Worked example - a fictional cafe. All figures are made up.

Cost benefit analysis

Decision or project: Buy a second coffee machine Date: 10/11/2026

Time period First 12 months

Costs	Amount (£)	Benefits	Amount (£)
Coffee machine purchase	2,400.00	Extra drinks sold at peak times	3,600.00
Installation and plumbing	350.00	Less staff overtime	800.00
Staff training	150.00	Fewer lost customers in queues	900.00
Servicing and cleaning supplies	300.00	Lower repair callouts	300.00
Extra electricity	200.00		

Total costs	£3,400.00
Total benefits	£5,600.00
Benefits minus costs	**£2,200.00**

Things that are hard to put a price on

Happier staff at busy times. Shorter queues. A risk that demand does not grow as hoped.

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How to use this template

A cost benefit analysis lists what a decision will cost and what you expect to gain, so you can compare them on one page.

1. **Pick one period.** Use the same time span for costs and benefits, such as the first year.
2. **List every cost.** Include one-off and running costs.
3. **List every benefit.** Only count benefits you can reasonably expect, and use cautious figures.
4. **Add up and compare.** Subtract total costs from total benefits.
5. **Note the unpriced items.** Use the box for things you cannot put a figure on.

This template organises your figures. It is not financial advice. Check GOV.UK or an accountant for tax and funding questions.