

INCOME VS EXPENSES TASK

Hey peeps!

You need to track EVERYTHING in regards to Income and Expenses in your business to be able to have an overview of how your finances are faring.

Download the **Income Vs Expenses Spreadsheet** on the lesson page to complete this task (to download, click "File > Download as.."). The spreadsheet is very simple and is designed to allow you to see realistically what your business is costing you.

Fill in the spreadsheet as best you can (the totals should update automatically), as a projection of what income you will be bringing in, and what expenses you will be incurring, in about 6 months time.

More than likely, your expenses will be more than your income, and you won't be making a profit.

Don't worry! That's ok!

It is completely normal to not actually make a profit for the first couple of years in small business (as much as we would like to!), because so much time and money needs to be invested back into the business on a daily basis to help it grow.

What it should do however is give you an indication of what expenses you need to be looking at reducing, and what products or services you need to be developing further or selling more of to increase your income.

You don't need to share your income/expenses sheet with the group, but after you have done the exercise I would like you to share with everyone one thing that you think you might focus on going forward, be it reducing a certain expense, or working on increasing income with one particular product or service, or perhaps something else entirely.

