**Jimmy the Kazoo Player**

Jimmy the Kazoo player has come to you for help. He needs a five year forecast describing the revenues (money coming in) and expenses (money going out) he will face while performing with his band “The Canadian Kazooers”. He has provided you with the following information:

Jimmy wants his forecast to cover the years 2014 - 2018. He knows that “The Canadian Kazooers” will perform 24 times in 2014 and that he will earn $100 for each performance.

He anticipates that each year his pay per performance will increase by 10% and that the number of performances played per year will increase by 2.

Every year, Jimmy insures his music equipment against theft and damage at a cost of $75 per year.

Jimmy estimates that for each performance, he must purchase $5.00 worth of supplies. He also believes that 6% of the total amount of money earned per year is lost to transportation expenses.

**NOTE**: Revenue is money that is coming IN and Expense is money that is going OUT.

Net income is (revenue – expenses).

How much money can Jimmy expect to make in each of the five years 2014, 2015, 2016, 2017 and 2018?

Be sure that the rows for Total Revenue, Total Expenses and Net Income are bolded.

Save as “Jimmy” and submit via Google Classroom

HINT: Your model should look exactly like below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Jimmy the Kazoo Player** | | | | | |
|  | 2014 | 2015 | 2016 | 2017 | 2018 |
| Revenue |  |  |  |  |  |
| # of Performances |  |  |  |  |  |
| Earnings Per Performance |  |  |  |  |  |
| **Total Revenues** |  |  |  |  |  |
| Expenses |  |  |  |  |  |
| Insurance |  |  |  |  |  |
| Supplies |  |  |  |  |  |
| Transportation |  |  |  |  |  |
| **Total Expenses** |  |  |  |  |  |
| **Net Income** |  |  |  |  |  |