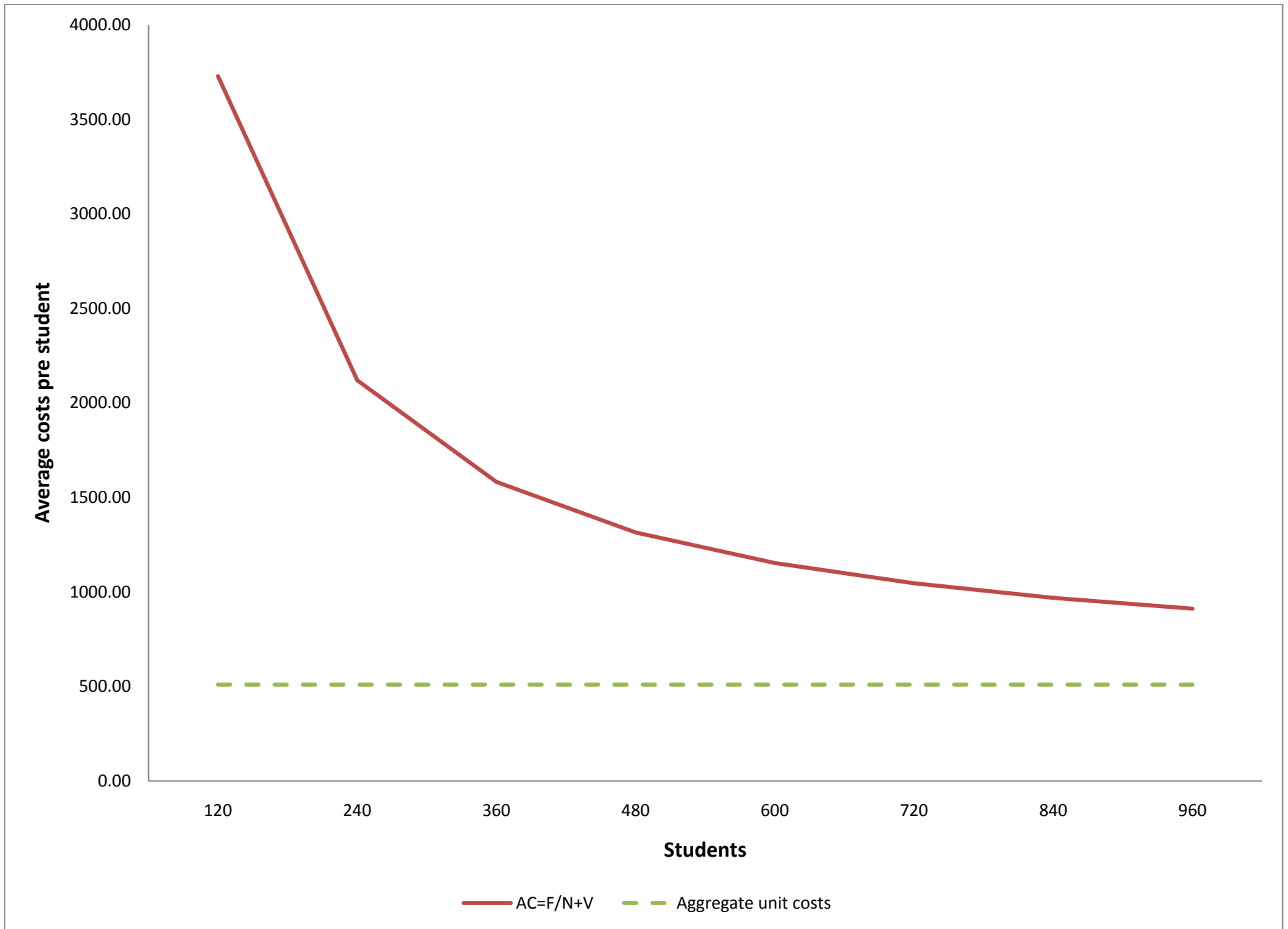
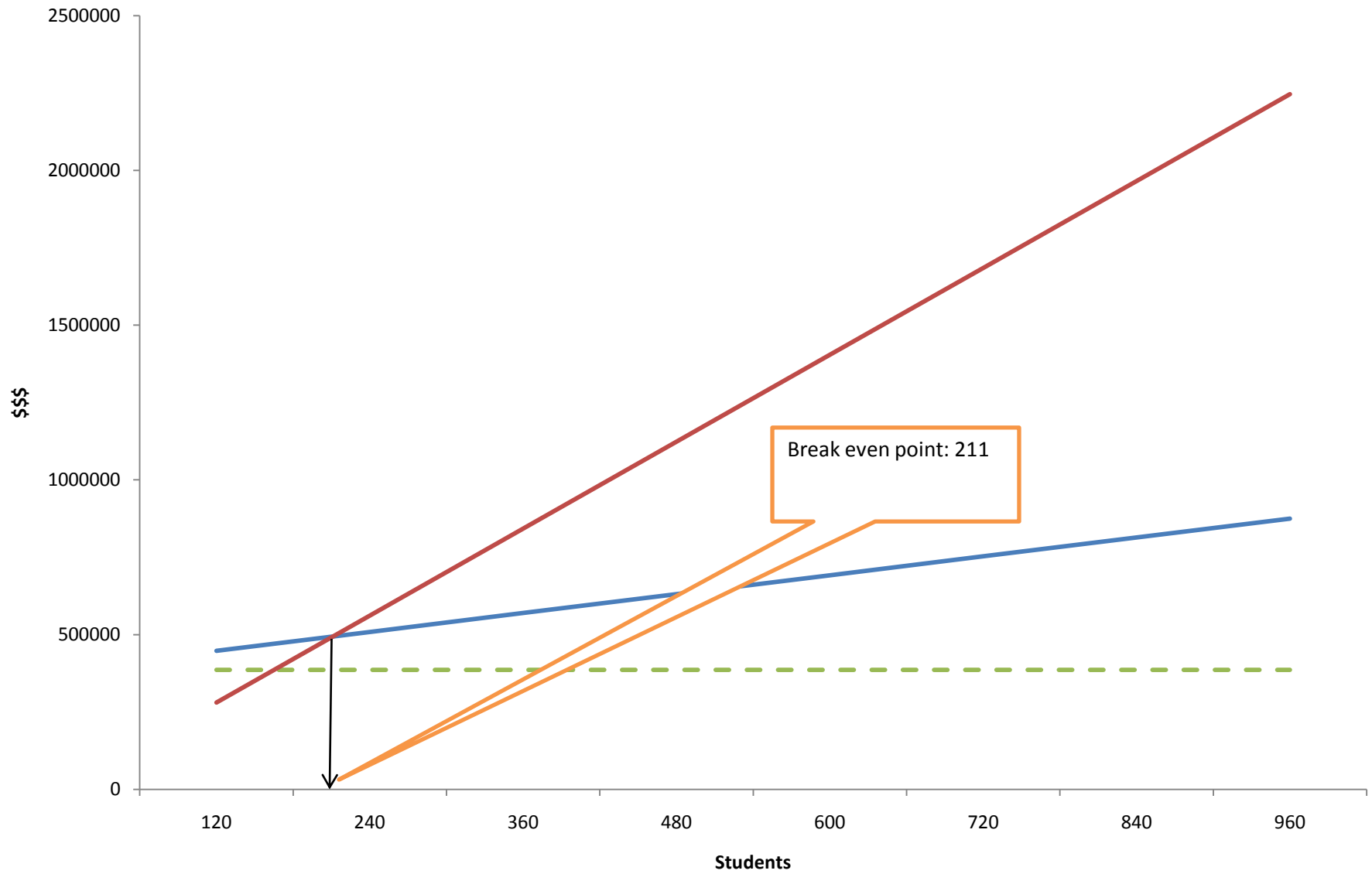


1	<b>A ONE OFF DEVELOPMENT AND PRODUCTION COSTS</b>					
2	<b>COURSE OVERHEADS</b>	<b>Type of unit</b>	<b>No of units</b>	<b>Rate per unit</b>	<b>No of persons</b>	<b>Costs (\$\$)</b>
3	Management	Per Annum Salary	1.000	70000	1	70000
4	Secretarial Support	Per Annum Salary	0.750	30500	2	45750
5	<b>Development Print</b>	<b>Type of unit</b>	<b>No of units</b>	<b>Rate per unit</b>		<b>Costs (\$\$)</b>
6	Authoring of Study Guide	Study Guide (50 pp)	9	4800		43200
7	Preparation of a Reader	Reader (400 pp)	1	2100		2100
8	Editing and Design	Per 50 pp	17	1500		25500
9	Copyright	Per 50 pp	17	3100		52700
10	<b>Development CD ROM's</b>	<b>Type of unit</b>	<b>No of units</b>	<b>Rate per unit</b>		<b>Costs (\$\$)</b>
11	Instructional Design	Per CD Rom	4	5500		22000
12	Production	Per CD Rom	4	5000		20000
13	<b>Development Assignment</b>	<b>Type of unit</b>	<b>No of units</b>	<b>Rate per unit</b>		<b>Costs (\$\$)</b>
14	Assignment	Per Assignment	6	250		1500
15	<b>Total fixed costs of development</b>					282750
16	<b>B MAINTENANCE COSTS (PART OF PRINTED MATERIAL ONLY)</b>					
17	Author	Per Study Guide	3	2900		8700
18	Editing and Design	Per Study Guide	3	1500		4500
19	<b>Total fixed costs of maintenance</b>					13200
20	<b>Total fixed costs</b>					295950
21	<b>C ANNUAL PRESENTATION COSTS (all per student)</b>					
22	<b>Student Support</b>	<b>Type of unit</b>	<b>No of units</b>	<b>Rate per unit</b>		<b>Cost/student (\$\$)</b>
23	Marking of Assignment	Per Assignment	6	50		300.00
24	Tutor (per group of 15)	Per Hour and Group of 15	12	40		32.00
25	Tutor Expenses	Per Group of 15	1	55		3.67
26	<b>Replication and Distribution</b>	<b>Type of unit</b>	<b>No of units</b>	<b>Rate per unit</b>		<b>Cost/student (\$\$)</b>
27	Production Study Guides	Per Study Guide	9	6.80		61.20
28	Production Assignments	Per Assignment	6	2.2		13.20
29	Production of Reader	Per Reader	1	10.5		10.50
30	Production of CD-ROM	Per CD-ROM	4	11.5		46.00
31	Packaging and Postage	Per Mailing	5	8.5		42.50
32	<b>Total variable cost per student</b>					509.07
33	<b>D INCOME (per student per credit)</b>					
34	Fee	Per Credit Point	3	780		2340

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Total
No of students			120	120	120	120	120	120	120	120	960
Accumulated			120	240	360	480	600	720	840	960	
Cash flow											
FD depreciated (6 years)	282750	47125	47125	47125	47125	47125	47125	47125			282750
FM depreciated (3 years)	13200	4400						4400	4400	4400	
F depreciated			47125	47125	47125	47125	47125	51525	4400	4400	
FD annualized (8 years at 6.5%)	282750	46438	46438	46438	46438	46438	46438	46438	46438	46438	
FM annualized (3 years at 6.5%)	13200	4984						4984	4984	4984	
F annualized/per year			46438	46438	46438	46438	46438	51422	51422	51422	386456
F annualized (total)	386456		386456	386456	386456	386456	386456	386456	386456	386456	
Aggregate unit costs	509.07		509.07	509.07	509.07	509.07	509.07	509.07	509.07	509.07	
TC=F+VxN			447544	508632	569720	630808	691896	752984	814072	875160	
AC=F/N+V			3730	2119	1583	1314	1153	1046	969	912	
Income per student	2340		2340	2340	2340	2340	2340	2340	2340	2340	
Income			280800	561600	842400	1123200	1E+06	1684800	1965600	2246400	
Profit			-166744	52968	272680	492392	712104	931816	1151528	1371240	
Break even	211										
					Annualization					Annualization	
			Input	r	rate	6.5%		Input	r	rate	6.5%
			Input	n	years	3		Input	n	years	8
			Input	C	amount	13200		Input	C	amount	282750
				(1+r) <sup>n</sup>	(Intermediate	1.2079			(1+r) <sup>n</sup>	(Intermediate v	1.6550
				a(r,n)	Annualization	0.378			a(r,n)	Annualization	0.164
			Result	C*a(r,n)	Annualized	4984		Result	C*a(r,n)	Annualized an	46438



# Costs and Income



— TC=F+VxN    - - - F annualized (total)    — Series2

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
No of students	120	120	120	120	120	120	120	120
Accumulated	120	240	360	480	600	720	840	960
F annualized (total)	386456	386456	386456	386456	386456	386456	386456	386456
Aggregate unit costs	509.07	509.07	509.07	509.07	509.07	509.07	509.07	509.07
TC=F+VxN	447544	508632	569720	630808	691896	752984	814072	875160
AC=F/N+V	3730	2119	1583	1314	1153	1046	969	912
Income per student	2340	2340	2340	2340	2340	2340	2340	2340
Income	280800	561600	842400	1123200	1404000	1684800	1965600	2246400
Profit	-166744	52968	272680	492392	712104	931816	1151528	1371240