



CONFIDENTIAL

Garrett's Bike Shop

Top-quality gear, repair, and advice from your local cycling fanatics

Business Plan
Prepared May 2023

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Executive Summary

Opportunity

Solution

Garrett's Bike Shop is a snob-free zone where regular people can get top-notch gear and expert advice.

Problem

It's hard to buy a good bike in Metroburg without being an "insider" cycling expert.

Competition

Current Alternatives

- One multi-sport store at the local megamall
- One statewide chain of bicycle shops which started out as Schwinn-only, but has since taken on other brands and products.
- One used bike store that has formed a dependable business reputation for itself, dealing strictly in used bikes.
- Three local bike shops, including the oldest shop in town.
- One chain that specializes in opening shops in small local malls near new housing developments.
- Several garage mechanics offering service only.

Expectations

Why Us?



Garrett's Bike Shop offers a welcoming, family-friendly bike shop with higher quality gear and services.

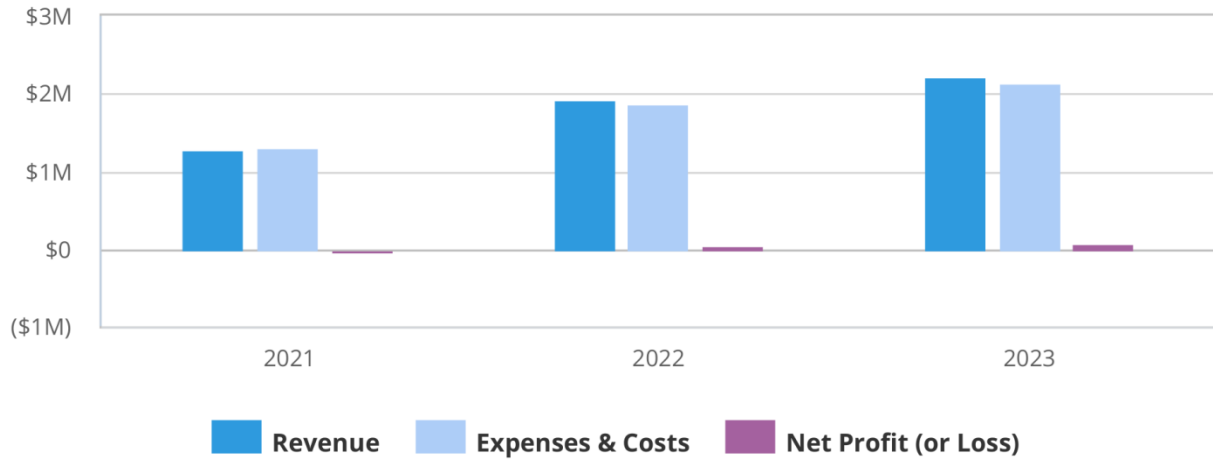
Forecast

This financial plan was developed based on previous years' data for the existing store, tracking trends in revenues and expenses. A five-month track of sales, accounts receivables and payables, and inventory from a year-end benchmark was carried out.

The current owner, Han Delbar, has sold the business to Hubert Wheeler for \$140,000. The seller, buyer, and accountant worked together on the plan to balance optimism with reality. An attorney was consulted on the specifics of the sale contract.

Sales for the first year of new ownership are projected above \$500,000, with a gross margin of almost 65%. Profitability is expected at the halfway point of the fiscal year in March.

Financial Highlights by Year



Financing Needed

The shop plans on bootstrapping the business to start, but may consider loans for future expansion.

Opportunity

Problem & Solution

Problem Worth Solving

No full-service bike shop offers a snob-free zone that tailors to the university market.

Our solution

The market niche has several needs which the shop strives to meet:

- Quality bikes at several price points.
- Various styles and sizes of bikes, leaning heavily toward the styles most popular among students.
- Range of accessories most practical in the local setting, such as locks, fenders, lights, tires, seats, and rainwear.
- Plenty of replacement components and service parts.
- Friendly, personal relationships between cyclists and shop staff.
- Quick and convenient service from on-the-spot flat tire fix to drop in repairs to scheduled major maintenance. The rider can drop their bike off, head to class or work, and be assured that it will be ready for the ride home.

Target Market

Market Size & Segments



Competition

Current alternatives

- One local multi-sport store at the local megamall
- One statewide chain of bicycle shops which started out as Schwinn-only, but has since taken on other brands and products.
- One used bike store that has made a reliable business reputation for itself, dealing strictly in used bikes.
- Three local, including the oldest shop in town.
- One multi-location chain that has specialized in opening shops in small local malls in areas of new housing developments.
- Several garage mechanics offering service only.

Our advantages

The foremost competitive advantage of Garrett's Bike Shop is its university location. The university is over 100 years old and as it has grown, Metroburg has as well. Parking is almost nonexistent with all campus parking being either permit or meter controlled, plus local streets are filled to capacity with the vehicles of residents. Bicycles are therefore an obvious and popular transportation solution.

Negotiations of the past two years also bring the advantage of continued financial agreements with major suppliers. This is an advantage over start-up bicycle shops, but is more a leveling of the playing field when compared to other established shops in Metroburg.

Traditionally, start up stores will be placed on a Cash On Delivery (COD) status by bicycle manufacturers and parts/accessories suppliers. The COD status stays in effect until the new shop demonstrates its ability to manage orders and cash flow. This also means the new shop must have more funding to be able to write checks at a moment's notice for large amounts.

Execution

Marketing & Sales

Marketing Plan

The marketing strategy of Garrett's Bike Shop is to establish anticipation of the store's opening in the community so it can hit the ground running with retail sales immediately upon launch. Garrett's Bike Shop will be more than a store; it wants to build a community and enjoyable buying experience. To that end, the following tactics will be used:

- A Facebook company page with targeted ads and a stream of posts emphasizing health, quality gear, expert advice, and community. It will have a local biker community within the page so people can come and engage with the others who share their passion. The page will also showcase store news, community members, and raffles to take advantage of word-of-mouth marketing and grow organically.
- An Instagram company account that shows pictures of new gear, employees, community members, and more. It will implement the use of hashtags to increase traffic.
- A YouTube company channel dedicated to educating bikers about troubleshooting problems, expert advice, and community building.
- A Twitter company account that emphasizes biking-related news and its community.
- Emphasize Yelp and Google Reviews after transactions to boost ratings and community engagement.
- Direct mail of flyers to a select list of 5,000 high income households.
- Advertisements in local newspapers and magazines.
- Flyers in the downtown area around the site of the shop.
- Launch of the website in anticipation of opening.
- Yellow Pages listing.

Sales Plan

There are sales strategies for both retail and E-commerce sales.

Retail sales will be based on the marketing of the store and its location, explained in the marketing plan section. At an operational level, customers will engage with experts working the floor of the store (two on duty at any given time), or with the office clerk over the phone or Internet. These experts will educate customers about best practices and assist them through the process of purchasing the correct product.

Customers will be greeted with a standard greeting and served to meet their satisfaction with focus on providing expert service. Customers will have a few seats in the store to sit in comfortably if they have to wait for assistance.

Operations

Locations & Facilities



Garrett's Bike Shop is a 1,500 square foot store of interior space located on the university campus in Metroburg. The location – the first block off campus in a commercial area featuring the university bookstore, a private bookstore, bank, cafes, coffee shops and popular watering holes – is ideal. It gets constant daily visual exposure to the target market. Students and staff travel the sidewalk outside the

front door, generating lots of paying customers. The nearest competitor is almost a mile away, so for the student customer on foot and in a hurry, Garrett's Bike Shop is the immediate solution to their needs.

Technology

The bike shop is equipped with a range of technology to help maintain any customer's bicycle needs. Whether older bike parts or newer technologies, inventory has whatever is needed to ensure that a bike stays in peak condition.

With a customized online tracking system, the shop can keep record of what part of a bike was addressed from the last visit and maintain an ongoing record for future visits. This allows the experts to specialize a customer's visits each time they enter the shop.

Staffing

-

Equipment & Tools

All bikes require service ranging from basic tune-ups to complex maintenance. With an array of bikes in mind, the shop has the right equipment and tools to cater to any biking needs.

Milestones & Metrics

Milestones Table

Milestone	Due Date	Who's Responsible	Details
Review Forecast	Completed	Sabrina	
New Location	Completed	Mike	Opening up a new location
Complete pitch	Completed	Team A	
Hire sales team	Completed	Garrett	
Expand storefront	Completed	Mike	Goal of expanding storefront by next month
test	Completed		
Choose new POS Systems	Completed	Mike	
Complete marketing plan	Completed	Garrett	
Develop Branding	Completed	Marketing	
Open 1st Location	Completed	Team	
Upload research into plan	Completed	Justin	
Complete pitch	Completed	Client #1	
Expand storefront	Completed		
Hire a new bookkeeper	Completed	Owner	
Grand Opening	Completed		
Hire new repair technician	Completed		
New Forecast Scenario	Completed		
Hire a bookkeeper	Completed	Owner	
Hire new employee	Completed	CEO/Owner	
Complete Forecast	Completed	Garrett	

Hire a manager	Completed	Owner	
Hire an admin	Completed	Tracy	
Grand Opening	Completed	Joey	Grand Opening Date
Round 1 due	December 07, 2018	Team	
Revenue Scenario	June 04, 2020	Joey	
Complete Business Plan	June 10, 2020		
Revenue forecast	October 01, 2020	Joey	Complete the revenue forecast next week
Review and update forecast	November 25, 2020	Executive team	Recurring monthly forecast meeting
Hire a new manager	June 01, 2021	Owner	

Key metrics

- Inventory turnover
- Sales per square foot
- Cost of training employees
- Number of return customers
- Number of reviews that customers write
- Favorite brands
- Average price of bike (new and used)

Company

Overview

Company history



The current assistant manager, **Hubert Wheeler**, is buying Garrett's Bike Shop and will manage the business. He has a B.S. degree in Economics and an M.A. in Comparative Literature. His passion, however, has always been cycling.

Hubert originally worked at his local bike shop when he was in college. After several years trying to find suitable work in his degree field, he gave up chasing the chimera of these industries and decided to work with something substantial: his youthful enjoyment of bicycles.

He attended two of the major bicycle mechanic training programs at New England Bicycle Academy and the United Bicycle Institute. These courses covered mechanical service and maintenance, frame building and repair, wheel building, and shop organization, sales, and management. He has 12 years of progressively responsible experience in bicycle shops, with the last five at Garrett's Bike Shop.



One of the other full-time employees, **Valerie Pede**, has expressed interest in learning more about the bike industry. She will be promoted to the new assistant manager. Val has been with Garrett's Bike Shop for three years. She graduated from State University at Metroburg with tandem B.S. degrees in Exercise Physiology and Recreation Management. Val loves to cycle and has kept her contacts at the university active. Her knowledge and expertise draws many female

bicyclists to our store, where they know they will get the care and attention which is usually absent from traditionally male-staffed shops.

Ownership & Structure



Garrett's Bike Shop is a subchapter S corporation currently owned by Han Delbar. Hubert Wheeler, current assistant manager of Garrett's Bike Shop, is purchasing the business from Delbar. He will acquire existing inventory, assume outstanding accounts payable and dating program debts to suppliers, location lease, customer base and information, and Garrett's Bike Shop's business name and goodwill. The business will continue to be a subchapter S corporation. Exchange of ownership will occur on July 1.

To establish an accurate accounting of existing inventory and outstanding debts, the prior year's closing inventory and year-end financial statement as reviewed by the business' CPA were used as benchmarks. The sales, orders placed, deliveries received, and accounts payable payments made have been tracked each month, and a trial balance of these will be run June 15 to establish the final purchase price for inventory on hand, and the amount of accounts payable assumed. The figures presented here are conservative, realistic estimates used for planning purposes.

Team

Management team



Garrett McKenzie – Founder/Owner

After a successful run as a mortgage broker, Garrett will apply his business acumen to leading a company he is passionate about.



Jill Bloom – Shop Manager

After a decade of bike-shop experience and five completed triathlons, Jill will anchor the services side of the business.

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manager. Val has been with Garret's Bike Shop for three years. She graduated from State University at Metroburg with tandem B.S. degrees in Exercise Physiology and Recreation Management. She loves to cycle and has kept her contacts at the university active. Her knowledge and expertise draws many women bicyclists to our store, where they know they will get the care and attention which is usually absent from traditionally male-staffed shops.

The current owner, **Han Delbar** will be available as a resource.

Additional resources are:

- Order Out of Chaos, our full-cycle bookkeeping service.
- Continental Shelf Bank.
- Newt Ria, a partner at Weasel, Stoat, Muskrat who advised on the sale/purchase arrangements.

Advisors



Tom McKey - Tom is a CPA with twenty-five years of experience advising dozens of startups and small businesses.



Heather Gibson - Heather is an avid cyclist and small business investor. Her expertise is in small business expansion.

Financial Plan

Forecast

Key assumptions

Sales vary season to season and with the academic school year. Surprisingly, summer is the slowest season because there are fewer students in town. Business picks up in August with the return of university students and staff and then flourishes in September. Accessories and rainwear sales increase in the autumn and early winter, while repairs and maintenance remain steady. Holiday sales are brisk, though generally leaning on accessories, parts, rainwear, gloves, helmets, headlights, and more. Winter sales are moderate, and then pick up in springtime as people put away their skis and look forward to local outdoor activities, longer daylight hours, and drier weather.

Garrett's Bike Shop has three large sales promotions each year based on those assumptions:

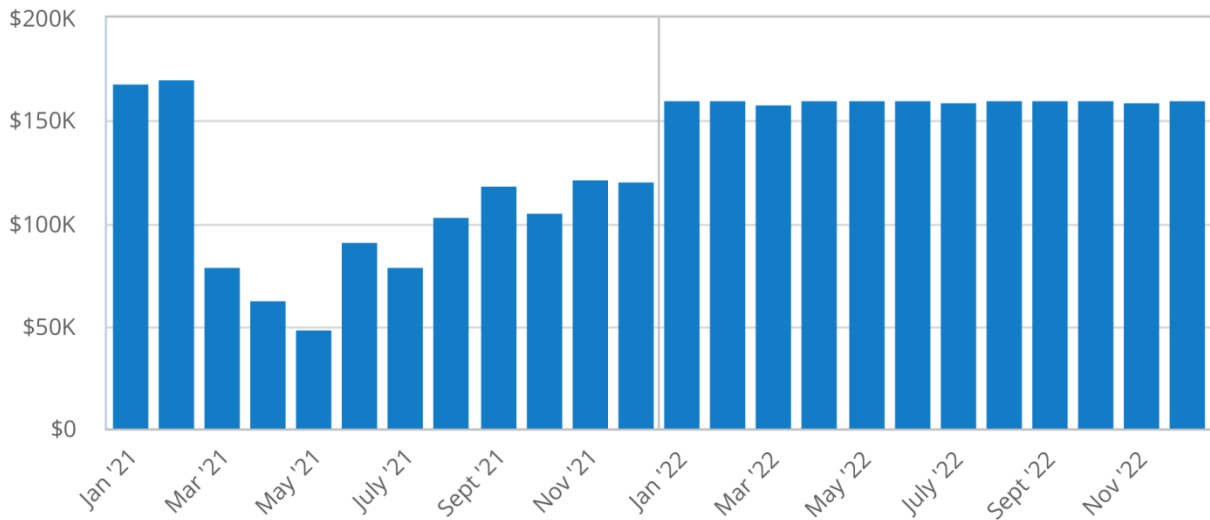
1. Back to school in August/September. This is the biggest sale of the year - it offers new bicycles, locks, helmets, racks, fenders, and backpacks. These bikes will almost always sell out to students seeking great values.
2. Year-end holidays. This sale overlaps with the beginning of winter term. The retail market demands some participation in this annual buying frenzy, yet the sale produces lower revenue than our other two events. The shop sells fewer bikes, but more accessories and clothing.
3. Spring. This coincides with the return of nice weather and the beginning of spring term. New bicycles, as well as repair, maintenance, and tune-up specials are featured. It is important for the shop to have a good selection on hand at this time because when people decide they want a new bike, they want it immediately. If the shop doesn't have the bike at that time and can't make the sale, many riders decide that they can get another season out of their old bike and will spend their discretionary income on somewhere else.

Additionally, the shop has some special promotions and events available for June graduation.

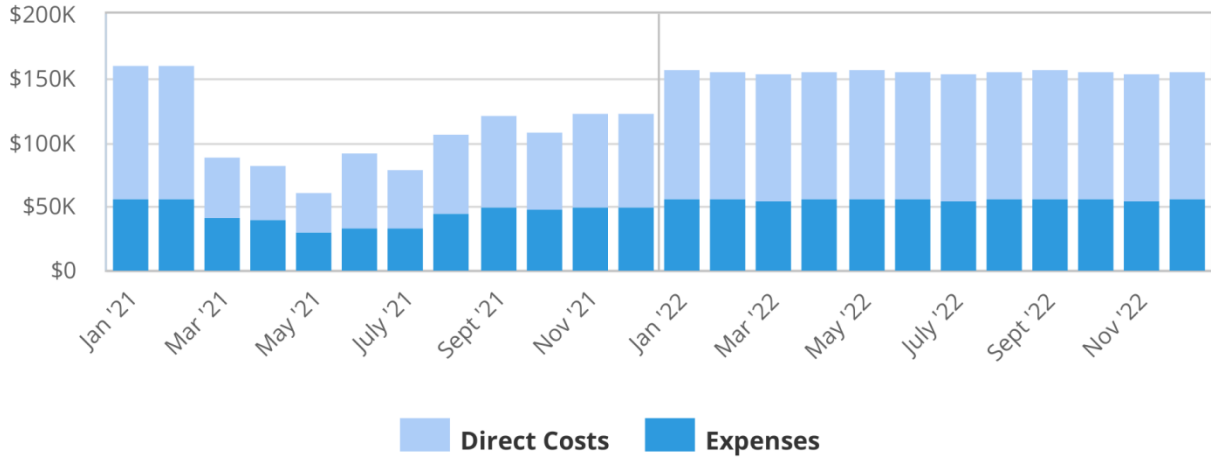
These sources generate a small monthly revenue:

- Sale of used bicycles taken in on trade.
- Repair classes taught at the University Outdoor Center, once a term.
- Monthly service contract for repairs and parts with the University Security Office.

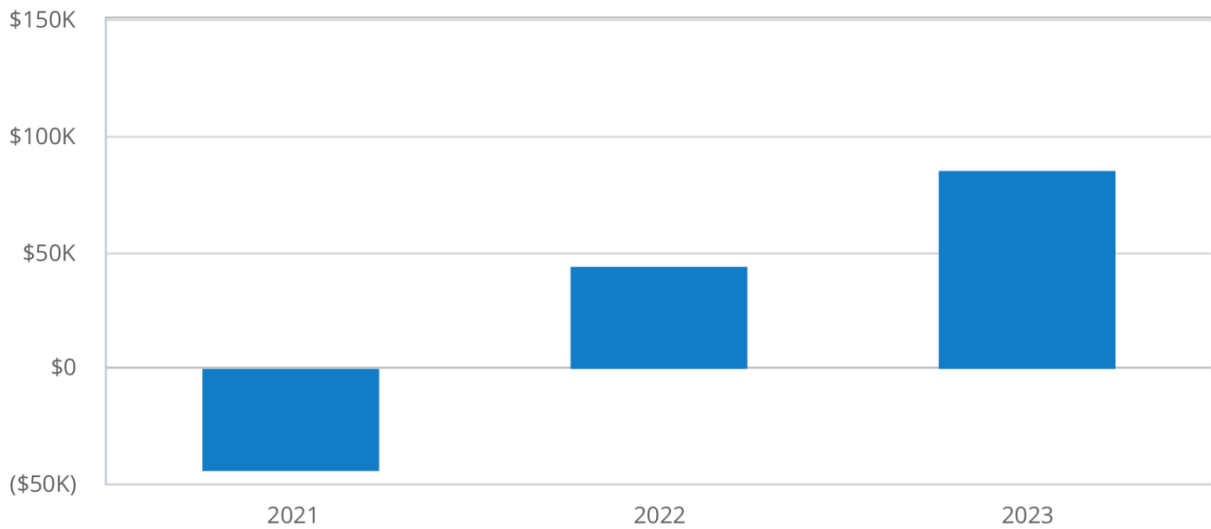
Revenue by Month



Expenses by Month



Net Profit (or Loss) by Year



Financing

Use of funds

Our uses of funds are:

Legal	\$10,000
Stationery etc.	\$1,000
Insurance	\$2,000
Rent	\$4,800
Pre-Launch Marketing	\$5,000
Website Development	<u>\$10,000</u>
TOTAL START-UP EXPENSES	<u>\$32,800</u>

Sources of Funds

Our funds are from:

Garrett McKenzie - \$20,000

Heather Gibson - \$12,800

Statements

Business performance statement

	2021	2022	2023
Revenue	\$1,270,934	\$1,920,052	\$2,224,680
Direct Costs	\$770,894	\$1,201,961	\$1,407,954
Gross Margin	\$500,040	\$718,091	\$816,726
Gross Margin %	39%	37%	37%
Operating Expenses			
Salaries & Wages	\$190,250	\$234,200	\$235,424
Employee Related Expenses	\$28,538	\$35,130	\$35,314
Rent	\$144,000	\$158,400	\$174,240
Marketing	\$76,256	\$115,203	\$133,481
General & Administrative	\$12,709	\$19,201	\$22,247
Supplies	\$38,128	\$57,602	\$66,740
Leased Equipment	\$18,000	\$18,000	\$18,000
Bookkeeping	\$18,500	\$18,000	\$18,000
Insurance	\$12,720	\$12,720	\$12,720
Total Operating Expenses	\$539,101	\$668,455	\$716,166
Operating Income	(\$39,061)	\$49,636	\$100,561
Interest Incurred	\$473	\$1,559	\$1,639
Depreciation and Amortization	\$4,000	\$4,000	\$4,000
Gain or Loss from Sale of Assets			
Income Taxes	\$0	\$54	\$9,492
Total Expenses	\$1,314,468	\$1,876,029	\$2,139,250
Net Profit	(\$43,534)	\$44,023	\$85,430
Net Profit / Sales	(3%)	2%	4%

Projected Balance Sheet

	Starting Balances	2021	2022	2023
Cash	\$422,492	\$332,967	\$293,672	\$296,709
Accounts Receivable	\$162,000	\$18,225	\$29,970	\$37,260
Inventory	\$0	\$0	\$0	\$0
Other Current Assets				
Total Current Assets	\$584,492	\$351,192	\$323,642	\$333,969
Long-Term Assets		\$40,000	\$40,000	\$40,000
Accumulated Depreciation		(\$4,000)	(\$8,000)	(\$12,000)
Total Long-Term Assets		\$36,000	\$32,000	\$28,000
Total Assets	\$584,492	\$387,192	\$355,642	\$361,969
Accounts Payable	\$145,950	\$62,550	\$84,525	\$101,441
Income Taxes Payable		(\$839)	\$54	\$2,397
Sales Taxes Payable		\$0	\$0	\$0
Short-Term Debt				
Prepaid Revenue	\$0	\$0	\$0	\$0
Total Current Liabilities	\$145,950	\$61,711	\$84,579	\$103,838
Long-Term Debt		\$30,473	\$32,032	\$33,671
Long-Term Liabilities		\$30,473	\$32,032	\$33,671
Total Liabilities	\$145,950	\$92,184	\$116,611	\$137,509
Paid-In Capital				
Retained Earnings	\$438,542	\$338,542	\$195,008	\$139,030
Earnings		(\$43,534)	\$44,023	\$85,430

Total Owner's Equity	\$438,542	\$295,008	\$239,030	\$224,460
Total Liabilities & Equity	\$584,492	\$387,192	\$355,642	\$361,969

Projected Cash Flow Statement

	2021	2022	2023
Net Cash Flow from Operations			
Net Profit	(\$43,534)	\$44,023	\$85,430
Depreciation & Amortization	\$4,000	\$4,000	\$4,000
Change in Accounts Receivable	\$143,775	(\$11,745)	(\$7,290)
Change in Inventory	\$0	\$0	\$0
Change in Accounts Payable	(\$83,400)	\$21,975	\$16,916
Change in Income Tax Payable	(\$839)	\$893	\$2,343
Change in Sales Tax Payable	\$0	\$0	\$0
Change in Prepaid Revenue	\$0	\$0	\$0
Net Cash Flow from Operations	\$20,002	\$59,146	\$101,399
Investing & Financing			
Assets Purchased or Sold	(\$40,000)		
Net Cash from Investing	(\$40,000)		
Investments Received			
Dividends & Distributions	(\$100,000)	(\$100,000)	(\$100,000)
Change in Short-Term Debt			
Change in Long-Term Debt	\$30,473	\$1,559	\$1,639
Net Cash from Financing	(\$69,527)	(\$98,441)	(\$98,361)
Cash at Beginning of Period	\$422,492	\$332,967	\$293,672
Net Change in Cash	(\$89,525)	(\$39,295)	\$3,037
Cash at End of Period	\$332,967	\$293,672	\$296,709

Appendix

Profit and Loss Statement (With Monthly Detail)

2021	Jan '21	Feb '21	Mar '21	Apr '21	May '21	June '21	July '21	Aug '21	Sept '21	Oct '21	Nov '21	Dec '21
Total Revenue	\$168,725	\$170,995	\$79,285	\$62,871	\$48,752	\$91,355	\$79,303	\$103,373	\$118,440	\$105,303	\$121,612	\$120,919
Total Direct Costs	\$104,428	\$103,821	\$47,105	\$41,220	\$31,040	\$57,253	\$46,555	\$61,909	\$71,768	\$59,708	\$73,169	\$72,919
Gross Margin	\$64,297	\$67,175	\$32,180	\$21,651	\$17,712	\$34,102	\$32,748	\$41,464	\$46,671	\$45,594	\$48,444	\$48,001
Gross Margin %	38%	39%	41%	34%	36%	37%	41%	40%	39%	43%	40%	40%
Operating Expenses												
Salaries and Wages	\$19,416	\$19,416	\$16,541	\$16,916	\$7,917	\$7,917	\$7,917	\$16,542	\$19,417	\$19,417	\$19,417	\$19,417
Employee Related Expenses	\$2,912	\$2,912	\$2,481	\$2,537	\$1,188	\$1,188	\$1,188	\$2,481	\$2,913	\$2,913	\$2,913	\$2,913
Rent	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Marketing	\$10,124	\$10,260	\$4,757	\$3,772	\$2,925	\$5,481	\$4,758	\$6,202	\$7,106	\$6,318	\$7,297	\$7,255
General & Administrative	\$1,687	\$1,710	\$793	\$629	\$488	\$914	\$793	\$1,034	\$1,184	\$1,053	\$1,216	\$1,209
Supplies	\$5,062	\$5,130	\$2,379	\$1,886	\$1,463	\$2,741	\$2,379	\$3,101	\$3,553	\$3,159	\$3,648	\$3,628
Leased Equipment	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Bookkeeping	\$1,500	\$2,000	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Insurance	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060
Total Operating Expenses	\$55,261	\$55,988	\$43,011	\$41,800	\$30,040	\$34,300	\$33,095	\$45,421	\$50,234	\$48,920	\$50,551	\$50,481

Copy of Garrett's Bike Shop

Operating Income	\$9,036	\$11,187	(\$10,830)	(\$20,150)	(\$12,327)	(\$198)	(\$347)	(\$3,957)	(\$3,562)	(\$3,325)	(\$2,107)	(\$2,481)
Interest Incurred										\$188	\$159	\$126
Depreciation and Amortization	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333
Gain or Loss from Sale of Assets												
Income Taxes	\$870	\$1,086	(\$1,117)	(\$839)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$160,892	\$161,228	\$89,332	\$82,515	\$61,413	\$91,886	\$79,983	\$107,663	\$122,335	\$109,149	\$124,212	\$123,860
Net Profit	\$7,833	\$9,767	(\$10,047)	(\$19,644)	(\$12,661)	(\$531)	(\$680)	(\$4,290)	(\$3,895)	(\$3,846)	(\$2,600)	(\$2,941)
Net Profit / Sales	5%	6%	(13%)	(31%)	(26%)	(1%)	(1%)	(4%)	(3%)	(4%)	(2%)	(2%)

Copy of Garrett's Bike Shop

2022	Jan '22	Feb '22	Mar '22	Apr '22	May '22	June '22	July '22	Aug '22	Sept '22	Oct '22	Nov '22	Dec '22
Total Revenue	\$160,543	\$159,955	\$158,788	\$160,050	\$160,734	\$160,136	\$159,015	\$160,213	\$160,834	\$160,283	\$159,155	\$160,346
Total Direct Costs	\$100,798	\$100,348	\$99,148	\$100,348	\$100,798	\$100,348	\$99,178	\$100,348	\$100,768	\$100,348	\$99,178	\$100,348
Gross Margin	\$59,745	\$59,606	\$59,640	\$59,701	\$59,935	\$59,787	\$59,837	\$59,865	\$60,066	\$59,934	\$59,977	\$59,998
Gross Margin %	37%	37%	38%	37%	37%	37%	38%	37%	37%	37%	38%	37%
Operating Expenses												
Salaries and Wages	\$19,516	\$19,516	\$19,516	\$19,516	\$19,517	\$19,517	\$19,517	\$19,517	\$19,517	\$19,517	\$19,517	\$19,517
Employee Related Expenses	\$2,927	\$2,927	\$2,927	\$2,927	\$2,928	\$2,928	\$2,928	\$2,928	\$2,928	\$2,928	\$2,928	\$2,928
Rent	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200	\$13,200
Marketing	\$9,633	\$9,597	\$9,527	\$9,603	\$9,644	\$9,608	\$9,541	\$9,613	\$9,650	\$9,617	\$9,549	\$9,621
General & Administrative	\$1,605	\$1,600	\$1,588	\$1,600	\$1,607	\$1,601	\$1,590	\$1,602	\$1,608	\$1,603	\$1,592	\$1,603
Supplies	\$4,816	\$4,799	\$4,764	\$4,801	\$4,822	\$4,804	\$4,770	\$4,806	\$4,825	\$4,808	\$4,775	\$4,810
Leased Equipment	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Bookkeeping	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Insurance	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060	\$1,060
Total Operating Expenses	\$55,758	\$55,699	\$55,582	\$55,708	\$55,778	\$55,718	\$55,606	\$55,726	\$55,788	\$55,733	\$55,620	\$55,739
Operating Income	\$3,987	\$3,907	\$4,058	\$3,993	\$4,157	\$4,069	\$4,231	\$4,139	\$4,278	\$4,202	\$4,357	\$4,258
Interest Incurred	\$127	\$128	\$128	\$129	\$129	\$130	\$130	\$131	\$131	\$132	\$132	\$133
Depreciation and Amortization	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333

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Gain or Loss from Sale of Assets												
Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$54
Total Expenses	\$157,016	\$156,508	\$155,192	\$156,519	\$157,039	\$156,530	\$155,248	\$156,538	\$157,021	\$156,546	\$155,264	\$156,608
Net Profit	\$3,527	\$3,447	\$3,597	\$3,531	\$3,695	\$3,606	\$3,767	\$3,675	\$3,813	\$3,736	\$3,891	\$3,738
Net Profit / Sales	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

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	2021	2022	2023
Total Revenue	\$1,270,934	\$1,920,052	\$2,224,680
Total Direct Costs	\$770,894	\$1,201,961	\$1,407,954
Gross Margin	\$500,040	\$718,091	\$816,726
Gross Margin %	39%	37%	37%
Operating Expenses			
Salaries and Wages	\$190,250	\$234,200	\$235,424
Employee Related Expenses	\$28,538	\$35,130	\$35,314
Rent	\$144,000	\$158,400	\$174,240
Marketing	\$76,256	\$115,203	\$133,481
General & Administrative	\$12,709	\$19,201	\$22,247
Supplies	\$38,128	\$57,602	\$66,740
Leased Equipment	\$18,000	\$18,000	\$18,000
Bookkeeping	\$18,500	\$18,000	\$18,000
Insurance	\$12,720	\$12,720	\$12,720
Total Operating Expenses	\$539,101	\$668,455	\$716,166
Operating Income	(\$39,061)	\$49,636	\$100,561
Interest Incurred	\$473	\$1,559	\$1,639
Depreciation and Amortization	\$4,000	\$4,000	\$4,000
Gain or Loss from Sale of Assets			
Income Taxes	\$0	\$54	\$9,492
Total Expenses	\$1,314,468	\$1,876,029	\$2,139,250
Net Profit	(\$43,534)	\$44,023	\$85,430

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Net Profit / Sales	(3%)	2%	4%
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Balance Sheet (With Monthly Detail)

	Starting Balances	Jan '21	Feb '21	Mar '21	Apr '21	May '21	June '21	July '21	Aug '21	Sept '21	Oct '21	Nov '21	Dec '21
Cash	\$422,492	\$528,002	\$480,655	\$407,765	\$394,016	\$373,534	\$364,170	\$351,189	\$360,035	\$379,608	\$362,487	\$363,938	\$332,967
Accounts Receivable	\$162,000	\$17,820	\$25,110	\$14,580	\$12,150	\$10,125	\$13,365	\$11,745	\$12,960	\$17,010	\$11,745	\$14,985	\$18,225
Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Assets													
Total Current Assets	\$584,492	\$545,822	\$505,765	\$422,345	\$406,166	\$383,659	\$377,535	\$362,934	\$372,995	\$396,618	\$374,232	\$378,923	\$351,192
Long-Term Assets		\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Accumulated Depreciation		(\$333)	(\$667)	(\$1,000)	(\$1,333)	(\$1,667)	(\$2,000)	(\$2,333)	(\$2,667)	(\$3,000)	(\$3,333)	(\$3,667)	(\$4,000)
Total Long-Term Assets		\$39,667	\$39,333	\$39,000	\$38,667	\$38,333	\$38,000	\$37,667	\$37,333	\$37,000	\$36,667	\$36,333	\$36,000
Total Assets	\$584,492	\$585,489	\$545,098	\$461,345	\$444,833	\$421,992	\$415,535	\$400,601	\$410,328	\$433,618	\$410,899	\$415,256	\$387,192
Accounts Payable	\$145,950	\$138,244	\$87,000	\$39,410	\$44,220	\$34,040	\$53,114	\$38,860	\$52,878	\$60,063	\$48,003	\$62,800	\$62,550
Income Taxes Payable		\$870	\$1,956	\$839	(\$839)	(\$839)	(\$839)	(\$839)	(\$839)	(\$839)	(\$839)	(\$839)	(\$839)
Sales Taxes Payable		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Short-Term Debt													
Prepaid Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$145,950	\$139,114	\$88,956	\$40,249	\$43,381	\$33,201	\$52,275	\$38,021	\$52,039	\$59,224	\$47,164	\$61,961	\$61,711
Long-Term Debt										\$45,000	\$38,188	\$30,347	\$30,473

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Long-Term Liabilities										\$45,000	\$38,188	\$30,347	\$30,473
Total Liabilities	\$145,950	\$139,114	\$88,956	\$40,249	\$43,381	\$33,201	\$52,275	\$38,021	\$52,039	\$104,224	\$85,351	\$92,308	\$92,184
Paid-In Capital													
Retained Earnings	\$438,542	\$438,542	\$438,542	\$413,542	\$413,542	\$413,542	\$388,542	\$388,542	\$388,542	\$363,542	\$363,542	\$363,542	\$338,542
Earnings		\$7,833	\$17,600	\$7,554	(\$12,090)	(\$24,751)	(\$25,282)	(\$25,962)	(\$30,252)	(\$34,148)	(\$37,994)	(\$40,593)	(\$43,534)
Total Owner's Equity	\$438,542	\$446,375	\$456,142	\$421,096	\$401,452	\$388,791	\$363,260	\$362,580	\$358,290	\$329,394	\$325,548	\$322,948	\$295,008
Total Liabilities & Equity	\$584,492	\$585,489	\$545,098	\$461,345	\$444,833	\$421,992	\$415,535	\$400,601	\$410,328	\$433,618	\$410,899	\$415,256	\$387,192

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2022	Jan '22	Feb '22	Mar '22	Apr '22	May '22	June '22	July '22	Aug '22	Sept '22	Oct '22	Nov '22	Dec '22
Cash	\$342,946	\$334,020	\$330,193	\$326,648	\$322,517	\$317,803	\$313,341	\$309,910	\$305,870	\$301,319	\$296,981	\$293,672
Accounts Receivable	\$26,325	\$30,375	\$29,565	\$29,970	\$30,375	\$30,375	\$29,565	\$29,970	\$30,375	\$30,375	\$29,565	\$29,970
Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Assets												
Total Current Assets	\$369,271	\$364,395	\$359,758	\$356,618	\$352,892	\$348,178	\$342,906	\$339,880	\$336,245	\$331,694	\$326,546	\$323,642
Long-Term Assets	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Accumulated Depreciation	(\$4,333)	(\$4,667)	(\$5,000)	(\$5,333)	(\$5,667)	(\$6,000)	(\$6,333)	(\$6,667)	(\$7,000)	(\$7,333)	(\$7,667)	(\$8,000)
Total Long-Term Assets	\$35,667	\$35,333	\$35,000	\$34,667	\$34,333	\$34,000	\$33,667	\$33,333	\$33,000	\$32,667	\$32,333	\$32,000
Total Assets	\$404,938	\$399,728	\$394,758	\$391,285	\$387,225	\$382,178	\$376,572	\$373,214	\$369,245	\$364,360	\$358,880	\$355,642
Accounts Payable	\$84,975	\$84,525	\$83,325	\$84,525	\$84,975	\$84,525	\$83,355	\$84,525	\$84,945	\$84,525	\$83,355	\$84,525
Income Taxes Payable	(\$839)	(\$839)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$54
Sales Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Short-Term Debt												
Prepaid Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$84,136	\$83,686	\$83,325	\$84,525	\$84,975	\$84,525	\$83,355	\$84,525	\$84,945	\$84,525	\$83,355	\$84,579
Long-Term Debt	\$30,600	\$30,728	\$30,856	\$30,984	\$31,113	\$31,243	\$31,373	\$31,504	\$31,635	\$31,767	\$31,899	\$32,032
Long-Term Liabilities	\$30,600	\$30,728	\$30,856	\$30,984	\$31,113	\$31,243	\$31,373	\$31,504	\$31,635	\$31,767	\$31,899	\$32,032

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Total Liabilities	\$114,736	\$114,414	\$114,181	\$115,509	\$116,088	\$115,768	\$114,728	\$116,029	\$116,580	\$116,292	\$115,254	\$116,611
Paid-In Capital												
Retained Earnings	\$286,675	\$278,341	\$270,008	\$261,675	\$253,341	\$245,008	\$236,675	\$228,341	\$220,008	\$211,675	\$203,341	\$195,008
Earnings	\$3,527	\$6,973	\$10,570	\$14,101	\$17,796	\$21,402	\$25,169	\$28,844	\$32,657	\$36,394	\$40,285	\$44,023
Total Owner's Equity	\$290,202	\$285,314	\$280,578	\$275,776	\$271,137	\$266,410	\$261,844	\$257,185	\$252,665	\$248,068	\$243,625	\$239,030
Total Liabilities & Equity	\$404,938	\$399,728	\$394,758	\$391,285	\$387,225	\$382,178	\$376,572	\$373,214	\$369,245	\$364,360	\$358,880	\$355,642

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	Starting Balances	2021	2022	2023
Cash	\$422,492	\$332,967	\$293,672	\$296,709
Accounts Receivable	\$162,000	\$18,225	\$29,970	\$37,260
Inventory	\$0	\$0	\$0	\$0
Other Current Assets				
Total Current Assets	\$584,492	\$351,192	\$323,642	\$333,969
Long-Term Assets		\$40,000	\$40,000	\$40,000
Accumulated Depreciation		(\$4,000)	(\$8,000)	(\$12,000)
Total Long-Term Assets		\$36,000	\$32,000	\$28,000
Total Assets	\$584,492	\$387,192	\$355,642	\$361,969
Accounts Payable	\$145,950	\$62,550	\$84,525	\$101,441
Income Taxes Payable		(\$839)	\$54	\$2,397
Sales Taxes Payable		\$0	\$0	\$0
Short-Term Debt				
Prepaid Revenue	\$0	\$0	\$0	\$0
Total Current Liabilities	\$145,950	\$61,711	\$84,579	\$103,838
Long-Term Debt		\$30,473	\$32,032	\$33,671
Long-Term Liabilities		\$30,473	\$32,032	\$33,671
Total Liabilities	\$145,950	\$92,184	\$116,611	\$137,509
Paid-In Capital				
Retained Earnings	\$438,542	\$338,542	\$195,008	\$139,030
Earnings		(\$43,534)	\$44,023	\$85,430
Total Owner's Equity	\$438,542	\$295,008	\$239,030	\$224,460

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Total Liabilities & Equity	\$584,492	\$387,192	\$355,642	\$361,969
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Cash Flow Statement (With Monthly Detail)

2021	Jan '21	Feb '21	Mar '21	Apr '21	May '21	June '21	July '21	Aug '21	Sept '21	Oct '21	Nov '21	Dec '21
Net Cash Flow from Operations												
Net Profit	\$7,833	\$9,767	(\$10,047)	(\$19,644)	(\$12,661)	(\$531)	(\$680)	(\$4,290)	(\$3,895)	(\$3,846)	(\$2,600)	(\$2,941)
Depreciation & Amortization	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333
Change in Accounts Receivable	\$144,180	(\$7,290)	\$10,530	\$2,430	\$2,025	(\$3,240)	\$1,620	(\$1,215)	(\$4,050)	\$5,265	(\$3,240)	(\$3,240)
Change in Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Accounts Payable	(\$7,706)	(\$51,244)	(\$47,590)	\$4,810	(\$10,180)	\$19,074	(\$14,254)	\$14,018	\$7,185	(\$12,060)	\$14,798	(\$250)
Change in Income Tax Payable	\$870	\$1,086	(\$1,117)	(\$1,678)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Sales Tax Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Prepaid Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow from Operations	\$145,510	(\$47,347)	(\$47,890)	(\$13,749)	(\$20,482)	\$15,636	(\$12,980)	\$8,846	(\$427)	(\$10,308)	\$9,291	(\$6,097)
Investing & Financing												
Assets Purchased or Sold	(\$40,000)											
Net Cash from Investing	(\$40,000)											

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Investments Received												
Dividends & Distributions			(\$25,000)			(\$25,000)			(\$25,000)			(\$25,000)
Change in Short-Term Debt												
Change in Long-Term Debt									\$45,000	(\$6,813)	(\$7,841)	\$126
Net Cash from Financing			(\$25,000)			(\$25,000)			\$20,000	(\$6,813)	(\$7,841)	(\$24,874)
Cash at Beginning of Period	\$422,492	\$528,002	\$480,655	\$407,765	\$394,016	\$373,534	\$364,170	\$351,189	\$360,035	\$379,608	\$362,487	\$363,938
Net Change in Cash	\$105,510	(\$47,347)	(\$72,890)	(\$13,749)	(\$20,482)	(\$9,364)	(\$12,980)	\$8,846	\$19,573	(\$17,120)	\$1,450	(\$30,971)
Cash at End of Period	\$528,002	\$480,655	\$407,765	\$394,016	\$373,534	\$364,170	\$351,189	\$360,035	\$379,608	\$362,487	\$363,938	\$332,967

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2022	Jan '22	Feb '22	Mar '22	Apr '22	May '22	June '22	July '22	Aug '22	Sept '22	Oct '22	Nov '22	Dec '22
Net Cash Flow from Operations												
Net Profit	\$3,527	\$3,447	\$3,597	\$3,531	\$3,695	\$3,606	\$3,767	\$3,675	\$3,813	\$3,736	\$3,891	\$3,738
Depreciation & Amortization	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333
Change in Accounts Receivable	(\$8,100)	(\$4,050)	\$810	(\$405)	(\$405)	\$0	\$810	(\$405)	(\$405)	\$0	\$810	(\$405)
Change in Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Accounts Payable	\$22,425	(\$450)	(\$1,200)	\$1,200	\$450	(\$450)	(\$1,170)	\$1,170	\$420	(\$420)	(\$1,170)	\$1,170
Change in Income Tax Payable	\$0	\$0	\$839	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$54
Change in Sales Tax Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Prepaid Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow from Operations	\$18,185	(\$720)	\$4,379	\$4,660	\$4,073	\$3,489	\$3,741	\$4,773	\$4,161	\$3,650	\$3,864	\$4,891
Investing & Financing												
Assets Purchased or Sold												
Net Cash from Investing												
Investments Received												

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Dividends & Distributions	(\$8,333)	(\$8,334)	(\$8,333)	(\$8,333)	(\$8,334)	(\$8,333)	(\$8,333)	(\$8,334)	(\$8,333)	(\$8,333)	(\$8,334)	(\$8,333)
Change in Short-Term Debt												
Change in Long-Term Debt	\$127	\$128	\$128	\$129	\$129	\$130	\$130	\$131	\$131	\$132	\$132	\$133
Net Cash from Financing	(\$8,206)	(\$8,206)	(\$8,205)	(\$8,204)	(\$8,205)	(\$8,203)	(\$8,203)	(\$8,203)	(\$8,202)	(\$8,201)	(\$8,202)	(\$8,200)
Cash at Beginning of Period	\$332,967	\$342,946	\$334,020	\$330,193	\$326,648	\$322,517	\$317,803	\$313,341	\$309,910	\$305,870	\$301,319	\$296,981
Net Change in Cash	\$9,979	(\$8,927)	(\$3,826)	(\$3,545)	(\$4,132)	(\$4,714)	(\$4,462)	(\$3,430)	(\$4,041)	(\$4,551)	(\$4,337)	(\$3,310)
Cash at End of Period	\$342,946	\$334,020	\$330,193	\$326,648	\$322,517	\$317,803	\$313,341	\$309,910	\$305,870	\$301,319	\$296,981	\$293,672

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	2021	2022	2023
Net Cash Flow from Operations			
Net Profit	(\$43,534)	\$44,023	\$85,430
Depreciation & Amortization	\$4,000	\$4,000	\$4,000
Change in Accounts Receivable	\$143,775	(\$11,745)	(\$7,290)
Change in Inventory	\$0	\$0	\$0
Change in Accounts Payable	(\$83,400)	\$21,975	\$16,916
Change in Income Tax Payable	(\$839)	\$893	\$2,343
Change in Sales Tax Payable	\$0	\$0	\$0
Change in Prepaid Revenue	\$0	\$0	\$0
Net Cash Flow from Operations	\$20,002	\$59,146	\$101,399
Investing & Financing			
Assets Purchased or Sold	(\$40,000)		
Net Cash from Investing	(\$40,000)		
Investments Received			
Dividends & Distributions	(\$100,000)	(\$100,000)	(\$100,000)
Change in Short-Term Debt			
Change in Long-Term Debt	\$30,473	\$1,559	\$1,639
Net Cash from Financing	(\$69,527)	(\$98,441)	(\$98,361)
Cash at Beginning of Period	\$422,492	\$332,967	\$293,672
Net Change in Cash	(\$89,525)	(\$39,295)	\$3,037
Cash at End of Period	\$332,967	\$293,672	\$296,709