[A-Line Garages]

Small Business Management Plan

Contributor:

[Stacy Manson]; [Doane College]; [Nebraska]

2014
# Table of Contents

**Executive Summary** ......................................................... 3

**Company Description** ..................................................... 4
  - Mission Statement ......................................................... 4
  - Company Overview ....................................................... 4
  - Objectives ................................................................. 4
  - Services ................................................................. 4

**Industry Analysis** .......................................................... 6
  - Industry Overview ....................................................... 6
  - Industry Trends .......................................................... 6

**Target Market** ............................................................... 8
  - Demographics ............................................................ 8
  - Analysis ................................................................. 9

**Competitive Analysis** ...................................................... 10
  - Competition ............................................................. 10
  - Analysis/Barriers to Entry ............................................ 10

**Marketing Plan** ............................................................. 11
  - Strategy ................................................................. 11
  - Positioning ............................................................. 11
  - SWOT Analysis ......................................................... 11
  - Marketing Tactics ...................................................... 12

**Operations** .................................................................. 15
  - Location ................................................................. 15
  - Equipment ............................................................... 15
  - Logistics Operation .................................................... 15
  - Impact/Use of Technology ............................................ 15
  - Contract Procedure .................................................... 16
  - Customer Service ....................................................... 16

**Management and Organization** ......................................... 17
  - Employees ............................................................... 17
  - Compensation & Incentives ........................................... 17

**Long-Term Development** .................................................. 18
  - Long-Term Goals ....................................................... 18
  - Risk ................................................................... 18
  - Strategy ................................................................. 18

**Financials** ................................................................ 19
  - Accounting System .................................................... 19
  - Monthly Cash Flow Projection ....................................... 19
  - Assumptions ............................................................ 19
  - Product Price ........................................................... 19
  - Income Statement ..................................................... 19

**Appendix** .................................................................... 20
  - Small Business Cash Flow Projection ............................. 20
  - Works Cited .............................................................. 21
Executive Summary

Introduction
Our company is known as A-Line Garages. We are the newest garage builder in the Lincoln, Omaha and surrounding areas. We serve our customers to their satisfaction. We want them to brag about their new garage. It is our duty to make them happy and we use our experience & knowledge to do just that! We aim to acquire our customers through marketing, competitive pricing, and customer referrals.

Need for Business
We see a large need in our market for residential garage services. This is because the leading competitor is leaving the market and is leaving a very valuable position open for acquisition. We feel as if we have the skills & experience to take control of the market especially in the Lincoln area. Also Nebraska is known for its unpredictable weather and people are willing to invest in something that will help protect their valuables from the elements.

Competitive Advantage
We stand out from competition because of how much we value our customers. We understand in this industry that referrals are extremely important to business which is why our niche is customer satisfaction.

Services
We are full service garage builder. We take care of everything from removal of existing buildings to the finish of your new garage. We want our customer to be as involved as they want to be. If they don’t have time to worry about a garage we will take that burden off of their shoulders and make it our priority.

Organization
The organization currently consists of two employees who will run all operations of the business. It will be held under a Limited Liability Corporation (LLC).

Financing
Our financing will be comprised of owner capital of $10,000 and an additional loan of $10,000 to cover any initial material costs. We have expected gross income of $50,000 for the first year and continue to rise throughout our long-term future.
Company Description

Mission statement
At A-Line Garages our main concern is the customer. We pride ourselves in our work and we feel the customer should too. Our company strives to prove our skills, knowledge, experience, and reliability in the construction realm. This company believes in getting the job done right, and it is our mission to make sure we do that while satisfying the customer.

Company Overview
Garages are not just something you can buy at a store. Building a garage takes time and elbow grease. Knowing what you want and how you want it can be a complicated problem. We want to make that a worry of the past for our customers. With our experience we can help walk them through what would best suite their needs, from there we will take care of the rest. We want garages to be the last worry on their mind, knowing that they have someone they can trust taking care of it.

A-Line Garages’s home office is located in Crete, NE. Our service areas include Lincoln, Omaha, & surrounding areas. We also have an online website to set up consultation and learn more about the company.

We are a full service garage company, we take care of everything from planning to finish. We make sure the customer is satisfied and as involved as they want to be. We are unique because we have over 30 years of experience in contracting work. If you dream it we can do it.

The effective date of business will be January 1st, 2015. This will allow us enough time to get the necessary licenses and supplies to start up. It will also give us a chance to get the word out to contacts to start creating a schedule and customer list.

A-Line Garages is held under an LLC. A-Line Garages, LLC is exclusively owned by Terry Manson (100%) We are a limited liability corporation because of the line of work we do. Whenever you are in an area of construction there are liabilities present. Under an LLC we cover our bases.

Objectives
A-Line Garage plans to:

➢ Begin to market services to Lincoln, Omaha, & surrounding areas, to launch our business over the next year.
➢ Expand into the garage building market and create a profitable first year.
➢ Secure at least 10 contracts within the first year.
➢ Expand our customer base to make our name recognized within the projected geographic area.
Services
We offer many services to satisfy our customer. We make sure they get what they want by offering these services:

- Design creation
- Concrete work
- Framing
- Finishing
- Site preparation
- Painting
- Plumbing
- Subcontractor evaluation
Industry Analysis

Industry Overview
As we know the recent housing bubble has taken quite a toll on the construction industry. You can see in the chart below we are starting to recover from that crisis and are increasing our permits issued. What that means to the construction industry is that there are now more available opportunities to key in on the market. This chart specifically compares Nebraska to the whole U.S. In the graph we can come to the conclusion that yes Nebraska was affected by the housing crisis but we also had a cushion compared to the entire nation. That shows in negative percentage change and positive percentage change.

Annual Change in Number of Residential Unit Permits Issued

<table>
<thead>
<tr>
<th>Year</th>
<th>Nebraska</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>-17.2</td>
<td>36.3</td>
</tr>
<tr>
<td>2009</td>
<td>35.6</td>
<td>-21.3</td>
</tr>
<tr>
<td>2010</td>
<td>-2.7</td>
<td>3.8</td>
</tr>
<tr>
<td>2011</td>
<td>4.4</td>
<td>-34.7</td>
</tr>
<tr>
<td>2012</td>
<td>25.6</td>
<td>39.7</td>
</tr>
</tbody>
</table>

Source (United States, 2014)

Industry Trends
Trends in our market have shown very much the same results as compared to on the national level. The number of single-family residential building permits issued in Lincoln had been negatively affected by the crisis but have now made a turn around in the ever growing economy.
Residential Building Permits in Lincoln

<table>
<thead>
<tr>
<th>Year</th>
<th>Single-Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>501</td>
</tr>
<tr>
<td>2011</td>
<td>544</td>
</tr>
<tr>
<td>2012</td>
<td>704</td>
</tr>
<tr>
<td>2013</td>
<td>844</td>
</tr>
</tbody>
</table>

Source: [United States, U.S. Department of Commerce, 2014]

What this means to our company is that the market we plan to enter is opening up for more competition. In our target location there are three main competitors with the market growing we have few barriers to entry.

To get a better scope of how large the Lincoln area is we can look at the home ownership rates and households.

<table>
<thead>
<tr>
<th></th>
<th>Nebraska</th>
<th>Saline County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Ownership Rate</td>
<td>67.6%</td>
<td>66.9%</td>
</tr>
<tr>
<td>Number of Households</td>
<td>721,026</td>
<td>5,026</td>
</tr>
<tr>
<td>Total Home Owners</td>
<td>487,414</td>
<td>3,362</td>
</tr>
</tbody>
</table>

Source: [United States, U.S. Department of Commerce, 2014]

Saline County has a high home ownership rate giving us a large enough customer base to be able to enter the market. Once we expand past Saline County we can see by looking at Nebraska’s statistics that there is substantial opportunity to progress.

The industry itself has risk when it comes to natural disasters as does any business. One element everyone in this industry is affected by is weather. Weather can determine if the company can work on certain days. Considering this is a problem for every competitor in the market we recognize this is an acceptable risk.
## Target Market

The approach we will be taking in defining our target market will be based off of past statistics within Saline County. In our research we have found three zipcodes that were active in 2013 with a large number of building permits, specifically the permits we would be filing for (Code Class 483 New). By calculating the amount of permits drawn from each of these zip codes we assume that these areas have a need for garages. Looking further into the demographics we can learn more and determine which will be the best starting point.

### Demographics

<table>
<thead>
<tr>
<th></th>
<th>68502</th>
<th>68503</th>
<th>68516</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Owned Households</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Owned Households</td>
<td>5,712</td>
<td>2,010</td>
<td>11,329</td>
</tr>
<tr>
<td>Owned without Mortgage</td>
<td>1,456</td>
<td>468</td>
<td>2,551</td>
</tr>
<tr>
<td>Owned with Mortgage</td>
<td>4,256</td>
<td>1,542</td>
<td>8,778</td>
</tr>
</tbody>
</table>

### Family Types

<table>
<thead>
<tr>
<th></th>
<th>Husband/Wife Families</th>
<th>Singles</th>
<th>Husband/Wife Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary</td>
<td>Singles</td>
<td>Husband/Wife Families</td>
<td>Singles</td>
</tr>
</tbody>
</table>

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Age</td>
<td>34</td>
<td>27</td>
<td>38</td>
</tr>
<tr>
<td>Most Relevant Income Range</td>
<td>&lt;$25k</td>
<td>&lt;$25k</td>
<td>$50k-$75k</td>
</tr>
</tbody>
</table>

Source: United States Zip Codes, 2014
With this information we can decide how to best target each neighborhood. It allows us to get a generalized idea with whom we would be working with and how to best suite their needs. It also gives us a good background from which to target our advertising efforts.

In terms of a psychographic profile we determined that the best opportunity for our business to embark on would be to form our advertising to people who belong to the middle class and live active lifestyles. These lifestyles would include people who enjoy the outdoors and possibly own recreational vehicles or boats. The people of the middle class are likely to have nice cars that they do not want exposed to the elements. Our company is based around getting what they want without the hassle of having to do it themselves. People living active lifestyles do not have the time to devote to designing and building a garage.

Analysis

With all else in mind we believe that it would be within our best interest to initially target zip code 68516. The people whom live in this zipcode tend to have the disposable income necessary to purchase our product. They also tend to have more of a need because they have steady jobs and are allowed time to go live active lifestyles. We acknowledge it is a big group to target which is why within the zip code we would determine which specific neighborhoods lack garages and would most benefit from our services. From that point we would then analyze our outcomes and determine where to continue from there whether it be expanding to new zip codes or continuing our effort in 68516.

Ultimately we plan to expand our efforts to all of Lincoln, Omaha, & surrounding areas. Those connections will be built through time and our main direct marketing sources will be exhausted in 68516. As our company grows other target markets will evolve and be decided upon at the time of expansion.
Competitive Analysis

Competition

Our competition in and around the Lincoln and Omaha areas are Russ Garages, The Garage Company, and JW Construction and Remodeling. Each of these companies have been around awhile and each have their own advantages.

Russ Garages

Competitive Advantage:
They have a lot of the market in Lincoln currently. They excel in experience and have a beneficial reputation in Lincoln.

Disadvantage:
The company is looking to change ownership or completely dropping out of the market. Unfinished website making them look unprofessional.

The Garage Company

Competitive Advantage:
Serving Omaha and surrounding areas this company has the benefit of speed. They claim to finish garages within two days.

Disadvantage:
The website is not appealing to the eye and not very intising. They spread their work far into Iowa as well as Nebraska.

JW Construction and Remodeling

Competitive Advantage:
This company is based in and around Lincoln. They specialize in customization with their project.

Disadvantage:
Not well known in Lincoln for garage building. They have a poor internet presence.

Analysis/Barrier to Entry

I belive we have enough of a niche to compete in this market. In order to successfully compete we will have to put a lot of effort into marketing. If we can make our marketing tactics more efficent than competition, we have the chance to outwin them. The barriers to entry are decreasing as the market continues to grow. Yet they cannot be eliminated some barriers to consider are: if the market turns bad it could diminish new and present companies alike, customer loyalty to other firms, and possible predatory pricing. Although these do pose a certain threat I believe the market is compliant enough to create a sustainable environment for our business to survive.
Marketing Plan

Strategy
Marketing will be a make or break for our company. As we now understand if we can beat out our competition in the marketing realm we have a shot at success. Within our marketing campaign we want to make sure the customer is always our first priority. We base our company values off of the satisfaction of our customers. Our main line of focus for marketing campaign will be internet presence and word of mouth advertising. We have a large network that will benefit us in this venture. We will also be focusing on yard signs, door hangers, paper print ads, and social media coverage.

Positioning
Our company is a trustworthy company that is skilled, knowledgable, experienced, and reliable. We understand the process of building a garage is stressful and we want to eliminate that problem for our customers. Our main goal is to satisfy the customer, we will do our best to achieve that in every aspect. We take pride in our work, and want you to take pride in your garage. We will be with the customer through the entire process which is something you can’t find anywhere else.

SWOT Analysis
Strengths: We have a lot of expertise in construction, we have a reputation of being very reliable. Everything will be done through one line of command to decrease confusion. We are competitively priced and offer a great service and product.

Weaknesses: Our company is not recognized in the areas we are targeting. We are a small company with only two employees.

Opportunities: Our contacts & networks in the construction realm will help us get our name out, and benefit our business. The owner is known around Lincoln for various buildings and has accounts in place for ordering supplies. Nebraska has unpredictable weather creating a demand for our service.

Threats: Weather is only building permitting certain months of the year. Other companies own the market share currently and have established a customer base. Barriers to entry will be too much to overcome for our new business.
Marketing Tactics
We will present our company through various mediums of marketing to increase our business presence.

Elevator Pitch
A-Line Garages is a new business serving Lincoln, Omaha and surrounding areas. Our goal is to provide our customers with satisfaction and a garage they want to brag about. We are a company that is known for skill, knowledge, experience, and reliability. We show it in everything we do. Our company is based off of a competitive market pricing, meaning that you get the best price along with the best service. We want to make sure everything fits your vision, and will work very hard to ensure that is the case. We have references for you or anyone interested in a new garage. Don’t hesitate to call and ask questions we are here for you.

Telephone Script
a. Hello this is Terry the owner of A-Line Garages. We are a new garage company in the Lincoln & Omaha area. We provide quality garages to satisfy our customers needs, I was just inquiring to _______.
   b. A-Line Garages this is Terry, how may I help you today?

Print Collateral
We will have various forms of print collateral including but not limited to:
   ➤ Business Cards
   ➤ Brochures
   ➤ Fliers
   ➤ Door Hangers

Yard Signs
These are a form of advertising while we are in the process of building. It shows people driving by who is doing the project. They will display our name and contact information. The customers will have to agree to us putting the sign in their yard during construction. These are beneficial to our business because people will drive by and be able to see the quality of our work. They will have an image in their head to put with our business name. It will be extremely beneficial in high traffic areas, and older neighborhoods where people do not own garages.
Trade Show

Nebraska Builders Home and Garden Show

This trade show would benefit our business in several ways. It focuses on businesses located in Nebraska, and features booths for home improvement. The trade show receives a lot of traffic and has a positive connotation among Nebraska homeowners. The date and cost for 2015 is not posted yet. This trade show would increase knowledge of our business and could create leads to possible contracts. It would also give a high volume of people a chance to speak with us and help with our reputation.

Website

The website for our company is essential to compete successfully. It will have multiple components to create a sustainable interface. Pages to be included in the website are home, services, about, testimonials, contact, and gallery. Each has important information related to the company. The website will be a hub that will give the customer everything they need to help them in deciding whom to hire for a garage. It will also be linked with our different social media platforms. The URL will be www.alinegarage.com

Social Media

Considering how important social media is to business today we will have our name on various platforms. The benefit of social media is that it gets your name out there. With more social media presence the easier we are to find on the internet. It also allows our customers to learn about our company and if we decide to run specials it is a good place for advertising.

Facebook

This social media platform is the most recognized among all age groups. It has a diverse user base. This is very beneficial to us because it allows us to get our name around, and to a lot of people. It also allows people to search us and learn a little bit more about the company. When people like our facebook page that allows them to get reminders and updates. Now this does not mean they will read them so if we do things that can get them involved may catch their attention more and keep us in their mind.

Goal: A-Line Garages will create a facebook page that will have at least 50 fans who have “liked” the page within the first two months of business.

Action Steps:

- Create a page.
- Add bio/information pertaining to the business.
- Add friends, like other pages related to our business.
- Post photos of our work and our employees.
Keep up to date with current projects, specials, & information.

**Twitter**

This social media platform is very popular among younger people, but it has been expanding in recent years to older generations. It is beneficial for messages under 140 characters. This will not be our main concern with social media but it will still benefit us by making our name more present. It will be used for tweeting and retweeting. We can tweet items about deals or interesting information for the homeowner. The more often you tweet the more presence your business has, and thus potential customers will recognize your name.

**Goal:** A-Line Garages will create a twitter account that will follow at least 20 other accounts and have 30 followers within the first two months of business.

**Action Steps:**

- Create a twitter account.
- Customize with logo and information.
- Follow accounts related to local businesses, sports, and home improvement.
- Create tweets that followers can relate to.
- Tweet photos of finished projects.
- Tweet at least twice a week.

**LinkedIn**

This social media platform is very important for anyone with a business. It can really benefit our company because it allows anyone with an account access to your resume. It has many different ways of connecting you with reputable people in your area and more. In the long run it could help us with receiving clients and even possibly suppliers. It also can show who has been looking into you and may help us target another market for our services.

**Goal:** A-Line Garages will create a LinkedIn account that will have 50 contacts with relation to construction in Lincoln or Omaha within the first two months of business.

**Action Steps:**

- Create a LinkedIn account.
- Connect with various contacts related to the business.
- Update weekly with information.
- Keep LinkedIn network informed of opportunities.
Location
The home office of the business will be located at 2085 County Rd G in Crete, Nebraska. The buildings that are to be used by the business are: an office for paper work, and a work shop for custom built items/storage. This location is also the home of the owner of A-Line Garages. The office is used strictly for recording and accounting purposes and will not be a host place to meet with the customers. The work shop is for items that must be constructed off of the work site and also provides storage for projects.

The only other locations that are necessary are going to be the homeowners address, and/or any meeting place decided upon by the A-Line Garages and the homeowner. Those meeting places will be dependent upon where the customer lives.

Equipment
Since the owners background is in construction equipment will be on a supply only basis. All other equipment necessary for removal and construction is owned by the owner of the company. Any other equipment necessary would be added to the cost of the project. Some of the items already aquired by the owner are as follows: pick-up trucks, skid loader, dump trailer, enclosed hauling trailer, open flat bed trailer, tools, and tool extensions.

Logistics Operation
Inbound:
To obtain supplies the company will order from a supplier and will either pick up or have the supplies delivered, to the site or to the work shop. These supplies include wood, siding, shingles and any other necessary supplies for construction.

Outbound:
The ultimate product we deliver is the finished garage which will be constructed permanently on the customers land. The only other possible outbound supplies would be the stock in the work shop for current or future projects. They will all be enclosed in a large shed that is weather proof and will not be damaged by natural forces.

Impact/Use of Technology
The use of technology will be used primarily by the assistant. This use will include all social media, website, and documentation necessities. The use of technology will be extremely important to our business. It is a large base of our marketing efforts and will be essential to keep updated if we want to successfully compete. The owner of the company will be responsible for the design programs and creating the plans.
**Contract Procedure**

With each project we do there will be a contract involved. The procedure for a contract would first begin with a consultation. At the consultation the plans would be discussed, a timeline decided and an estimation of cost. The second meeting to be held would be the signing of the contract. At the signing of the contract a non-refundable $500 will be put down by the customer. Each contract includes a floor plan and various agreed upon details. If the contract is not signed at the second meeting, it would be rewritten up to satisfaction of the customer and signed at the next meeting. Once the contract is signed we may begin on the process of getting permits, and constructing. On the first day of construction 50% of the total cost will be paid. When the product is finished the other 50% of the cost will be paid.

**Customer Service**

Our view on customer service is very open. We want the customer to be completely comfortable with everything they are purchasing. Our goal is to satisfy them. The contract is laid out so that both parties must follow the rules within. If they find we did not do our job we will fix it. The customer may be as involved as they like in the building of their garage. Our phone is always on and ready to answer any questions throughout the process.
Management and Organization

Employees

There would be two official employees all other help would be on an as-needed-basis. These would consist of:

Owner-

Terry Manson, would be responsible for all customer consultation and planning of projects. He is also in charge of all construction coordination and application.

Assistant-

Stacy Manson, would be responsible for all social media, website, and documentation duties. Her duties would include daily computer access of all marketing components. Make sure all advertising propaganda is stocked and ready to use.

These two employees would create the board that would deal with future situations and be the deciding vote of expanding the business.

Compensation & Incentives

The assistant would be payed $1000 a month. This would mean she would work 20 hours a week at a wage of $12.50. The owner would be paid at $12.50 and work 40 hours a week for the first two months. After that pay would be dependent upon project size.

Since the company is a small start-up it would not initially offer incentives to the employees.
Long-term Development

Long-term Goals

- From year 1 to year 2 increase production by 50%
- From year 2 to year 3 increase production by 30%

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Garages Built</td>
<td>10</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>Total Profit</td>
<td>$50,000</td>
<td>$75,000</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

Risk

Every business has a risk of failing. We decided to start with a low amount of production to get a feel for the market. By doing so we predict that the next two years will allow us to increase production to the height we feel is attainable. If we cannot reach our goals that would mean the pay would be bumped down to our employees. With each project certain costs are projected for the month. If one month we did not have a project those costs would also be eliminated. Our fixed cost is low enough that we could sustain ourselves through an unpredicted bad two months. After that we would need to reevaluate our financials and decide where to go from there with the business.

Strategy

In order for our company to succeed in the long-term we need to keep up to date on the market. We already know what months are the most popular for garages and will be the most successful for marketing. Our strategy is to keep track of the market, keep our costs as low as we can, and always be advertising. We would also adjust our market by focusing more efforts in the Omaha area. Our current target is focused in certain areas of Saline county by expanding to Douglas county we would allow ourselves more room for growth. If we can successfully do this I think it will be very plausible for our business to succeed in the long-run.
Financials

Accounting System
To make sure we have everything in order with our financials we will be using quickbooks. We currently already own the software and will be making a new separate account for A-Line Garages. This system will run off of a cash method of accounting. This will be the most efficient for us since we will be doing inputs project by project.

Monthly Cash Flow Projection
Please see attached Small Business Cash Flow Projection (page 20).

Assumptions
We are expecting sales for the first year to be $150,000. That would be reaching our goal of 10 garages for the first year at an approximated cost of $15,000 per unit.

We assume that $20,000 to start the business with be sufficient enough to cover start-up and advertising costs.

Product Price
Our average estimated product price is $15,000 a unit. This will vary due to each unit’s size and amenities. The pricing will also be based off of the market since we are competitive in pricing. According to markets currently our estimation is acceptable. Each unit will have the customers choice of concrete, siding, shingle, wood, doors, and windows. We also presume that variable expenses from the project will be roughly $5,000. We also need to include contract labor expense of $4,900 and budgeted equipment rental of $100. This means that we will make a gross profit of $5,000 to pay employees, advertising, and fixed expenses.

Income Statement
Our expected income statement would start with the first year which we have an estimated goal of $50,000 gross profit. That means we would have to build 10 garages within the first year. By the second year we would expect our business to grow by 50% giving us an estimated $75,000 for the second year, with a total of 15 garages built. By the third year we would expect an additional 30% giving us an estimated $100,000 and a total of 20 garages built. Our best months for the company would be April, May, July, & November based on past market history. These months would be the ones that would generate the most profit. Our bad months would be January & February. These would generate little if no profit. This is because of Nebraska’s historical weather conditions. The good months would outweigh the bad months. If we assume we can construct one garage a week that would mean at most we could do 40 a year (March-December). With all else in mind we have left ourselves very open for future expansion.
# Small Business Cash Flow Projection

**A-Line Garages**

**Starting date:** Jan-18

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning</td>
<td>0</td>
<td>15,967</td>
<td>12,964</td>
<td>19,061</td>
<td>25,389</td>
<td>22,335</td>
<td>29,332</td>
<td>48,325</td>
<td>53,326</td>
<td>60,323</td>
<td>62,323</td>
<td>52,320</td>
<td>59,317</td>
</tr>
</tbody>
</table>

## Cash Receipts

- **Cash sales**
- **Returns and allowances**
- **Collections on accounts receivable**
- **Interest, other income**
- **Loan proceeds**
- **Other contributions**

**TOTAL CASH RECEIPTS**

**Cash available**

<table>
<thead>
<tr>
<th>Advertising</th>
<th>1,000</th>
<th>20</th>
<th>20</th>
<th>20</th>
<th>380</th>
<th>380</th>
<th>20</th>
<th>20</th>
<th>20</th>
<th>20</th>
<th>20</th>
<th>20</th>
<th>1,940</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissions and fees</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contract labor</td>
<td>0</td>
<td>0</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
<td>4,900</td>
</tr>
<tr>
<td>Employee benefit programs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Insurance (other than health)</td>
<td>1,200</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,200</td>
</tr>
<tr>
<td>Interest expense</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>504</td>
</tr>
<tr>
<td>Materials and supplies (in COGS)</td>
<td>0</td>
<td>0</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5000</td>
</tr>
<tr>
<td>Meals and entertainment</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>240</td>
</tr>
<tr>
<td>Mortgage interest</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Office expense</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>390</td>
</tr>
<tr>
<td>Other interest expense</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Pension and profit-sharing plan</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Purchases for resale</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rent or lease</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rent or lease of vehicles, equipment</td>
<td>0</td>
<td>0</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>1,000</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>1,200</td>
</tr>
<tr>
<td>Supplies (nut in COGS)</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>1,800</td>
</tr>
<tr>
<td>Taxes and licenses</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>3,000</td>
</tr>
<tr>
<td>Travel</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Wages (less emp. credits)</td>
<td>3,000</td>
<td>3,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>16,000</td>
</tr>
<tr>
<td>Other expenses</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>2,400</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td>9,017</td>
<td>3,637</td>
<td>11,637</td>
<td>12,197</td>
<td>12,197</td>
<td>11,637</td>
<td>11,637</td>
<td>11,637</td>
<td>11,637</td>
<td>11,637</td>
<td>11,637</td>
<td>11,637</td>
<td>126,944</td>
</tr>
<tr>
<td><strong>Loan principal payment</strong></td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>834</td>
<td>10,058</td>
</tr>
<tr>
<td><strong>Capital purchases</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Other startup costs</strong></td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>To reserve and/or escrow</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Owner’s withdrawal</strong></td>
<td>0</td>
<td>0</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>TOTAL CASH PAID OUT</strong></td>
<td>4,333</td>
<td>3,003</td>
<td>8,003</td>
<td>8,383</td>
<td>8,383</td>
<td>8,003</td>
<td>8,003</td>
<td>8,003</td>
<td>8,003</td>
<td>8,003</td>
<td>8,003</td>
<td>8,003</td>
<td>169,922</td>
</tr>
</tbody>
</table>

| Cash on hand (end of month) | 0 | 15,967 | 12,964 | 19,061 | 25,389 | 22,335 | 29,332 | 48,325 | 53,326 | 60,323 | 62,323 | 52,320 | 59,317 |

---

Note: The numbers represent cash flow projections for a specific period, with adjustments for cash inflows and outflows.
Works Cited


