***Final Project***

**Managerial Accounting**

For this project, you will create the accounting portions of a business plan using an assortment of tools presented in the course. You will select a business that is of interest to you or that you would like to start. You may use an existing business as long as you concisely discuss its founding process. Your paper should be in APA format and include at least one quality reference (suggested length: 2000-5000words).

Note: Wikipedia, blogs, and social media do not qualify as academic resources.

**Part 1**

To start, write 1-2 pages that describe:

* Why you selected this business
* Some basic information about the business’s market, location, and competition
* Why you think this business would be profitable
* How your financial decisions will affect the business

After this introductory portion, you will create the financial plan. Requirements for your final project are as follows:

**Part 2**

**Startup Cost Analysis**

In this section, you will include a detailed list of how much it will cost to start the business. This should include most, if not all, of the following: cost of property, buildings,

machinery, equipment, planning, legal fees, consulting fees, and one year of operational costs.

**Part 3**

**Cost Analysis**

In this section, you will perform a cost analysis of the business. Distinguish the fixed cost and variable cost from part 2 above, and calculate contribution margin, contribution margin ratio, operating income and other content we cover in this course, to thoroughly analyze the cost structure.

**Part 4**

**Breakeven Analysis**

In this section, you will perform a basic breakeven analysis. Estimate basic variable and fixed costs that will accrue in operations, and then compare this to how much revenue (units that need to be sold) is needed to cover these costs. This should include your basic operational costs (e.g. salaries, rent, utilities, product costs, etc.). Be sure to include calculations and a graph showing your breakeven analysis.

**Part 5**

**Cost-Volume-Profit (CVP) Analysis**

In this section, you will perform a CVP analysis and investigate the outside factors that may influence your breakeven point. Identify 2-4 qualitative factors that can vary between your base case (the breakeven analysis) and changes to this base case. You also need to weigh the pros/cons of each of the outside factors. These outside factors can include changes of location, changes in competition, or changes in outside market factors (e.g. stock market, oil prices, commodities, or anything that can affect revenue for your business). Be sure to include calculations and graphs for CVP analysis.

**Part 6**

**Discussion**

Based on the results of your analyses, discuss whether the business will be as profitable as you first expected. Briefly explain why (or why not) and what can be done to improve the possible outcome.