

## Intermediary

Year 1					Notes
<b>Expenses</b>					
Purchases from Asian factories					
<b>10</b>	· 250,000 phones =	<b>2.5 Mio</b>	phones at £ <b>14</b>	per phone = £	<b>35 Mio</b>
<b>2</b>	· 250,000 phones =	<b>0.5 Mio</b>	phones at £ <b>18</b>	per phone = £	<b>9 Mio</b>
	· 250,000 phones =		phones at £	per phone = £	
+ variable costs		<b>3 Mio</b>	phones at £ 5.50	per phone = £	<b>16.5 Mio</b>
<b>= sum of purchases from asia</b>				= £	<b>60.5 Mio</b>
Purchases from European factories					
<b>20</b>	· 250,000 phones =	<b>5 Mio</b>	phones at £ <b>25</b>	per phone = £	<b>125 Mio</b>
	· 250,000 phones =		phones at £	per phone = £	
	· 250,000 phones =		phones at £	per phone = £	
+ variable costs		<b>5 Mio</b>	phones at £ 0.50	per phone = £	<b>2.5 Mio</b>
<b>= sum of purchases from Europe</b>				= £	<b>127.5 Mio</b>
<b>= total sum of purchases</b>				= £	<b>188 Mio</b>
<b>Revenues</b>					
<b>15</b>	· 250,000 phones =	<b>3,75 Mio</b>	phones at £ <b>30</b>	per phone = £	<b>112.5 Mio</b>
<b>10</b>	· 250,000 phones =	<b>2.5 Mio</b>	phones at £ <b>28</b>	per phone = £	<b>70 Mio</b>
<b>7</b>	· 250,000 phones =	<b>1,75 Mio</b>	phones at £ <b>40</b>	per phone = £	<b>70 Mio</b>
	· 250,000 phones =		phones at £	per phone = £	
	· 250,000 phones =		phones at £	per phone = £	
	· 250,000 phones =		phones at £	per phone = £	
<b>= total revenues</b>				= £	<b>252.5 Mio</b>
<b>Accounting</b>					
Funds at the beginning of the year				= £	<b>0</b>
+ total revenues				= £	<b>252.5 Mio</b>
- total expenses				= £	<b>188 Mio</b>
<b>= funds at the end of the year</b>				= £	<b>59.1 Mio</b>

The intermediary bought 12 paper cell phones from Asian factory owners. That sums up to a total of 3 million cell phones, 2.5 million of which were bought for £ 14 and 0.5 million for £ 18 . Each cell phone has to be transported to Germany leading to costs of £ 5.5 per phone.

20 paper cell phones representing 5 million cell phones were bought from European factories. Each cell phone leads to £ 0.5 of transportation costs. The purchase price per phone was £ 25.

The total sum of purchases is £ 188 million.

The cell phones were sold in different quantities and prices to the retailers.

Funds at the beginning of the first year are zero. The following years they are equal to the funds at the end of the previous year. Total revenues and expenses are carried over from above and accumulated.