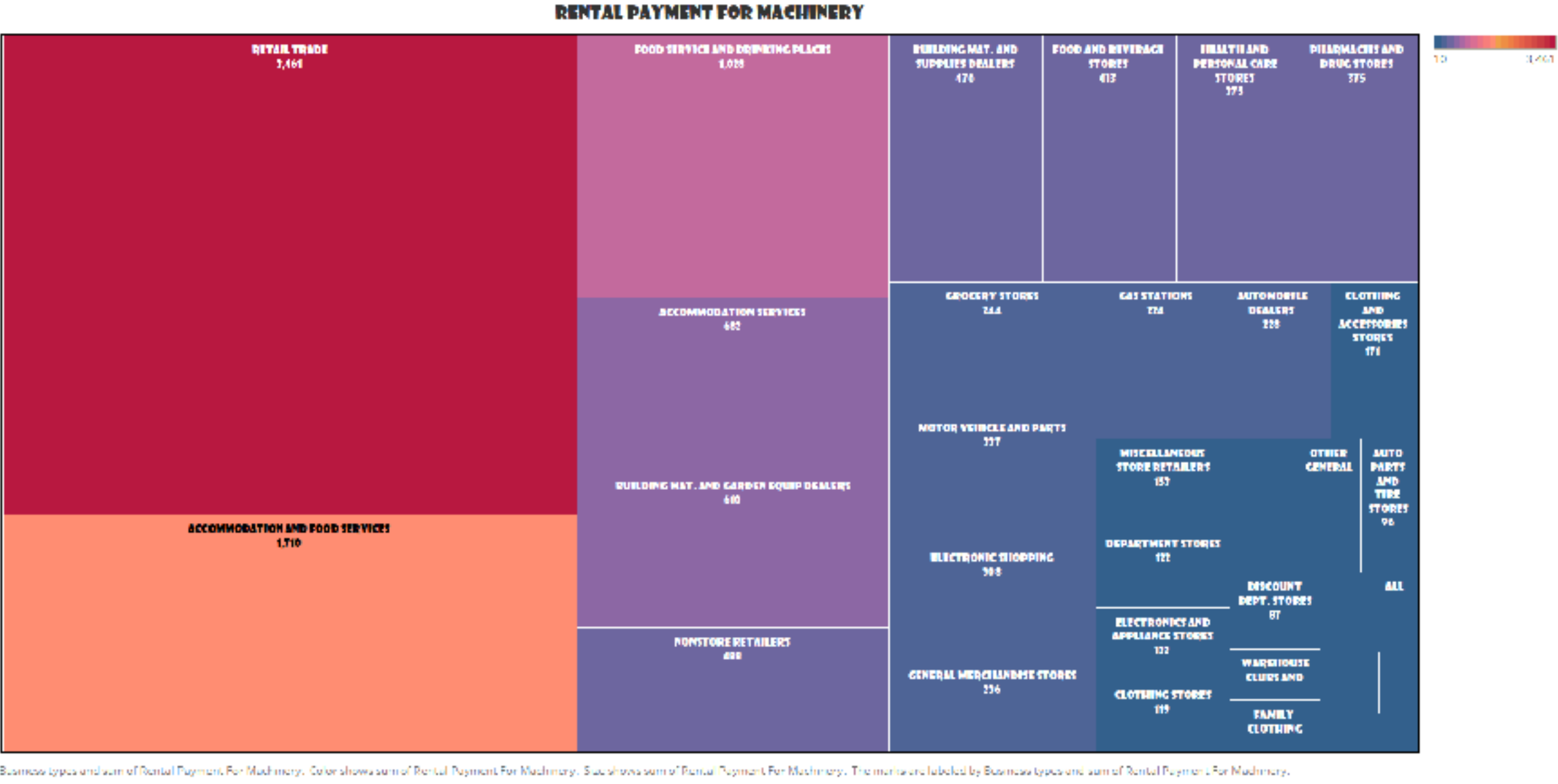
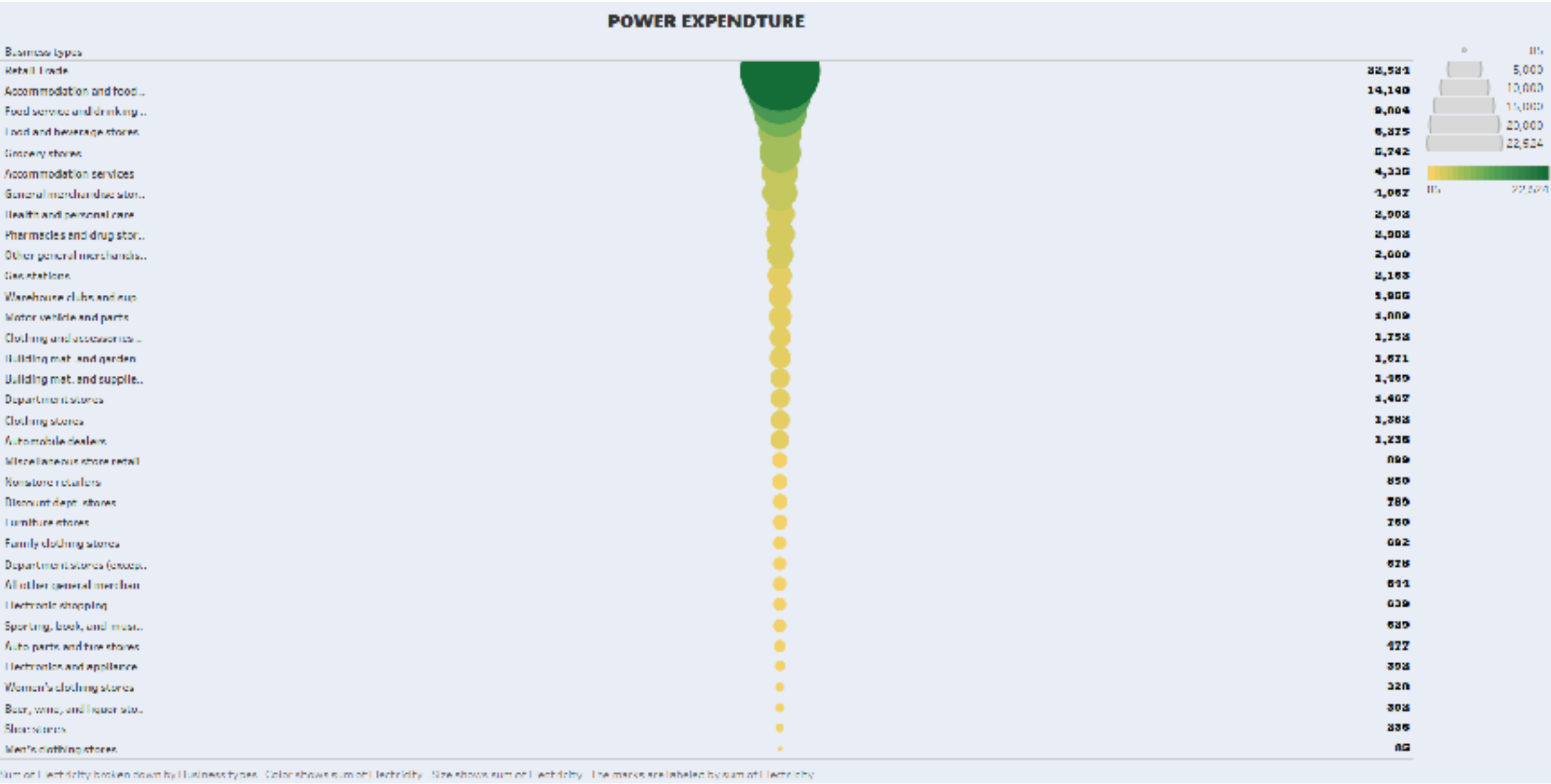
Sum of Employer Costs Pension Plans and sum of Employer Costs Pension Plans for each Business Types. For point Sum of Employer Costs Pension Plans. Color shows sum of Employer Costs Health Insurance. The marks are colored by sum of Employer Costs Pension Plans. For point Sum of Employer Costs Pension Plans (2). Color shows sum of Employer Costs Pension Plans. The marks are labeled by sum of Employer Costs Health Insurance.



Story 2







ADVANTAGES

- It enables businesses to plan and allocate resources effectively, ensuring they have the necessary funds to cover costs and invest in growth.
- Expenses estimation forms the basis of a budget, helping businesses set financial targets and track their financial performance.
- It allows for efficient allocation of resources, ensuring that capital, labor, and materials are distributed to areas where they are most needed.
- Estimating expenses helps identify potential cost overruns

and provides an opportunity to implement cost-saving measures.

By estimating expenses and comparing them to projected revenue, businesses can assess their potential profitability.

DISADVANTAGES

Estimates are inherently uncertain, and actual expenses may differ significantly from projections. This can lead to financial surprises and budgetary issues.

Estimating expenses can be a complex and time-consuming process, especially for business with many cost categories and variables to consider.

External factors such as economic condition, market fluctuations, and regulatory changes can impact the accuracy of expenses estimates.

In effort to be cautious, businesses may overestimate expenses, leading to underinvestment in growth opportunities and reduce profitability.

APPLICATIONS

Expenses estimation is fundamental for creating and managing budgets, allowing businesses to plan and allocate financial resources effectively. It assists in long-term financial planning, helping businesses set financial goals, allocate funds for growth, and ensure financial stability.

By estimating expenses and comparing them to projected revenue, businesses can assess their potential profitability and make strategic decisions accordingly. Expenses estimation can inform pricing decisions, ensuring that product and service prices cover production and operational costs while maintaining competitiveness.

When seeking investment, accurate expense estimates are crucial for presenting a clear financial picture to potential investors or lenders. It helps identify potential cost overruns and supports efforts to control expenses, promoting efficient resource management.

Businesses can use expense estimation to identify areas where costs can be optimized, contributing to operational efficiency. It aids in the allocation of resources, including capital, labor, and materials, to areas of the business where they are most needed, especially during economic downturns.

By comparing estimated expenses with actual expenses, businesses can evaluate their financial performance and make adjustments as needed. Accurate expense estimation is essential for regulatory compliance, tax reporting, and financial audits. Expenses estimates inform strategic planning by

providing insights into the financial feasibility of business expansion, diversification, or other strategic initiatives.\

CONCLUSION

In conclusion, the estimation of business expenses is a critical ,financial management and planning for businesses. It involves projecting and budgeting for various costs associate with operating a business.While it offers numerous allocation,such as effective financial planning, budgeting,and resource allocation,it also come with potential disadvantages,including inaccuracy and the complexity of the process.

Despite these challenges,expense estimation has wide-ranging application,from budget creation and pricing strategies to investment decisions and risk management,It is an indispensable tool for ensuring financial stability,evaluating profitability, and making informed strategic decisions.Regular review and flexibility in expense estimates are essential for adapting to changing circumstances and optimizing business performance.in essence,accurate and well-informed expense estimation is a cornerstone of succesful business management and growth.

FUTURE SCOPE

The future scope of estimating business expenses is evolving with advancements in technology,changes in business dynamics,and a growing emphasis on data-driven decision-making.With the proliferation of big data and analytics tools,businesses will increasingly leverage data-driven insights to enhance the accuracy of their expense estimates. predictive analytics and machine learning can help in identifying cost patterns and predicting future expenses more precisely.

Real-time expense tracking and reporting will become more prevalent.Technology,such as expense management software and mobile app,will provide businesses with up-to-the-minute data on their expenditure.The automation of expenses tracking,data entry,and reporting will reduce human error and save time.AI- driven tools can classify expenses,extract data from receipts,and generate reports more efficiently.