NAME____GRADE____

ACTIVITY: EXPECTED START-UP COSTS

I. FILL IN THE BLANKS [10 marks]

Instructions: Fill in the blank with the correct word.

a) Cost of location is the start-up ________________ which is the amount you spend to purchase the location to pay a down-payment for the building.

b) Start-up expense includes any ________________, such as manufacturing equipment and computers your business needs.

c) Labour costs for delivery, setup, and installation of your equipment can be quite ________________.

d) Preparing your ________________ for business could include remodeling, repair and decoration décor.

e) Deposit for ________________ requires a deposit when you initiate service.

f) Fees for Professional Services includes fees to ________________, ________________, and ________________ before your business opens.

g) Business ________________ and ________________ includes any fees for setting up your business structure.

II. TRUE OR FALSE [6 marks]

Instructions: If the statement is <u>true</u>, circle the letter T, and if the statement is <u>false</u>, circle the letter F.

1.	Advertising is not an operating expense.	T	F
2.	Phone service is necessary for every business.	T	F
3.	Electricity, water, and waste collection are not Utilities.	T	F
4.	Employees should not expect to be paid regularly.	T	F
5.	Your business property should be insured.	T	F
6.	As a business, you will not have to pay taxes.	T	F

ACTIVITY: OPERATING EXPENSES

III. MATCHING [8 marks]

Instructions: Match each term in Column A with its description in Column B.

Column A	Column B
____1. Professional fees	A. Cleaning companies to maintain the store or office.
____2. Inventory	B. Sell products or attract customers using social media.
____3. Repair/Maintenance	C. VAT, NIB, Customs Duties and Bank Fees.
____4. Rent/Mortgage	D. Use the cost of goods sold to determine the cost of restocking the products you sell.
____5. Internet Services	E. Accountant and Attorney fees.
____6. Benefits	F. Paper clips, envelopes, printer paper, tape for cash registers, printers and ink.
____7. Taxes	G. Paying for your company building every month.
____8. Supplies	H. Health insurance and any additional benefits for your employees.