



Take Action Results

*Profit! Freedom! Lifestyle!*

# Fun With Financials

# Fun With Financials

1. Current Business Plan
2. Revenue and Profit Budget
3. Breakeven Plan
4. Cash Gap Plan



# Current Business Plan

What is a Current Business Plan? It's a credible, written plan, detailing a company's unique selling proposition, strategic plan, and revenue and profit budget, designed to induce financial partners to invest in or lend to the business.

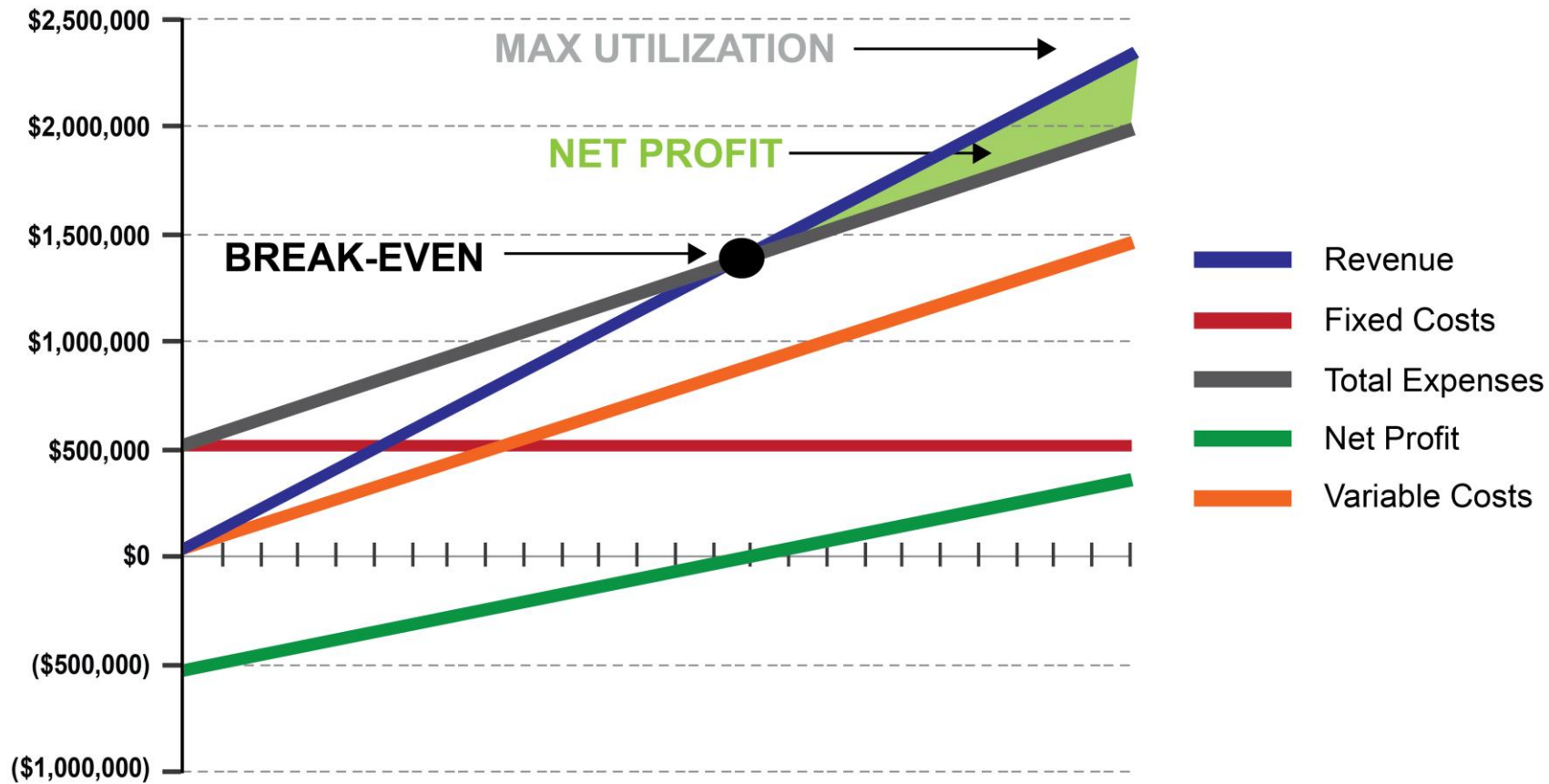


# Current Business Plan

Why is a Current Business Plan important? The Current Business Plan is mandatory if you want to find investors for your business, whether they are traditional commercial lenders like the banks or angel investors taking a chance on your success. This Current Business Plan includes more than just the raw financials, but the financials are a critical component of the plan.



# Break-Even



## Investors:

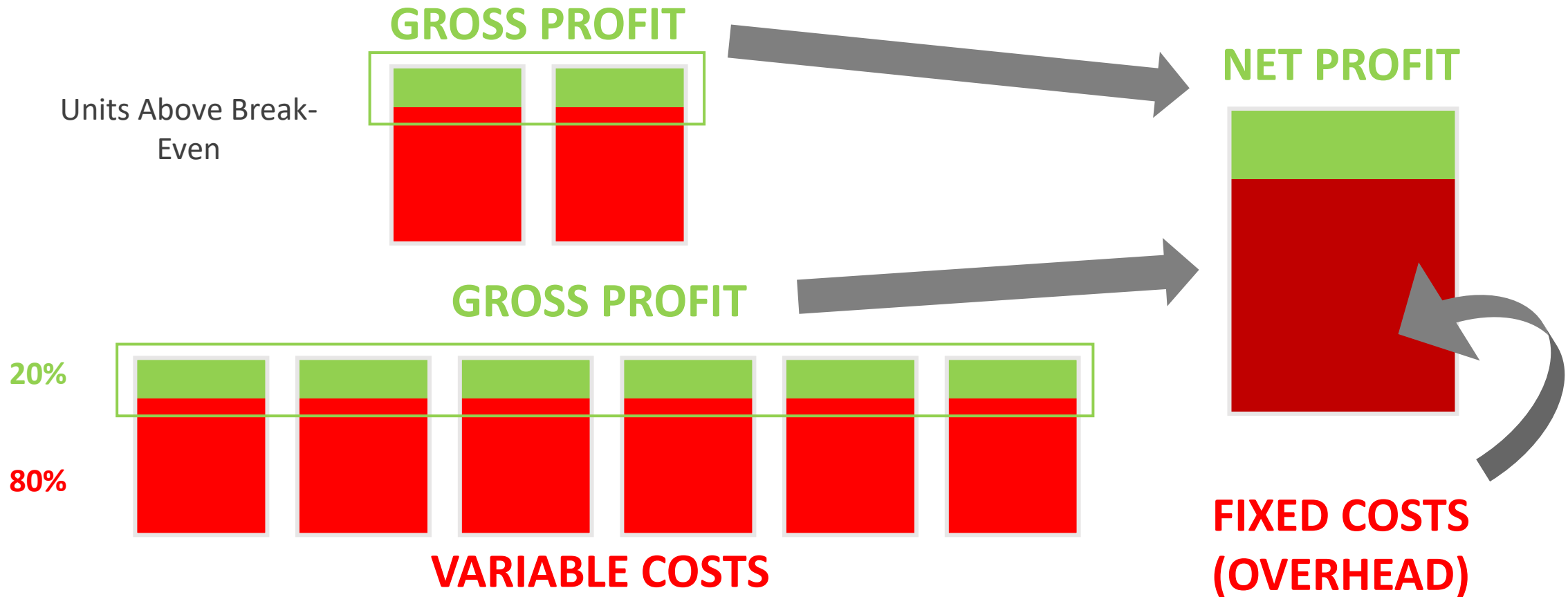
How quickly can I get a return of and return on my invested capital?

## Owners:

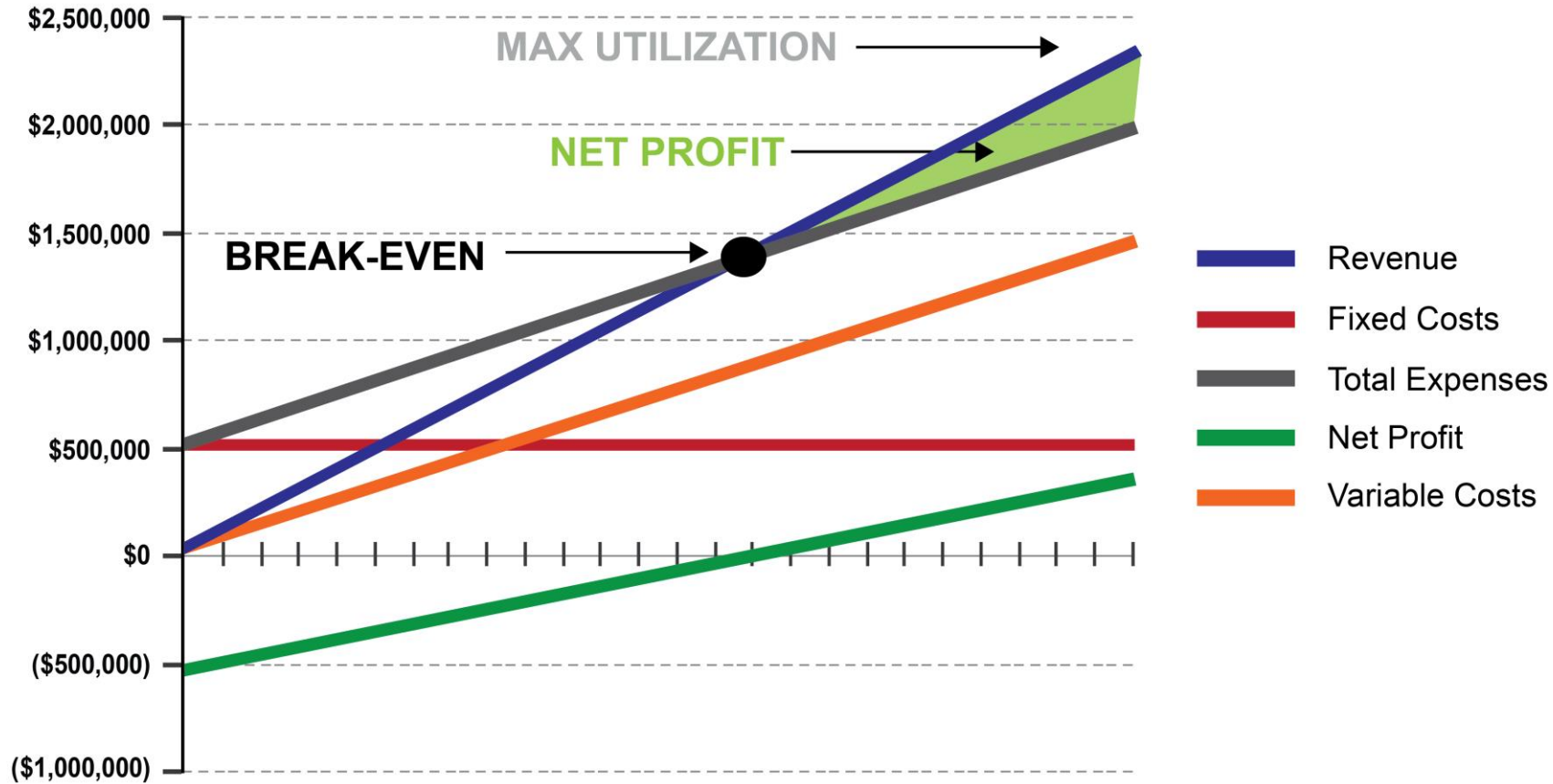
How quickly can I get my business above break-even and generating profit?



# Gross Profit vs. Net Profit



# Break-Even



**Investors:**  
How quickly can I get a return of and return on my invested capital?

**Owners:**  
How quickly can I get my business above break-even and generating profit?




# Options

## OPTION 1



## OPTION 2

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Your Business, Inc. MyCompanyTradename Template Revision date: 1/1/2020	
Introduction	
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Step by step instructions for using the tool follow:	
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4)	Enter details of the loan for your capital expenditures
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5)	Enter your payroll expenses
5	Team'!A1
6)	Enter the pricing for for your products and services
6	Services'!A1
7)	Enter the number of units you expect to sell for each of your products and services
7	Sales by Unit'!A1
8)	Enter your anticipated monthly expenses bearing in mind that the payroll expenses will be entered on a different tab
8	Mo P&L'!A1





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# Live Plan Sample

### Confidentiality Agreement

The undersigned reader acknowledges that the information provided by [redacted] in this business plan is confidential. Therefore, reader agrees not to disclose it without the express written permission of [redacted].

It is acknowledged by reader that information to be furnished in the business plan is, in all respects, confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader may cause financial harm or damage to [redacted].

Upon request, the document is to be immediately returned to [redacted].

Signature: \_\_\_\_\_  
Name (typed or printed): \_\_\_\_\_  
Date: \_\_\_\_\_  
This is a business plan. It does not imply an offering of securities.

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### Studio67 Restaurant — Sample Plan

#### 1.0 Executive Summary

Studio67 is a new, medium-sized restaurant located in a trendy neighborhood of Portland, Oregon. Studio67's atmosphere will be an organic and creative ethnic food, an emphasis on organic ingredients. It is based on Studio67's dedication to sustainable development, traditional, the restaurant promotes local food when possible, reducing their dependence on fossil fuels used for transportation.

**Service:** Studio67 offers Portlanders a trendy, fun place to have great food in a social environment. Chef Hans Langstons has a large repertoire of ethnic ingredients and recipes. Studio67 forecasts that the majority of purchases will be from the chef's recommendations. Some recipes will be used to provide the customers with a diverse, unique menu. Chef Hans will also be emphasizing healthy dishes, recognizing the trend within the restaurant industry for the demand for healthy cuisine.

**Customers:** Studio67 believes that the market can be segmented into four distinct groups that it aims to target. The first group is the only non-ethnic number 400,000 people. The second group that will be targeted is young food customers who are growing at an annual rate of 5% with 150,000 potential customers. The third group is non-ethnic and naturally desire organic foods as well as ethnic cuisine. The last group which is particularly interested in the healthy offerings is young women which number 350,000 in the Portland area.

**Management:** Studio67 has assembled a strong management team. Andrew Fouderson will be the general manager. Andrew has extensive management experience of organizations ranging from 50 to 45 people. Dave Paul will be responsible for all of the finance and accounting. Patricia Lane has seven years experience as an Arthur Andersen CPA. Dave Francis controls sales will be responsible for leading Studio67 on track and profitable. Lastly, Studio67 has chef Hans Langstons who will be responsible for the back-end production of the venture. Chef Hans has over 12 years of experience and is a published, visible figure in the Portland community.

Most important to Studio67 is the financial success which will be achieved through ethnic finance controls, operational success will be achieved by offering a high-quality service and extreme cleanliness, food with interesting taste. Studio67 does not plan to make many meals as the restaurant gets more and more crowded, and to make sure that the chef is charging a premium for the feeling of being in the "in crowd."

The market and financial analysis indicates that with a startup investment of \$140,000, Studio67 can generate \$300,000 in sales by year one, \$500,000 in sales by the end of year two and provide net profits of 7.5% on sales by the end of year three. Profitability will be reached by year two.

### Studio67 Restaurant — Sample Plan

#### Highlights

#### 1.1 Objectives

1. Sales of \$200k the first year, more than half a million the second.
2. Response time less than \$200k the first year, less than \$500k the second year.
3. Profits in year two, better than 7.5% profits on sales by year three.

#### 1.2 Mission

Studio67 is a great place to eat, combining an intriguing atmosphere with excellent, interesting food that is also very good for the people who eat there. We want our profits for the owners, and a rewarding place to work for the employees.

#### 2.0 Company Summary

Studio67 is a single-unit, medium-sized restaurant. We focus on organic and creative food. The restaurant will be located in a prime neighborhood of Portland. Most important to us is our financial success, but we believe this will be achieved by offering high-quality service and extremely clean, high-quality food with interesting taste.

### Studio67 Restaurant — Sample Plan

#### Startup

#### 3.0 Services

**The Menu:** The menu is going to be extremely simple but changing every day. We will have a small group of staples on the menu and that feature a chef's recommendation that we plan to have 50% of meals rotating. That will help us to reduce waste and plan ingredients and purchasing.

**Organic Ingredients:** The organic ingredients we will allow us to cater to the extremely healthy, organic entrepreneurs who are looking to spend an amount of money to have peace of mind that their money is still going back to themselves. We will be extremely ecologically conscious as well and spread the across our business. Being at Studio67 will see the being continued to the chef's club and growing their seasonal orange juice.

**Organic Ingredients and Recipes:** Our chef will have great skills in designing and producing menu offerings from many different world cultures. We will endeavor to procure all the traditional, authentic ingredients necessary to hold true to these varied and interesting cultural recipes.

**Interior Accommodations:** People need to have the interesting, and our artwork will reflect the world influences that are going to be the attitude of the Studio67 chef.

### Studio67 Restaurant — Sample Plan

#### 4.0 Market Analysis Summary

Because of the founder's connections with the very trendy area of Portland, we have an excellent feel for the area and its core group of customers. They will all share something alike, which is a feeling of being in the "in crowd" and being "open" to it. Although the chef will be different and not connect with each other in each segment, each segment is complementary to the others. We do plan to make many meals as the restaurant gets more and more crowded, and to make sure we are charging a premium for the feeling of being in the "in crowd."

#### 4.1 Market Segmentation

**The Lonely Rich:** Most of the lonely rich are tech workers these days, and most of these tech workers are Oregonians. They "in" has become their middle service and close their circle, and the people who help them to make the decisions in their world. They hang out with each other, but eventually want to get away from it and use the money they are making up. Because the lonely rich has come fairly easily for them, it is particularly easy to separate them from their money (spending) spend the most on dining, spa, and so.

**Young, Happy Couples:** The restaurant will have an atmosphere that encourages people to bring dates and to have couples meals. It will be a place for dates, and Studio67 does not plan to be a social place where people meet each other and develop a network. These young couples are generally very successful, but somewhat and might be spending as much on dining.

**The Rich Whistle:** The rich whistle in Portland are a massive group with tremendous influence over the city's government and private enterprise. They have made out since 2000 and drive the feeling of being in a social circle that is changing the world-view. If an opponent calls them in their party, they will come to their ecological ideology and contribute to charities to help them share with more of their money.

**Young Women:** The young food market always has a line of extremely delicious, very healthy meals. Studio67 will have tables of women meeting like they do in groups like Starbucks and the Club to discuss all types of matters while feeling good about the food they eat.

#### Table: Market Segments

Year	2001	2002	2003	2004	2005	2006	2007
Lonely Rich	100,000	150,000	200,000	250,000	300,000	350,000	400,000
Young, Happy Couples	50,000	75,000	100,000	125,000	150,000	175,000	200,000
The Rich Whistle	200,000	300,000	400,000	500,000	600,000	700,000	800,000
Young Women	150,000	200,000	250,000	300,000	350,000	400,000	450,000
Total	500,000	725,000	950,000	1,175,000	1,400,000	1,625,000	1,850,000

### Studio67 Restaurant — Sample Plan

#### Market Analysis (Pie)

#### 5.0 Strategy and Implementation Summary

Our strategy is simple, we intend to succeed by giving people a combination of great healthy, interesting food and an environment that attracts "happy" people. We are a magnet. Implementation is simple, but that in the long of it, not in the plan.

#### 5.1 Competitive Edge

Our competitive edge is the menu, the chef, the environment, and the team to create trends.

### Studio67 Restaurant — Sample Plan 5.2 Sales Strategy As the table shows, we intend to deliver sales of about \$200k in the first year, and to double that by the third year of the plan. Sales MonthlyTable: Sales Projections | Year | 2001 | 2002 | 2003 | |-------|---------|---------|---------| | Jan | 10,000 | 15,000 | 20,000 | | Feb | 12,000 | 18,000 | 25,000 | | Mar | 15,000 | 22,000 | 30,000 | | Apr | 18,000 | 28,000 | 38,000 | | May | 22,000 | 35,000 | 48,000 | | Jun | 28,000 | 45,000 | 60,000 | | Jul | 35,000 | 55,000 | 75,000 | | Aug | 45,000 | 70,000 | 90,000 | | Sep | 55,000 | 85,000 | 110,000 | | Oct | 70,000 | 105,000 | 135,000 | | Nov | 100,000 | 150,000 | 180,000 | | Dec | 150,000 | 200,000 | 250,000 | | Total | 200,000 | 300,000 | 400,000 |



# Current Business Plan Template



1

2

3

4

5

Your Business, Inc.

MyCompanyTradename

Template Revision date: 1/1/2020

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18 7) Enter the number of units you expect to sell for each of your products and services

19 [7 Sales by Unit'!A1](#)

20 8) Enter your anticipated monthly expenses bearing in mind that the payroll expenses will be entered on a different tab



**1 Intro**

2 Info

3 Cap Ex

4 Cap Ex Loan

5 Team

6 Products Services

7 Sales by Unit

**8 Mo P&L**

9 Annual P&L



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Capital Expenses	
	<b>US\$</b>
<b>Owner Equity Invested</b>	\$0.00
<b>One-Time and Startup Items</b>	<b>US\$</b>
Legal fees	\$0.00
Office referb and furniture	\$0.00
Network server	\$0.00
Laptop	\$0.00
Working Capital Requirement	\$0.00
<b>Total Capital Expenses</b>	<b>\$0.00</b>
<b>Loan Amount Required</b>	<b>\$0.00</b>
Notes and Assumptions Concerning Start-Up Expenses:	

# Current Business Plan Template



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## Capital Expense Loan Term Calculations

		US\$
Loan Amount (Principal)		\$0.00
Simple Interest Rate	10.0%	
Number of Years	5	
Months before First Payment	0	
Monthly Payment Amount		\$0.00
Total of all Payments		\$0.00
Total Interest Paid		\$0.00
<b>Terms of Loan:</b>		
Loan to be paid back in 60 monthly installments of \$0 per month		
over a period of 5 years at 10.0%. The first payment is due 1 months		
after the beginnig of this spreadsheet because the loan is not being		
applied for at the start of the timeframes noted on this spreadsheet.		
<b>Notes and Assumptions Concerning Loan Terms:</b>		



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## Team / Staffing Plan

Position	Start Month	Start Monthly Salary	End Month
Max	1	\$1,000	12
Turi	1	\$3,000	24
Adam	1	\$5,000	36
Tina	1	\$1,000	36
			36
Projected Annual Increase/Raise:	2.00%		
Notes and Assumptions for Personnel: Days/Week			

(The following is not for printing - it is only to calculate what will go on the Financial Projection)

Month	Emp. 1	Emp. 2	Emp. 3	Emp. 4	Emp. 5	Emp. 6	Emp. 7	Emp. 8	Emp. 9	Total	
1	1000	3000	5000	1000	0	0	0	0	0	10000	J
2	1000	3000	5000	1000	0	0	0	0	0	10000	F
3	1000	3000	5000	1000	0	0	0	0	0	10000	M
4	1000	3000	5000	1000	0	0	0	0	0	10000	A
5	1000	3000	5000	1000	0	0	0	0	0	10000	M
6	1000	3000	5000	1000	0	0	0	0	0	10000	J
7	1000	3000	5000	1000	0	0	0	0	0	10000	J
8	1000	3000	5000	1000	0	0	0	0	0	10000	A
9	1000	3000	5000	1000	0	0	0	0	0	10000	S
10	1000	3000	5000	1000	0	0	0	0	0	10000	O
11	1000	3000	5000	1000	0	0	0	0	0	10000	N
12	1000	3000	5000	1000	0	0	0	0	0	10000	D



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## Products and Services

Name of Product or Service	Month Intro	Unit Price in US Dollars	Material Costs in USD	Gross Profit per Unit
Core Power	1	\$4,800.00	\$1,600.00	\$3,200.00
Chad - Bike Shelter	1	\$8,500.00	\$6,000.00	\$2,500.00
Product 3	3	\$1,000.00	\$500.00	\$500.00
Product 4	4	\$1,250.00	\$750.00	\$500.00
Product 5	5	\$1,500.00	\$750.00	\$750.00
Product 6	6	\$2,000.00	\$1,000.00	\$1,000.00
Product 7	7	\$2,500.00	\$1,500.00	\$1,000.00
Product 8	8	\$3,000.00	\$1,500.00	\$1,500.00
Product 9	9	\$3,000.00	\$1,500.00	\$1,500.00
Product 10	10	\$3,000.00	\$1,500.00	\$1,500.00
Product 11				-
Product 12				-
Product 13				-
Product 14				-
Product 15				-
Product 16				-
Notes and Assumptions About Products				
(Do not print this line or below)				



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# Current Business Plan Template



## Sales by Unit

Date	Month	Core Power	Chad - Bike Shelter	Product 3	Product 4	Product 5	Product 6	Product 7	Product 8	Product 9	Product 10	Product 11	Product 12	Product 13	Product 14	Product 15	Product 16	Total
		\$4,800	\$8,500	\$1,000	\$1,250	\$1,500	\$2,000	\$2,500	\$3,000	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	

## Sales Projection (units)

Jan-06	1	2	1															
Feb-06	2	2	0															
Mar-06	3	3	2	1														
Apr-06	4	4	3	2	1													
May-06	5	5	4	3	2	1												
Jun-06	6	6	5	4	3	2	1											
Jul-06	7	7	6	5	4	3	2	1										
Aug-06	8	8	7	6	5	4	3	2	1									
Sep-06	9	9	8	7	6	5	4	3	2	1								
Oct-06	10	10	9	8	7	6	5	4	3	2	1							
Nov-06	11	11	10	9	8	7	6	5	4	3	2							
Dec-06	12	12	11	10	9	8	7	6	5	4	3							
Jan-07	13	13	12	11	10	9	8	7	6	5	4							
Feb-07	14	14	13	12	11	10	9	8	7	6	5							
Mar-07	15	15	14	13	12	11	10	9	8	7	6							
Apr-07	16	16	15	14	13	12	11	10	9	8	7							
May-07	17	17	16	15	14	13	12	11	10	9	8							
Jun-07	18	18	17	16	15	14	13	12	11	10	9							
Jul-07	19	19	18	17	16	15	14	13	12	11	10							
Aug-07	20	20	19	18	17	16	15	14	13	12	11							
Sep-07	21	21	20	19	18	17	16	15	14	13	12							
Oct-07	22	22	21	20	19	18	17	16	15	14	13							
Nov-07	23	23	22	21	20	19	18	17	16	15	14							
Dec-07	24	24	23	22	21	20	19	18	17	16	15							
Jan-08	25	25	24	23	22	21	20	19	18	17	16							
Feb-08	26	26	25	24	23	22	21	20	19	18	17							
Mar-08	27	27	26	25	24	23	22	21	20	19	18							
Apr-08	28	28	27	26	25	24	23	22	21	20	19							
May-08	29	29	28	27	26	25	24	23	22	21	20							
Jun-08	30	30	29	28	27	26	25	24	23	22	21							
Jul-08	31	31	30	29	28	27	26	25	24	23	22							
Aug-08	32	32	31	30	29	28	27	26	25	24	23							
Sep-08	33	33	32	31	30	29	28	27	26	25	24							
Oct-08	34	34	33	32	31	30	29	28	27	26	25							
Nov-08	35	35	34	33	32	31	30	29	28	27	26							
Dec-08	36	36	35	34	33	32	31	30	29	28	27							



# Current Business Plan Template

		Revenue (US\$)																
Month	Core Power	Chad - Bike Shelter	Product 3	Product 4	Product 5	Product 6	Product 7	Product 8	Product 9	Product 10	Product 11	Product 12	Product 13	Product 14	Product 15	Product 16	Revenue	
Jan-06	1	\$9,600	\$8,500	-	-	-	-	-	-	-	-	-	-	-	-	-	\$18,100	
Feb-06	2	\$9,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$9,600	
Mar-06	3	\$14,400	\$17,000	\$1,000	-	-	-	-	-	-	-	-	-	-	-	-	\$32,400	
Apr-06	4	\$19,200	\$25,500	\$2,000	\$1,250	-	-	-	-	-	-	-	-	-	-	-	\$47,950	
May-06	5	\$24,000	\$34,000	\$3,000	\$2,500	\$1,500	-	-	-	-	-	-	-	-	-	-	\$65,000	
Jun-06	6	\$28,800	\$42,500	\$4,000	\$3,750	\$3,000	\$2,000	-	-	-	-	-	-	-	-	-	\$84,050	
Jul-06	7	\$33,600	\$51,000	\$5,000	\$5,000	\$4,500	\$4,000	\$2,500	-	-	-	-	-	-	-	-	\$105,600	
Aug-06	8	\$38,400	\$59,500	\$6,000	\$6,250	\$6,000	\$6,000	\$5,000	\$3,000	-	-	-	-	-	-	-	\$130,150	
Sep-06	9	\$43,200	\$68,000	\$7,000	\$7,500	\$7,500	\$8,000	\$7,500	\$6,000	\$3,000	-	-	-	-	-	-	\$157,700	
Oct-06	10	\$48,000	\$76,500	\$8,000	\$8,750	\$9,000	\$10,000	\$10,000	\$9,000	\$6,000	\$3,000	-	-	-	-	-	\$188,250	
Nov-06	11	\$52,800	\$85,000	\$9,000	\$10,000	\$10,500	\$12,000	\$12,500	\$12,000	\$9,000	\$6,000	-	-	-	-	-	\$218,800	
Dec-06	12	\$57,600	\$93,500	\$10,000	\$11,250	\$12,000	\$14,000	\$15,000	\$15,000	\$12,000	\$9,000	-	-	-	-	-	\$249,350	
Jan-07	13	\$62,400	\$102,000	\$11,000	\$12,500	\$13,500	\$16,000	\$17,500	\$18,000	\$15,000	\$12,000	-	-	-	-	-	\$279,900	
Feb-07	14	\$67,200	\$110,500	\$12,000	\$13,750	\$15,000	\$18,000	\$20,000	\$21,000	\$18,000	\$15,000	-	-	-	-	-	\$310,450	
Mar-07	15	\$72,000	\$119,000	\$13,000	\$15,000	\$16,500	\$20,000	\$22,500	\$24,000	\$21,000	\$18,000	-	-	-	-	-	\$341,000	
Apr-07	16	\$76,800	\$127,500	\$14,000	\$16,250	\$18,000	\$22,000	\$25,000	\$27,000	\$24,000	\$21,000	-	-	-	-	-	\$371,550	
May-07	17	\$81,600	\$136,000	\$15,000	\$17,500	\$19,500	\$24,000	\$27,500	\$30,000	\$27,000	\$24,000	-	-	-	-	-	\$402,100	
Jun-07	18	\$86,400	\$144,500	\$16,000	\$18,750	\$21,000	\$26,000	\$30,000	\$33,000	\$30,000	\$27,000	-	-	-	-	-	\$432,650	
Jul-07	19	\$91,200	\$153,000	\$17,000	\$20,000	\$22,500	\$28,000	\$32,500	\$36,000	\$33,000	\$30,000	-	-	-	-	-	\$463,200	
Aug-07	20	\$96,000	\$161,500	\$18,000	\$21,250	\$24,000	\$30,000	\$35,000	\$39,000	\$36,000	\$33,000	-	-	-	-	-	\$493,750	
Sep-07	21	\$100,800	\$170,000	\$19,000	\$22,500	\$25,500	\$32,000	\$37,500	\$42,000	\$39,000	\$36,000	-	-	-	-	-	\$524,300	
Oct-07	22	\$105,600	\$178,500	\$20,000	\$23,750	\$27,000	\$34,000	\$40,000	\$45,000	\$42,000	\$39,000	-	-	-	-	-	\$554,850	
Nov-07	23	\$110,400	\$187,000	\$21,000	\$25,000	\$28,500	\$36,000	\$42,500	\$48,000	\$45,000	\$42,000	-	-	-	-	-	\$585,400	
Dec-07	24	\$115,200	\$195,500	\$22,000	\$26,250	\$30,000	\$38,000	\$45,000	\$51,000	\$48,000	\$45,000	-	-	-	-	-	\$615,950	
Jan-08	25	\$120,000	\$204,000	\$23,000	\$27,500	\$31,500	\$40,000	\$47,500	\$54,000	\$51,000	\$48,000	-	-	-	-	-	\$646,500	
Feb-08	26	\$124,800	\$212,500	\$24,000	\$28,750	\$33,000	\$42,000	\$50,000	\$57,000	\$54,000	\$51,000	-	-	-	-	-	\$677,050	
Mar-08	27	\$129,600	\$221,000	\$25,000	\$30,000	\$34,500	\$44,000	\$52,500	\$60,000	\$57,000	\$54,000	-	-	-	-	-	\$707,600	
Apr-08	28	\$134,400	\$229,500	\$26,000	\$31,250	\$36,000	\$46,000	\$55,000	\$63,000	\$60,000	\$57,000	-	-	-	-	-	\$738,150	
May-08	29	\$139,200	\$238,000	\$27,000	\$32,500	\$37,500	\$48,000	\$57,500	\$66,000	\$63,000	\$60,000	-	-	-	-	-	\$768,700	
Jun-08	30	\$144,000	\$246,500	\$28,000	\$33,750	\$39,000	\$50,000	\$60,000	\$69,000	\$66,000	\$63,000	-	-	-	-	-	\$799,250	
Jul-08	31	\$148,800	\$255,000	\$29,000	\$35,000	\$40,500	\$52,000	\$62,500	\$72,000	\$69,000	\$66,000	-	-	-	-	-	\$829,800	
Aug-08	32	\$153,600	\$263,500	\$30,000	\$36,250	\$42,000	\$54,000	\$65,000	\$75,000	\$72,000	\$69,000	-	-	-	-	-	\$860,350	
Sep-08	33	\$158,400	\$272,000	\$31,000	\$37,500	\$43,500	\$56,000	\$67,500	\$78,000	\$75,000	\$72,000	-	-	-	-	-	\$890,900	
Oct-08	34	\$163,200	\$280,500	\$32,000	\$38,750	\$45,000	\$58,000	\$70,000	\$81,000	\$78,000	\$75,000	-	-	-	-	-	\$921,450	
Nov-08	35	\$168,000	\$289,000	\$33,000	\$40,000	\$46,500	\$60,000	\$72,500	\$84,000	\$81,000	\$78,000	-	-	-	-	-	\$952,000	
Dec-08	36	\$172,800	\$297,500	\$34,000	\$41,250	\$48,000	\$62,000	\$75,000	\$87,000	\$84,000	\$81,000	-	-	-	-	-	\$982,550	
	<b>Total</b>	\$3,201,600	\$5,355,000	\$595,000	\$701,250	\$792,000	\$992,000	\$1,162,500	\$1,305,000	\$1,218,000							#####	



# Current Business Plan Template

Gross Profit (US\$)																		
	Month	Core Power	Chad - Bike Shelter	Product 3	Product 4	Product 5	Product 6	Product 7	Product 8	Product 9	Product 10	Product 11	Product 12	Product 13	Product 14	Product 15	Product 16	Gross Profit
Jan-06	1	\$6,400	\$2,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$8,900
Feb-06	2	\$6,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$6,400
Mar-06	3	\$9,600	\$5,000	\$500	-	-	-	-	-	-	-	-	-	-	-	-	-	\$15,100
Apr-06	4	\$12,800	\$7,500	\$1,000	\$500	-	-	-	-	-	-	-	-	-	-	-	-	\$21,800
May-06	5	\$16,000	\$10,000	\$1,500	\$1,000	\$750	-	-	-	-	-	-	-	-	-	-	-	\$29,250
Jun-06	6	\$19,200	\$12,500	\$2,000	\$1,500	\$1,500	\$1,000	-	-	-	-	-	-	-	-	-	-	\$37,700
Jul-06	7	\$22,400	\$15,000	\$2,500	\$2,000	\$2,250	\$2,000	\$1,000	-	-	-	-	-	-	-	-	-	\$47,150
Aug-06	8	\$25,600	\$17,500	\$3,000	\$2,500	\$3,000	\$3,000	\$2,000	\$1,500	-	-	-	-	-	-	-	-	\$56,600
Sep-06	9	\$28,800	\$20,000	\$3,500	\$3,000	\$3,750	\$4,000	\$3,000	\$3,000	\$1,500	-	-	-	-	-	-	-	\$66,050
Oct-06	10	\$32,000	\$22,500	\$4,000	\$3,500	\$4,500	\$5,000	\$4,000	\$4,500	\$3,000	\$1,500	-	-	-	-	-	-	\$75,500
Nov-06	11	\$35,200	\$25,000	\$4,500	\$4,000	\$5,250	\$6,000	\$5,000	\$6,000	\$4,500	\$3,000	-	-	-	-	-	-	\$84,950
Dec-06	12	\$38,400	\$27,500	\$5,000	\$4,500	\$6,000	\$7,000	\$6,000	\$7,500	\$6,000	\$4,500	-	-	-	-	-	-	\$94,400
Jan-07	13	\$41,600	\$30,000	\$5,500	\$5,000	\$6,750	\$8,000	\$7,000	\$9,000	\$7,500	\$6,000	-	-	-	-	-	-	\$103,850
Feb-07	14	\$44,800	\$32,500	\$6,000	\$5,500	\$7,500	\$9,000	\$8,000	\$10,500	\$9,000	\$7,500	-	-	-	-	-	-	\$113,300
Mar-07	15	\$48,000	\$35,000	\$6,500	\$6,000	\$8,250	\$10,000	\$9,000	\$12,000	\$10,500	\$9,000	-	-	-	-	-	-	\$122,750
Apr-07	16	\$51,200	\$37,500	\$7,000	\$6,500	\$9,000	\$11,000	\$10,000	\$13,500	\$12,000	\$10,500	-	-	-	-	-	-	\$132,200
May-07	17	\$54,400	\$40,000	\$7,500	\$7,000	\$9,750	\$12,000	\$11,000	\$15,000	\$13,500	\$12,000	-	-	-	-	-	-	\$141,650
Jun-07	18	\$57,600	\$42,500	\$8,000	\$7,500	\$10,500	\$13,000	\$12,000	\$16,500	\$15,000	\$13,500	-	-	-	-	-	-	\$151,100
Jul-07	19	\$60,800	\$45,000	\$8,500	\$8,000	\$11,250	\$14,000	\$13,000	\$18,000	\$16,500	\$15,000	-	-	-	-	-	-	\$160,550
Aug-07	20	\$64,000	\$47,500	\$9,000	\$8,500	\$12,000	\$15,000	\$14,000	\$19,500	\$18,000	\$16,500	-	-	-	-	-	-	\$170,000
Sep-07	21	\$67,200	\$50,000	\$9,500	\$9,000	\$12,750	\$16,000	\$15,000	\$21,000	\$19,500	\$18,000	-	-	-	-	-	-	\$179,450
Oct-07	22	\$70,400	\$52,500	\$10,000	\$9,500	\$13,500	\$17,000	\$16,000	\$22,500	\$21,000	\$19,500	-	-	-	-	-	-	\$188,900
Nov-07	23	\$73,600	\$55,000	\$10,500	\$10,000	\$14,250	\$18,000	\$17,000	\$24,000	\$22,500	\$21,000	-	-	-	-	-	-	\$198,350
Dec-07	24	\$76,800	\$57,500	\$11,000	\$10,500	\$15,000	\$19,000	\$18,000	\$25,500	\$24,000	\$22,500	-	-	-	-	-	-	\$207,800
Jan-08	25	\$80,000	\$60,000	\$11,500	\$11,000	\$15,750	\$20,000	\$19,000	\$27,000	\$25,500	\$24,000	-	-	-	-	-	-	\$217,250
Feb-08	26	\$83,200	\$62,500	\$12,000	\$11,500	\$16,500	\$21,000	\$20,000	\$28,500	\$27,000	\$25,500	-	-	-	-	-	-	\$226,700
Mar-08	27	\$86,400	\$65,000	\$12,500	\$12,000	\$17,250	\$22,000	\$21,000	\$30,000	\$28,500	\$27,000	-	-	-	-	-	-	\$236,150
Apr-08	28	\$89,600	\$67,500	\$13,000	\$12,500	\$18,000	\$23,000	\$22,000	\$31,500	\$30,000	\$28,500	-	-	-	-	-	-	\$245,600
May-08	29	\$92,800	\$70,000	\$13,500	\$13,000	\$18,750	\$24,000	\$23,000	\$33,000	\$31,500	\$30,000	-	-	-	-	-	-	\$255,050
Jun-08	30	\$96,000	\$72,500	\$14,000	\$13,500	\$19,500	\$25,000	\$24,000	\$34,500	\$33,000	\$31,500	-	-	-	-	-	-	\$264,500
Jul-08	31	\$99,200	\$75,000	\$14,500	\$14,000	\$20,250	\$26,000	\$25,000	\$36,000	\$34,500	\$33,000	-	-	-	-	-	-	\$273,950
Aug-08	32	\$102,400	\$77,500	\$15,000	\$14,500	\$21,000	\$27,000	\$26,000	\$37,500	\$36,000	\$34,500	-	-	-	-	-	-	\$283,400
Sep-08	33	\$105,600	\$80,000	\$15,500	\$15,000	\$21,750	\$28,000	\$27,000	\$39,000	\$37,500	\$36,000	-	-	-	-	-	-	\$292,850
Oct-08	34	\$108,800	\$82,500	\$16,000	\$15,500	\$22,500	\$29,000	\$28,000	\$40,500	\$39,000	\$37,500	-	-	-	-	-	-	\$302,300
Nov-08	35	\$112,000	\$85,000	\$16,500	\$16,000	\$23,250	\$30,000	\$29,000	\$42,000	\$40,500	\$39,000	-	-	-	-	-	-	\$311,750
Dec-08	36	\$115,200	\$87,500	\$17,000	\$16,500	\$24,000	\$31,000	\$30,000	\$43,500	\$42,000	\$40,500	-	-	-	-	-	-	\$321,200
	<b>Total</b>	\$2,134,400	\$1,575,000	\$297,500	\$280,500	\$396,000	\$496,000	\$465,000	\$652,500	\$609,000								\$5,644,400



# Current Business Plan Template



## Projected Income Statement (Monthly 2020)

Month	1	2	3	4	5	6	7	8	9	10	11	12	Total
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	1st Year
<b>Revenue</b>	18,100	9,600	32,400	47,950	65,000	84,050	105,600	130,150	157,700	188,250	218,800	249,350	1,306,950
<b>Gross Profit</b>	8,900	6,400	15,100	21,800	29,250	37,700	47,150	56,600	66,050	75,500	84,950	94,400	543,800
<b>Operating Expenses</b>													
Personnel Wages	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Health Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
Office Supplies	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Payroll Expense (15	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Professional Liabil	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Legal Fees	50	25	25	25	25	25	25	25	25	25	25	25	325
Lease of Office Spa	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Shipping	25	25	25	25	25	25	25	25	25	25	25	25	300
Telephone and Inter	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Travel & Entertainm	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Maintenance	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Auto Expense	600	600	600	600	600	600	600	600	600	600	600	600	7,200
Recruiting Fees	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Cellular	300	300	300	300	300	300	300	300	300	300	300	300	3,600
													0
													0
<b>Total Operating Exp</b>	<b>21,525</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>21,500</b>	<b>258,025</b>
Pre-Tax Income	-12,625	-15,100	-6,400	300	7,750	16,200	25,650	35,100	44,550	54,000	63,450	72,900	285,775
Profit Tax	0	0	0	23	581	1,215	1,924	2,633	3,341	4,050	4,759	5,468	21,433
<b>Net Profit</b>	<b>-12,625</b>	<b>-15,100</b>	<b>-6,400</b>	<b>278</b>	<b>7,169</b>	<b>14,985</b>	<b>23,726</b>	<b>32,468</b>	<b>41,209</b>	<b>49,950</b>	<b>58,691</b>	<b>67,433</b>	<b>264,342</b>
<b>Projected Cash Flow</b>													
Net Income	-12,625	-15,100	-6,400	278	7,169	14,985	23,726	32,468	41,209	49,950	58,691	67,433	264,342
Loan Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Cash Profit (loss)</b>	<b>-12,625</b>	<b>-15,100</b>	<b>-6,400</b>	<b>278</b>	<b>7,169</b>	<b>14,985</b>	<b>23,726</b>	<b>32,468</b>	<b>41,209</b>	<b>49,950</b>	<b>58,691</b>	<b>67,433</b>	<b>264,342</b>
Working Capital	75,000												
Other													
<b>Cash Position</b>	<b>62,375</b>	<b>-15,100</b>	<b>-6,400</b>	<b>278</b>	<b>7,169</b>	<b>14,985</b>	<b>23,726</b>	<b>32,468</b>	<b>41,209</b>	<b>49,950</b>	<b>58,691</b>	<b>67,433</b>	<b>336,783</b>
<b>(Cumulative)</b>	<b>62,375</b>	<b>47,275</b>	<b>40,875</b>	<b>41,153</b>	<b>48,321</b>	<b>63,306</b>	<b>87,033</b>	<b>119,500</b>	<b>160,709</b>	<b>210,659</b>	<b>269,350</b>	<b>336,783</b>	



# Current Business Plan Template



## Annual Profit & Loss Projections

Year:	2020	2021	2022
<b>Revenue</b>	#####	5,375,100	9,774,300
<b>Gross Profit</b>	543,800	1,869,900	3,230,700
<b>Operating Expenses</b>			
Personnel Wages	120,000	108,000	72,000
Health Insurance	0	4,200	4,200
Marketing	48,000	48,000	48,000
Office Supplies	3,000	3,000	3,000
Payroll Expense (15%)	18,000	16,200	10,800
Professional Liability	1,200	1,200	1,200
Legal Fees	325	325	325
Lease of Office Space,	18,000	18,000	18,000
Shipping	300	300	300
Telephone and Internet	6,000	6,000	6,000
Travel & Entertainment	12,000	12,000	12,000
Maintenance	2,400	2,400	2,400
Auto Expense	7,200	7,200	7,200
Recruiting Fees	18,000	18,000	18,000
Cellular	3,600	3,600	3,600
	0	0	0
	0	0	0
<b>Total Operating Expens</b>	<b>258,025</b>	<b>248,425</b>	<b>207,025</b>
Pre-Tax Income	285,775	1,621,475	3,023,675
Profit Tax	21,433	121,611	226,776
<b>Net Profit</b>	<b>264,342</b>	<b>1,499,864</b>	<b>2,796,899</b>
	<b>20.23%</b>	<b>27.90%</b>	<b>28.61%</b>
<b>Projected Cash Flow</b>			
Net Income	264,342	1,499,864	2,796,899
Loan Payments	0	0	0
<b>Cash Profit (loss)</b>	<b>264,342</b>	<b>1,499,864</b>	<b>2,796,899</b>
<b>Cash Position</b>	<b>336,783</b>	<b>1,499,864</b>	<b>2,796,899</b>
<b>(Cumulative)</b>	<b>0</b>	<b>1,836,647</b>	<b>4,633,546</b>



Foreword By Bestselling Author **Guy Kawasaki**

- Simplify the Business Planning Process
- Create a Plan That Grows With Your Business
- Tailor a Plan to Your Company
- Develop A Quick-Hitting Set of Priorities
- Avoid Business Mistakes and Pitfalls
- Simplify An Overwhelming Process
- Build As Your Business Develops
- Demystify the Business Planning Process
- Ignore Traditional Cookie-Cutter Plans
- Save Time and Resources
- Take Total Control of Your Business

# The Plan-As-You-Go Business Plan



**Tim Berry**

Principal Author of  
**Business Plan Pro**

The Country's Bestselling Business Plan Software



**Take Action Results**

*Profit! Freedom! Lifestyle!*

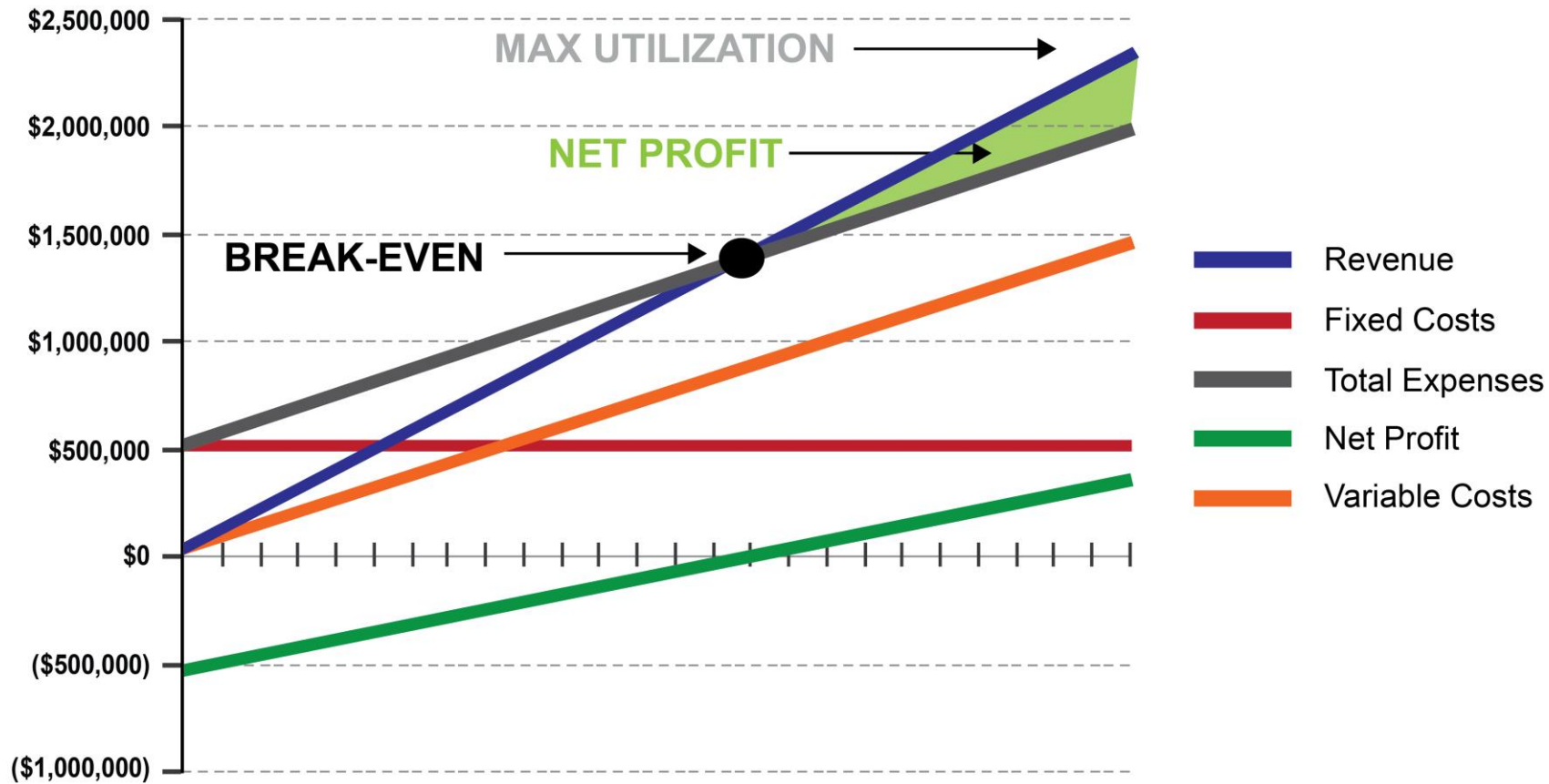


# Revenue and Profit Budget

What is a Revenue & Profit Budget? It's a reliable budget that forecasts discretionary cash-flow, identifies your required working capital, and demonstrates your ability to service debts and deliver a return to investors.



# Breakeven



## Investors:


How quickly can I get a return of and return on my invested capital?

## Owners:

How quickly can I get my business above break-even and generating profit?




# Fixed Costs

 <span style="float: right;">Fixed Cost Schedule</span>												
	January	February	March	April	May	June	July	August	September	October	November	December
Accounting services	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Advertising expense	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Bank Fees	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Business coaching	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250
Credit Card Processing Fees	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
IT support services	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Lease - phone equipment	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Lease - server	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Legal fees	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Marketing	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
Payroll - admin	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475
Payroll - owner salary	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Payroll expense	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Phone charges	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Rent	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
Taxes	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Web site hosting	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75
Office 365	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00
Email Autoresponder	\$ 90.00			\$ 90.00			\$ 90.00			\$ 90.00		
CRM	\$ 975.00											
<b>Fixed Costs</b>	<b>\$ 23,235</b>	<b>\$ 22,170</b>	<b>\$ 22,170</b>	<b>\$ 22,260</b>	<b>\$ 22,170</b>	<b>\$ 22,170</b>	<b>\$ 22,260</b>	<b>\$ 22,170</b>	<b>\$ 22,170</b>	<b>\$ 22,260</b>	<b>\$ 22,170</b>	<b>\$ 22,170</b>
Notes:												
Fill in shaded areas only												




# Variable Costs

 <b>Take Action Results</b> <i>Profit! Freedom! Lifestyle!</i>												
Variable Cost Schedule												
	January	February	March	April	May	June	July	August	September	October	November	December
Materials to produce goods	\$ 25,000	\$ 20,000	\$ 22,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Labor to produce goods	\$ 15,000	\$ 13,500	\$ 11,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
<b>Variable Costs</b>	<b>\$ 40,000</b>	<b>\$ 33,500</b>	<b>\$ 33,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>



# Revenue and Profit

 <b>Take Action Results</b> <i>Profit! Freedom! Lifestyle!</i>		Revenue and Profit Budget											
	January	February	March	April	May	June	July	August	September	October	November	December	
Revenues	\$ 100,000	\$ 55,000	\$ 50,000	\$ 45,000	\$ 45,000	\$ 50,000	\$ 65,000	\$ 60,000	\$ 52,000	\$ 72,000	\$ 65,000	\$ 70,000	
Gross Margin	60%	39%	34%	11%	11%	20%	38%	33%	23%	44%	38%	43%	
Gross Profit	\$ 60,000.00	\$ 21,500	\$ 17,000	\$ 5,000	\$ 5,000	\$ 10,000	\$ 25,000	\$ 20,000	\$ 12,000	\$ 32,000	\$ 25,000	\$ 30,000	
<b>Fixed Costs</b>													
Accounting services	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	
Advertising expense	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	
Business coaching	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	
IT support services	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
Lease - phone equipment	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	
Lease - server	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
Legal fees	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	
Marketing	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	
Payroll - admin	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	\$ 6,475	
Payroll - owner salary	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	
Payroll expense	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
Phone charges	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	
Rent	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	
Taxes	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	
Web site hosting	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	
Office 365	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	
Email Autoresponder	\$ 90.00	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ 90.00	\$ -	\$ -	\$ 90.00	\$ -	\$ -	
CRM	\$ 975.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total Fixed Costs</b>	\$ 20,685	\$ 19,620	\$ 19,620	\$ 19,710	\$ 19,620	\$ 19,620	\$ 19,710	\$ 19,620	\$ 19,620	\$ 19,710	\$ 19,620	\$ 19,620	
<b>Net Profit</b>	\$ 39,315	\$ 1,880	\$ (2,620)	\$ (14,710)	\$ (14,620)	\$ (9,620)	\$ 5,290	\$ 380	\$ (7,620)	\$ 12,290	\$ 5,380	\$ 10,380	
<b>Balance Sheet</b>													
<b>Items</b>													
Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt reduction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ -	\$ -	\$ -	\$ -	
Cash in/(out)	\$ -	\$ -	\$ -	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	
Other	\$ -	\$ -	\$ -	\$ -	\$ (5,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total Balance Sheet Items</b>	\$ -	\$ -	\$ -	\$ 7,500	\$ (5,000)	\$ -	\$ (10,000)	\$ 12,500	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	
<b>Net Cash</b>	\$ 39,315	\$ 1,880	\$ (2,620)	\$ (7,210)	\$ (19,620)	\$ (9,620)	\$ (4,710)	\$ 12,880	\$ 7,380	\$ 27,290	\$ 20,380	\$ 25,380	
<b>Cash Position</b>	\$ 44,315	\$ 46,195	\$ 43,575	\$ 36,365	\$ 16,745	\$ 7,125	\$ 2,415	\$ 15,295	\$ 22,675	\$ 49,965	\$ 70,345	\$ 95,725	
<b>Starting Working Capital</b>	\$ 5,000.00												



# Breakeven Plan

What is a Breakeven Plan? It's an aggressive plan to stop the bleeding of cash by temporarily cutting all non-critical expenses while driving sales above break-even by selling existing inventory or service capacity to cover operating costs, debt service, and personal drawings







## Breakeven Formula

$$BE = FC / GP\%$$

BE = Revenue Required to Breakeven

FC = Fixed Costs

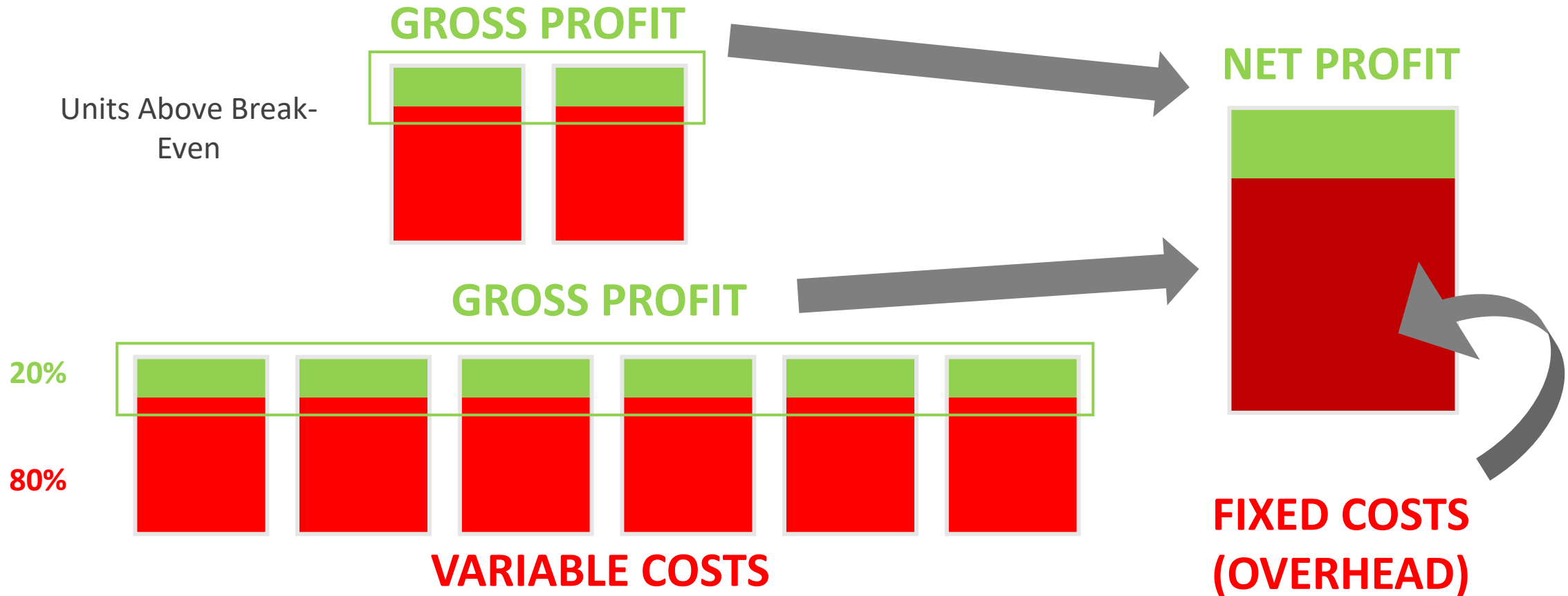
GP% = Gross Profit Margin %

Gross Profit Margin % = Gross Profit/Revenue

Gross Profit (Contribution Margin) = Revenue – Variable Costs



# Gross Profit versus Net Profit



# Increasing Prices

											
Increasing Your Prices											
1											
2											
3	If Your Present Margin Is:	20%	25%	30%	35%	40%	45%	50%	55%	60%	
4											
5	And you INCREASE your prices by:										
6	Your sales could DECLINE by the amount shown before your Gross Profit is reduced										
7		2%	9%	7%	6%	5%	5%	4%	4%	4%	3%
8		4%	17%	14%	12%	10%	9%	8%	7%	7%	6%
9		6%	23%	19%	17%	15%	13%	12%	11%	10%	9%
10		8%	29%	24%	21%	19%	17%	15%	14%	13%	12%
11		10%	33%	29%	25%	22%	20%	18%	17%	15%	14%
12		12%	38%	32%	29%	26%	23%	21%	19%	18%	17%
13		14%	41%	36%	32%	29%	26%	24%	22%	20%	19%
14		16%	44%	39%	35%	31%	29%	26%	24%	23%	21%
15		18%	47%	42%	38%	34%	31%	29%	26%	25%	23%
16		20%	50%	44%	40%	36%	33%	31%	29%	27%	25%
17		25%	56%	50%	45%	42%	38%	36%	33%	31%	29%
18		30%	60%	55%	50%	46%	43%	40%	38%	35%	33%
19											
20	When you adopt a premium pricing strategy this table shows the amount by which your sales would have to										
21	decline following a price increase before your gross profit is reduced below it's present level.										
22	For example, at a 40% margin a 10% increase in your price could sustain a 20% reduction in revenue.										
23											
24	Determining break-even on a price increase										
25	How do you calculate how much sales volume you can lose without affecting your gross profit?										
26	Here's a useful formula for determining break-even on a price increase.										
27	current gross margin to the percent increase and divide the percent price increase by the first										
28	E.g.: 10% increase for a company with 60% gross margins										
29	10 divided by 70 (gross margin of 60 + price increase of 10) = 14.3%										
30	The business must lose 14.3% of revenue to achieve same level of gross profit										



# Decreasing Prices



Take Action Results  
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## Decreasing Your Prices

1												
2												
3	If Your Present Margin Is:	20%	25%	30%	35%	40%	45%	50%	55%	60%		
4												
5	And you DECREASE your prices by:											
6	Your sales must INCREASE by the amount shown to keep the same Gross Profit											
7		2%	11%	9%	7%	6%	5%	5%	4%	4%	3%	
8		4%	25%	19%	15%	13%	11%	10%	9%	8%	7%	
9		6%	43%	32%	25%	21%	18%	15%	14%	12%	11%	
10		8%	67%	47%	36%	30%	25%	22%	19%	17%	15%	
11		10%	100%	67%	50%	40%	33%	29%	25%	22%	20%	
12		12%	150%	92%	67%	52%	43%	36%	32%	28%	25%	
13		14%	233%	127%	88%	67%	54%	45%	39%	34%	30%	
14		16%	400%	178%	114%	84%	67%	55%	47%	41%	36%	
15		18%	900%	257%	150%	106%	82%	67%	56%	49%	43%	
16		20%		400%	200%	133%	100%	80%	67%	57%	50%	
17		25%			500%	250%	167%	125%	100%	83%	71%	
18		30%				600%	300%	200%	150%	120%	100%	
19												

20

21

22 The table indicates the increase in your sales that are required to

23 compensate for a price discounting strategy. For example, if your margin

24 is 40% and you reduce your price by 10% you need your sales volume to

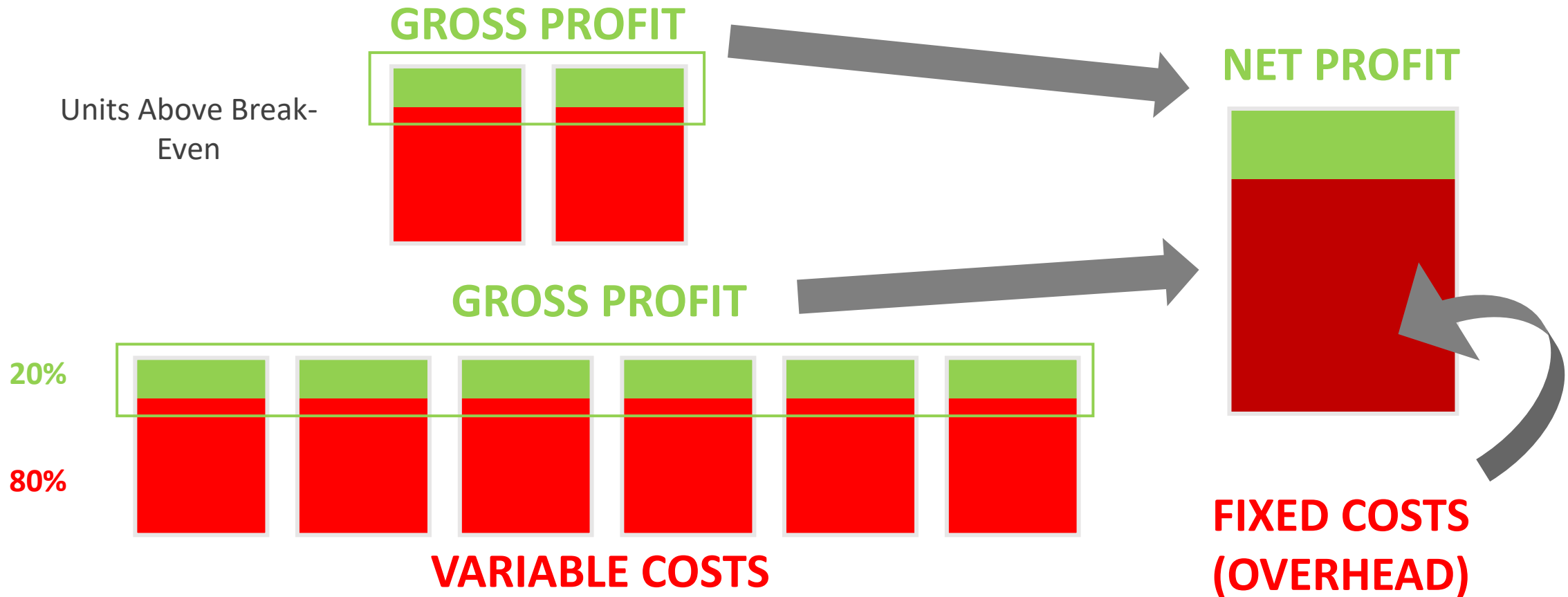
25 increase by 33% to maintain your profit. Rarely has such a strategy

26 worked in the past and it's unlikely it will work in the future.



Take Action Results  
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# Gross Profit versus Net Profit



# Cash Gap Plan

What is a Cash Gap Plan? It is “an efficient plan to quickly collect your outstanding receivables, get your customers to pay faster, and negotiate better terms with your vendors so your bank account always has plenty of cash in it.” You know that you need a Cash Gap Plan if you are perpetually struggling with cash flow and are not managing your receivables and payables as well as you should.



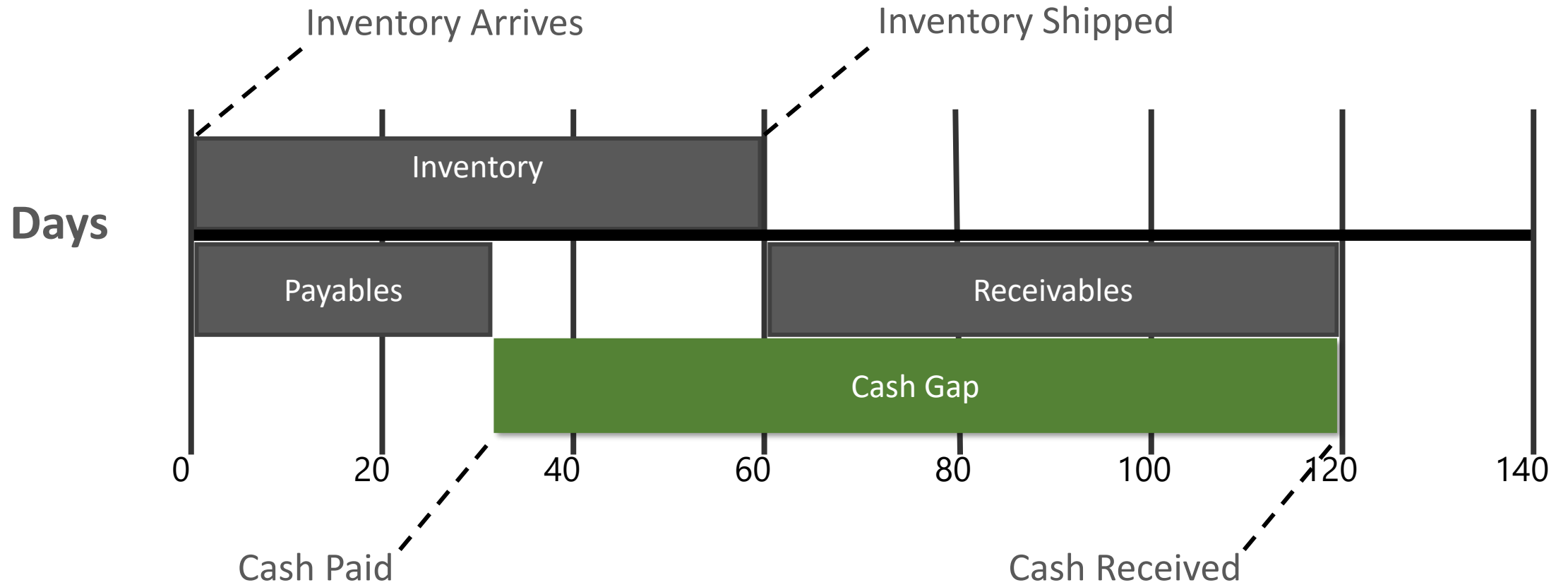
# Cash Gap Plan

Critical you pay attention to KPIs that will be explained next module

1. Quick Ratio
2. Inventory days
3. Accounts receivable days
4. Account payable days

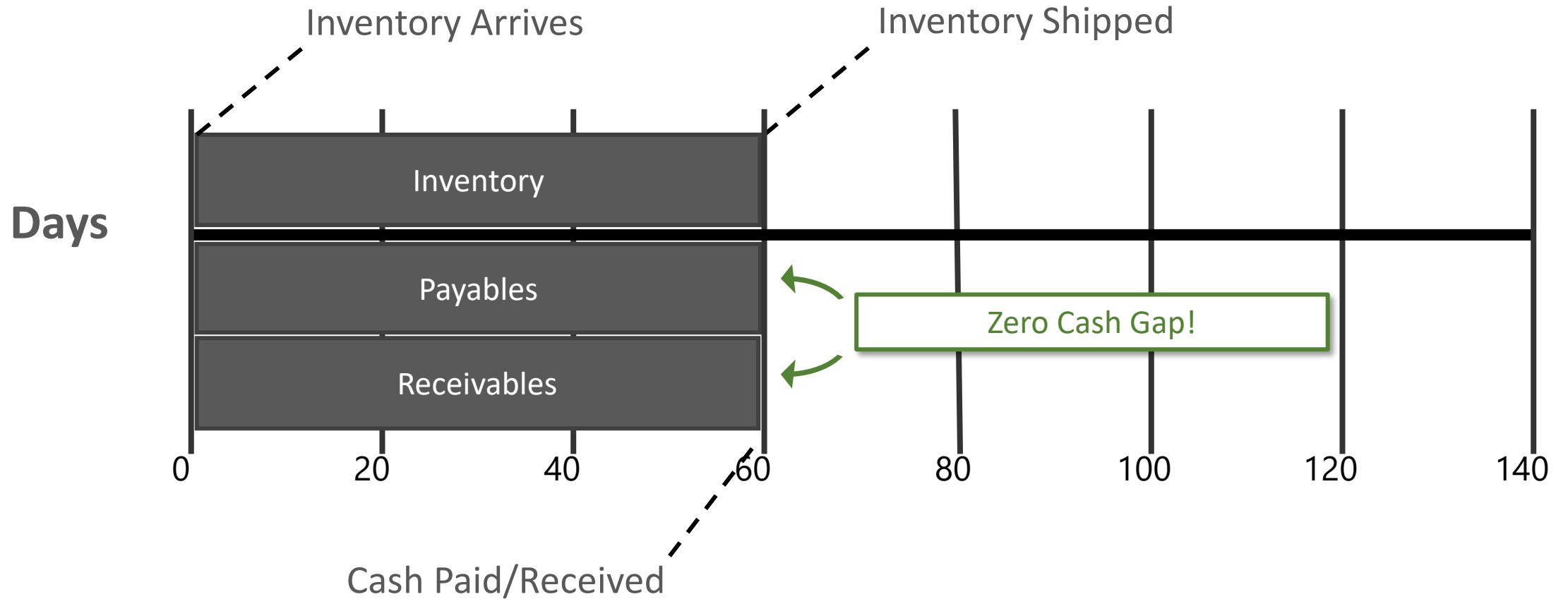


# Cash Gap Concept

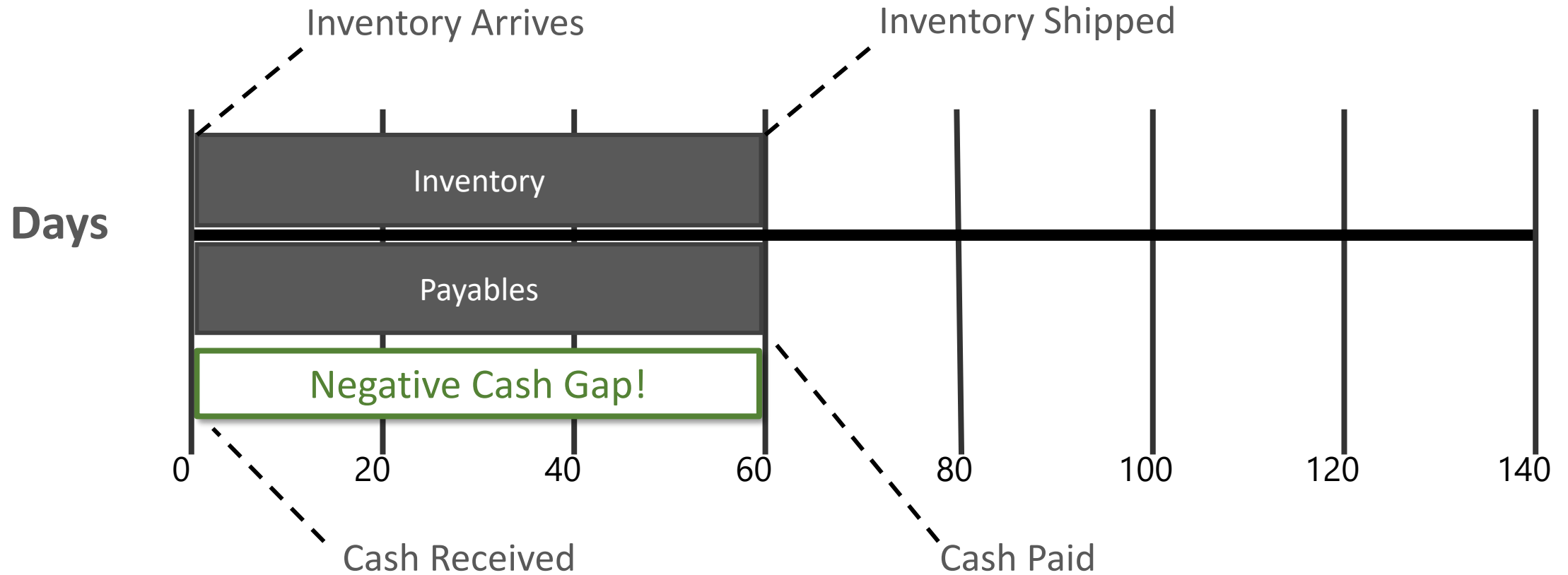




# Cash Gap Concept



# Cash Gap Concept



# Cash Gap Plan (CGP)

1. Shorter terms with customers
2. Faster collection system
3. Bonus AR staff
4. Outsource AR
5. Longer terms with vendors
6. Cut inventory



# Lean Program

What is a Lean Program? It's an ongoing program for rallying your team around a commitment to eliminate wasted time, material, and movement so you can dramatically improve operational efficiencies, cut production costs, and compete more effectively.



# Identify And Eliminate “Muda” (Waste)

1. Over-Production
2. Inventory
3. Waiting
4. Defects
5. Motion
6. Transportation
7. Processing



Kaizen =  
Continuous  
Improvement

Includes  
Eli Goldratt's,  
"Standing on the  
Shoulders  
of Giants."

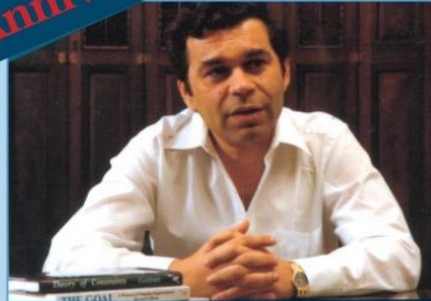
Eliyahu M. Goldratt and Jeff Cox  
**THE GOAL**  
A PROCESS OF ONGOING IMPROVEMENT  
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Eli Goldratt has been described by *Fortune* as a "guru to industry" and by *Business Week* as a "genius". His book, *The Goal*, is a gripping fastpaced business novel.

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CONSTRAINTS**

AND CHANGED HOW  
AMERICA DOES BUSINESS

**OVER 6 MILLION  
COPIES SOLD!**



**Take Action Results**

*Profit! Freedom! Lifestyle!*

# HOW TO: Lean Program





# What Lean IS NOT

1. NOT simple cost cutting
2. NOT cheaper material
3. NOT lay-offs
4. NOT cutting a supplier's margin
5. NOT cost avoidance
6. NOT "point improvements"
7. NOT a tool (i.e. 6 Sigma, TQM, TPM)



# Identify And Eliminate “Muda” (Waste)

1. Over-Production
2. Inventory
3. Waiting
4. Defects
5. Motion
6. Transportation
7. Processing



# 1. Over-Production

1	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
<b>OVER-PRODUCTION</b>	Producing more than the customer needs right now	Producing product to stock based on sales forecasts Producing more to avoid set-ups Batch process resulting in extra output	Forecasting Long set-ups “Just in case” for break-downs	Pull system scheduling <i>Heijunka</i> – level loading Set-up reduction TPM

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



## 2. Inventory

2	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
<b>INVENTORY</b>	More materials, parts, or products on hand than the customer needs right now	Raw materials Work in process Finished goods Consumable supplies Purchased components	Supplier lead time Lack of flow Long set-ups Long lead times Paperwork in process Lack of ordering procedure	External kanban Supplier development One-piece flow lines Set-up reduction Internal kanban

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



# 3. Waiting

3	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
<b>WAITING</b>	Idle time created when material, info, people, or equipment is not ready	Waiting for parts, prints, inspection, machine, info, machine repair	Push production Work imbalance Centralized inspection Order entry delays Lack of priority Lack of communication	Downstream pull Takt time production In-process gauging Jidoka Office Kaizen TPM

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



# 4. Defects

4	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
<b>DEFECTS</b>	Work that contains errors, rework, mistakes or lacks something necessary	Scrap Rework Defects Correction Field failure Variation Missing parts	Process failure Misloaded part Batch process Inspect-in quality Incapable machines	GembaSigma Pokayoke One-piece pull Built-in quality 3P Jidoka

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



# 5. Motion

5	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
<b>MOTION</b>	Movement of people that does not add value	Searching for parts, tools, prints, etc. Sorting through materials Reaching for tools Lifting boxes of parts	Workplace disorganization Missing items Poor workstation design Unsafe work area	5S Point of Use Storage Water Spider One-piece flow Workstation design

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



# 6. Transportation

6	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
<b>TRANSPOR-TATION</b>	Movement of product that does not add value	Moving parts in and out of storage Moving material from one workstation to another	Batch production Push production Storage Functional layout	Flow lines Pull system Value Stream organizations <i>Kanban</i>

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>





# 7. Processing

7	DEFINITION	EXAMPLES	CAUSES	COUNTER-MEASURES
<b>PROCESSING</b>	Effort that adds no value from the customer's viewpoint	Multiple cleaning of parts Paperwork Over-tight tolerances Awkward tool or part design	Delay between processing Push system Customer voice not understood Designs "thrown over the wall"	Flow lines One-piece pull Office <i>Kaizen</i> 3P Lean Design

Kaizen Institute: <https://in.kaizen.com/blog/post/2015/07/22/the-7-wastes-of-production.html>



# Waste Worksheet

## Waste Worksheet

1. Over-Production	Causes	Counter Measures	Accountability	Date
Making too many wingers to bolt onto the widgets, so unused wingers pile up on our shelves	Making wingers in batches	Making wingers as needed rather than in batches	Winger crew	mm/dd/yyyy

1. Over-Production	Causes	Counter Measures	Accountability	Date
Making too many wingers to bolt onto the widgets, so unused wingers pile up on our shelves	Making wingers in batches	Making wingers as needed rather than in batches	Winger crew	mm/dd/yyyy



# Weekly Kaizen Meeting

1. Identify areas of waste
2. Identify causes of waste
3. Prioritize areas to be eliminated first
4. Identify countermeasures
5. Assign accountabilities and dates
6. Review KPI to measure progress
7. Revise countermeasures as necessary
8. Celebrate wins
9. Reward progress

