

# Block-Hour Cost Build-Up

Aviation & Air Services

Document type: Financial model / analysis · Generated 29 Aug 2026

This guide explains what the tool produces, how to use the output, and what to watch for. The actual output (draft/report) is generated on the tool page.

## Background

Builds the full cost per block hour of an aircraft from discrete cost lines and utilisation — the core number for pricing and viability. Use it to know your real operating cost per hour.

## Purpose of this tool & output

Build the true cost per block hour

## How the output is used

Use it to build the true cost per block hour — fuel, maintenance reserves, crew, insurance and fixed-cost allocation, the basis for every quote.

## Who should vet it

Your CA or a finance-savvy operator, to confirm the maintenance reserve and fixed-cost allocation in the hourly cost.

## Important cautions

Cost per block hour is highly sensitive to utilisation because fixed costs are large; low flying makes each hour very expensive. Recompute with realistic block hours and do not price off optimistic utilisation.

## Companion documents

- Aviation P&L Modeller
- Break-Even & Utilisation Calculator
- Working Capital Planner
- Cash Flow Projection
- Aviation Funding & Financing Plan
- Aircraft Lease vs Buy Analyser

This is AI-assisted guidance. Verify with a qualified professional before any binding decision. Fees, authorities and processes vary by state and change over time — confirm with your state authority.