

# OPERATING BUDGET



## Fixed Expenses

based upon:  
 10 students/year  
 240 flight hrs/year

| <u>Category</u>       | <u>Item</u>              | <u>Cost</u> | <u>Per</u> | <u>Annual Cost</u> |
|-----------------------|--------------------------|-------------|------------|--------------------|
| Rent                  | hangar                   | \$ 195.00   | month      | \$ 2,340.00        |
| Rent                  | office                   | \$ 50.00    | month      | \$ 600.00          |
| Telecomm              | cellphone                | \$ 50.00    | month      | \$ 600.00          |
| Telecomm              | ISP                      | \$ 15.00    | month      | \$ 180.00          |
| Telecomm              | online flight scheduling | \$ 5.95     | month      | \$ 71.40           |
| Telecomm              | server space             | \$ 10.00    | month      | \$ 120.00          |
| Telecomm              | domain registration      | \$ 15.00    | year       | \$ 15.00           |
| Insurance             | airframe & liability     | \$ 7,557.00 | year       | \$ 7,557.00        |
| Insurance             | legal services plan      | \$ 55.00    | year       | \$ 55.00           |
| Dues                  | WRAP                     | \$ 35.00    | year       | \$ 35.00           |
| Dues                  | EAA                      | \$ 40.00    | year       | \$ 40.00           |
| Dues                  | APOA                     | \$ 36.00    | year       | \$ 36.00           |
| Dues                  | NAFI                     | \$ 39.00    | year       | \$ 39.00           |
| Dues                  | Sentimental Journey      | \$ 12.00    | year       | \$ 12.00           |
| Dues                  | Chamber of Commerce      | \$ 125.00   | year       | \$ 125.00          |
| Professional          | accounting               | \$ 500.00   | year       | \$ 500.00          |
| Advertising           | fly-in                   | \$ 675.00   | year       | \$ 675.00          |
| Advertising           | other                    | \$ 200.00   | year       | \$ 200.00          |
| Annual Fixed Expenses |                          |             |            | \$ 13,200.40       |

# OPERATING BUDGET



## Aircraft Variable Expenses

based upon:  
 10 students/year  
 240 flight hrs/year

| <u>Category</u>            | <u>Item</u>                | <u>Cost</u>  | <u>Per</u> | <u>Hourly Cost</u> |
|----------------------------|----------------------------|--------------|------------|--------------------|
| Consumables                | AvGas at 5 gals/hour       | \$ 4.20      | gal        | \$ 21.00           |
| Consumables                | TCP at 1 oz/10 gal avgas   | \$ 129.50    | gal        | \$ 0.20            |
| Consumables                | oil change                 | \$ 50.00     | 25 hrs     | \$ 2.00            |
| Consumables                | oil filter                 | \$ 15.00     | 25 hrs     | \$ 0.60            |
| Wear items                 | tires                      | \$ 262.50    | 100 hrs    | \$ 1.31            |
| Wear items                 | brake pads                 | \$ 50.00     | 200 hrs    | \$ 0.25            |
| Wear items                 | batteries                  | \$ 145.00    | 1 yr       | \$ 0.60            |
| Inspections                | 100 hour inspection        | \$ 600.00    | 100 hrs    | \$ 6.00            |
| Inspections                | gearbox overhaul           | \$ 500.00    | 600 hrs    | \$ 0.83            |
| Inspections                | carburettor inspection     | \$ 250.00    | 200 hrs    | \$ 1.25            |
| Inspections                | pitot/static + transponder | \$ 200.00    | 2 yrs      | \$ 0.42            |
| Reserves                   | engine TBO                 | \$ 22,000.00 | 2,000 hrs  | \$ 11.00           |
| Reserves                   | airframe service life      | \$ 50,000.00 | 10,000 hrs | \$ 5.00            |
| <b><u>Annual Costs</u></b> |                            |              |            |                    |
| Support                    | POV mileage                | \$ 0.55      | mile       | \$ 4,092.00        |
| Support                    | office supplies            | \$ 500.00    | year       | \$ 500.00          |
| Support                    | hangar supplies            | \$ 400.00    | year       | \$ 400.00          |
| Support                    | instructional materials    | \$ 72.00     | student    | \$ 720.00          |
| Hourly acft oper costs     |                            |              |            | \$ 50.47           |
| Annual support costs       |                            |              |            | \$ 5,712.00        |
| Annual Variable Expenses   |                            |              |            | \$ 17,824.56       |

# OPERATING BUDGET

based upon:  
10 students/year  
240 flight hrs/year



## Projected Balance Sheet

|                      | <u>item</u>                         | <u>qty</u> | <u>rate</u> |    | <u>total</u> |
|----------------------|-------------------------------------|------------|-------------|----|--------------|
| <b>Revenues:</b>     | Aircraft Rental Hours               | 240        | \$ 99.00    | \$ | 23,760.00    |
|                      | Flight + Ground Lessons             | 240        | \$ 100.00   | \$ | 24,000.00    |
|                      | Instructional Materials per student | 10         | \$ 119.00   | \$ | 1,190.00     |
|                      | Total Revenues                      |            |             | \$ | 48,950.00    |
| <b>Fixed Exp:</b>    | Rent                                |            | \$ 2,940.00 |    |              |
|                      | Telecomm                            |            | \$ 986.40   |    |              |
|                      | Insurance                           |            | \$ 7,612.00 |    |              |
|                      | Dues                                |            | \$ 287.00   |    |              |
|                      | Professional Services               |            | \$ 500.00   |    |              |
|                      | Advertising                         |            | \$ 875.00   |    |              |
|                      | Total Fixed Expenses                |            |             | \$ | 13,200.40    |
| <b>Variable Exp:</b> | consumables                         |            | \$ 5,712.56 |    |              |
|                      | wear items                          |            | \$ 520.00   |    |              |
|                      | inspections                         |            | \$ 2,040.00 |    |              |
|                      | support costs                       |            | \$ 5,712.00 |    |              |
|                      | reserves                            |            | \$ 3,840.00 |    |              |
|                      | Total Variable Expenses             |            |             | \$ | 17,824.56    |
|                      | Annual Profit (loss)                |            |             | \$ | 17,925.04    |