**Carwash business plan**

**Executive Summary**

This section briefly tells your reader where your company is, where you want to take it, and why your Car wash Service business idea will be successful. The executive summary should highlight the strengths of your overall plan and therefore be the last section you write. However, it usually appears first in your business plan document.

*Example:* **“**Michel Car wash service LLC” is a start-up company that will design and market innovative Car wash service. This business plan has been developed to present Car wash service to prospective investors and assist in raising $135,000 of capital needed to begin service and launch our first service.

**Mission**

It provides a rewarding and respectful work environment with competitive compensation and benefits. The mission statement should be a clear and succinct representation of the enterprise's purpose for existence. It should incorporate socially meaningful and measurable criteria addressing concepts such as the moral/ethical position of the enterprise, the target market, services/services and expectations of growth and profitability.

**Example: “**Michel Car wash service LLC’s” Mission is to provide a unique & relaxing Car wash service. Design, develop & Market innovative ideas to Car wash service that are socially & environmentally responsible.

**Objectives**

Particular goals and objectives point a new business in the right direction and keep an established Car wash Service Company on the right track. Just think about what football would be without end zones or what the Indianapolis 500 would be without a finish line.

Example: **“**Michel Car wash service LLC’s” objective is to achieve the following goals:

* Develop a sustainable Car wash Service business that designs, manufactures, and markets innovative Car wash service
* Be popular in the region.
* Reach break-even point within 12 months.

**Chart: Highlights**

 **Keys to Success**

For a Car wash Service business plan, keep these five points top of mind:

* Provide exceptional customer service
* Participate in design and Car wash industry communities
* Support Car wash associations
* Use profits for new service development
* Promote Car wash safety and health

**Example:** Michel Car wash service LLC follows three steps for its key success,

A. Getting repeat business from every customer using strategic niche marketing

B. Support Car wash associations.

C. Participate in design and Car wash industry communities using strategic partnership.

 **Company Summary**

The Company Summary of a business plan provides a high level look at how all of the different elements of your business fit together, including information about the nature of your business and the success factors that you feel will make your business successful and consequently, profitable.

Example: Michel Car wash service LLC is a start up managed by vastly experienced and visionary entrepreneur Mr. Clerk combine intensive market research with world-class industrial design and engineering to create innovative services that address identified needs in the Car wash Service market. The company is looking for expansion and applying for $2, 70,000 loans from the Business Association.

 **Company Ownership**

As one of the company's goals is to focus on high quality workmanship, retaining as much talent as possible is crucial. Therefore, the company plans to add more partners to the firm as opportunities arise.

 **Start-up Summary**

Start-up expenses for the company total $135,000 and will be distributed as follows:

* 52% – Service research and development
* 19% – Corporate brand development
* 10% – Administrative costs
* 19% – Home office

**Example:** Michel Car wash service LLC’s start-up costs & initial financing are shown on the following table & Chart.

Table: Start-up

|  |
| --- |
| **START-UP REQUIREMENTS** |
| Start-up Expenses |   |
| Legal - patent, trademark, and counsel | $6,000 |
| Consultants - marketing | $6,500 |
| Corporate/Service Identity | $5,000 |
| Research and Development | $2,500 |
| **TOTAL START-UP EXPENSES** | **$20,000** |
| Start-up Assets |   |
| Cash Required | $100,000 |
| Start-up Inventory | $0 |
| Other Current Assets | $15,000 |
| Long-term Assets | $0 |
| **TOTAL ASSETS** | **$117,000** |
| Total Requirements | $135,000 |

**Table:** Start-up Funding

|  |
| --- |
| **START-UP FUNDING** |
| Start-up Expenses to Fund | $20,000 |
| Start-up Assets to Fund | $115,000 |
| **TOTAL FUNDING REQUIRED** | **$145,000** |
| Assets |   |
| Non-cash Assets from Start-up | $15,000 |
| Cash Requirements from Start-up | $100,000 |
| Additional Cash Raised | $0 |
| Cash Balance on Starting Date | $100,000 |
| **TOTAL ASSETS** | **$152,000** |
| Liabilities and Capital |   |
| Liabilities |  |
| Current Borrowing | $0 |
| Long-term Liabilities | $85,000 |
| Accounts Payable (Outstanding Bills) | $0 |
| Other Current Liabilities (interest-free) | $0 |
| **TOTAL LIABILITIES** | **$85,000** |
| Capital |  |
| Planned Investment |  |
| Owners Investment | $10,000 |
| Needed Investment | $25,000 |
| Additional Investment Requirement | $15,000 |
| **TOTAL PLANNED INVESTMENT** | **$50,000** |
| Loss at Start-up (Start-up Expenses) | ($20,000) |
| **TOTAL CAPITAL** | **$30,666** |
| **TOTAL CAPITAL AND LIABILITIES** | **$117,044** |
| Total Funding | $165,000 |

**Chart: Start-up**

**Company Locations and Facilities**

Briefly describe offices and locations of your company, the nature and function of each, square footage, lease arrangements, etc. If you are a Car wash Service business, you probably don't have manufacturing plants anywhere, but you might have Internet services, office facilities, and telephone systems that are relevant to providing service. It is conceivable that your Internet connection, as one hypothetical case, might be critical to your business.

Example: Michel Car wash service LLC situated at prime location in USA. Mr. Clerk follows intensive services & facilities in the competitive market. The strategic tool that follows by Mr. Clerk for Car wash service

**Services & Services**

By services & service we mean functionalities or support provided. Car wash Service, Accounting, design, maintenance, printing, and supply of temporary personnel, etc., provided by specialized firms to other firms are deemed as service.

*Example:* Michel Car wash service LLC primary focus on large market structure growth. This includes all types of Car wash ranging quality & location of your business.

**Market Analysis Summary**

A good market analysis will enable you to lure investors, sidestep pitfalls, and most importantly, attract customers. A market analysis studies the attractiveness and the dynamics of a special market within a special industry.

 **Market Segmentation**

Market segmentation is a marketing strategy that involves dividing a broad target market into subsets of consumers, businesses, or countries that have common needs and priorities, and then designing and implementing strategies to target them.

*Example:* Michel Car wash service LLC Based on our Car wash Service research, Mr. Clerk think we have opportunities to attract customers from the following market groups:

The first three groups were selected because they offer growth outside of the "usual" Car wash service consumer; their favourable opinion of the service may help establish service reliability, brand credibility and influence individual consumer purchases.

**Table: Market Analysis**

|  |  |  |  |
| --- | --- | --- | --- |
|   |   | Year 1 | Year 2 |
| Potential Customers | Growth |   |   |
| Age 34 and under | 0% | 65,81,339 | 65,83,569 |
| Age 35 - 44 | 0% | 68,53,963 | 67,68,024 |
| Age 45 - 54 | 0% | 70,26,073 | 71,77,077 |
| Age 55 - 64 | 0% | 49,92,798 | 51,99,186 |
| Age 65 and older | 0% | 68,47,697 | 69,17,743 |
| Total | 1.07% | 3,23,01,870 | 3,26,45,598 |

|  |  |  |  |
| --- | --- | --- | --- |
| Year 3 | Year 4 | Year 5 |   |
|   |   |   | CAGR |
| 65,85,066 | 66,37,228 | 67,26,652 | 0.55% |
| 66,84,963 | 65,61,209 | 64,19,631 | -1.62% |
| 73,18,521 | 74,32,621 | 75,18,721 | 1.71% |
| 54,06,877 | 56,16,124 | 57,76,934 | 3.71% |
| 69,99,165 | 71,01,496 | 72,66,916 | 1.50% |
| 3,29,94,591 | 3,33,48,678 | 3,37,08,854 | 1.07% |

**Chart: Market Analysis (Pie)**

 **Target Market Segment Strategy**

A target market segment strategy is an essential plan of action for any organization to adopt. Essentially, the strategy outlines your business's plans for reaching its intended customers. It takes into account consumer demand, your company's response to that demand and its plan of action for delivering high-quality services coupled with solid customer service.

Example:Michel Car wash service LLC want the customers like govt. agencies, Individual consumers. To support this strategy, we will attend Car wash Service trade shows and enter design competitions. This strategy will allow us to form partnerships with people and organizations that can help the company establish the highest level of service performance and customer service.

**Market Growth**

Market growth can be slow if consumers do not adopt a high demand or rapid if consumers find the service or service useful for the price level. For example, a new technology might only be marketable to a small set of consumers, but as the price of the technology decreases and its usefulness in everyday life increases, more consumers could increase demand.

 **Strategy and Implementation Summary**

A Car wash Service business plan’s Strategy and Implementation Summary emphasizes on what makes your business concept compelling and how you will attract and maintain a client/customer base. The first component of your Strategy and Implementation plan is a strategic position

Example: Michel Car wash service LLC strategic plan is very simple. We understand our brand value in the market & quality of our service. Our target market is our happy customers. Michel Car wash service LLC offers discount range for his reputed market trend, Market need & Market Growth.

**Strategy and Implementation Summary**

Understanding your competition's strengths and weaknesses is certainly important, but defining a strategy that highlights your superiority in the market is just as essential. A business plan's Strategy and Implementation Summary emphasizes what makes your business concept compelling and how you will attract and maintain a client/customer base.

Example: Michel Car wash service LLC have following implementation strategies for it’s customers:

* Individual customers think of their Car wash as family about the health and well-being of their family Car wash.
* Services adopted by the commercial market, design and Car wash government agencies, recognition.
* Individual consumers will more readily use these services.

**Competitive Edge**

Competitive edge is an important part of the feasibility study you do prior to writing your startup Car wash Service business plan or your year-end strategic planning for next year's business expansion. It entails research into your competition, how their services differ from yours, how their operations differ from yours and how their marketing differs from yours.

Example: Michel Car wash service LLC’s environment is elegant and comfortable and our decor is warm and relaxing. Great service is very important to us. The management and servers will handle every detail to make customer's car look brand new.

**Marketing Strategy**

**Marketing strategy** is the goal of increasing sales and achieving a sustainable competitive advantage. Marketing strategy has evolved from a one-way communication base -- projecting communication base involving active conversations with potential customers.

*Example:* Michel Car wash service LLC strategic plan help the customer to attract the key features inbuilt in our services. We follow both print media & digital media for our promotional strategy. Website Marketing Strategy Advertising on the Internet has not yet proven to be very effective and will not be aggressively pursued initially. Website awareness will be accomplished via more traditional forms of advertising and service purchases.

**Promotion Strategy**

**Promotion Strategy** is the process through which a business can grow & become well known to its customers. Our most important tactic will be word-of-mouth/in-store marketing process.

 **Sales Strategy**

A sales strategy for a business plan consists of a plan that positions a company’s brand or service to gain a competitive advantage. Successful strategies help the sales force to focus on target market customers and communicate with them in relevant, meaningful ways.

Example: Michel Car wash service LLC Sales to individual consumers will be completed through the company's website, by phone or fax, through catalogues and third party websites. This initial strategy is intended to control growth and keep sales in line with projections. As sales increase and more working capital become available we will begin to focus on national retail sales.

**Sales Forecast**

Sales forecasts are estimates of your sales for the forecast period. The sales forecast establishes the level of activity used in all the other forecasts and budgets for the business. If your sales forecast varies wildly from your actual results, your cash flow and profitability forecasts will similarly be inaccurate.

Example: The basic, off-the-shelf models, developed for high- and moderate-income consumers will be sold on the company's website, by phone and fax, through catalogs and third party websites.

The following tables and charts show the growth of potential customers by years.

**Table: Sales Forecast**

|  |
| --- |
| Sales Forecast |
|   | Year 1 | Year 2 | Year 3 |
| Sales |   |   |   |
| Scoops | $299,425 | $755,200 | $1,401,250 |
| Bags | $99,225 | $527,513 | $1,315,575 |
| Total Sales | $398,650 | $1,282,713 | $2,716,825 |
| Direct Cost of Sales | Year 1 | Year 2 | Year 3 |
| Scoops | $121,800 | $307,200 | $570,000 |
| Bags | $44,100 | $234,450 | $584,700 |
| Subtotal Direct Cost of Sales | $165,900 | $541,650 | $1,154,700 |

**Chart: Sales Monthly**

**Chart: Sales by Year**

**Management Summary**

A management summary is a short document or section of a document, produced for business purposes, that summarizes a longer report or proposal or a group of related reports in such a way that readers can rapidly become acquainted with a large body of material without having to read it all.

*Example:* Michel Car wash service LLC planning to expand its personnel to add a number of job superintendents as soon as the number of projects increases. Michel Car wash service LLC Car wash service is a Car wash Service innovator and marketing company based on a lean and agile operations strategy. We will leverage limited resources by utilizing external resources for service development assistance, manufacturing, fulfilment, and marketing.

**Personnel Plan**

The difference between supply and demand will indicate the future quantitative and qualitative need for personnel. This information has an effect on the recruitment and development planning of the personnel and on the measures taken.

Example: Michel Car wash service LLC the staff will include 15 full-time employees and 5 part-time employees, who will work a total of 800 hours per week and generate an average weekly gross payroll of $4,600 for the first year in business.

**Table: Personnel**

|  |
| --- |
| Personnel Plan |
|   | Year 1 | Year 2 | Year 3 |
| TL McClendon | $28,800 | $32,000 | $37,000 |
| Part-time Sales Rep | $0 | $10,000 | $13,000 |
| Inventory/Office Mgmt. | $10,425 | $28,000 | $30,000 |
| Total People | 2 | 3 | 3 |
| Total Payroll | $39,225 | $70,000 | $80,000 |

 **Financial Plan**

Financial planning is the task of determining how a business will afford to achieve its strategic goals and objectives.

Example: Once the company reaches a sufficient level of profitability and accumulates a cash reserve, Michel Car wash service LLC’s plan to invest 50% of profits in research and development of new services, existing service and operational improvements, and to expand marketing and sales efforts to foreign markets. 38% of profits will be invested in low risk financial instruments.

**Important Assumptions**

Entrepreneurs often make two basic assumptions about a new Car wash Service business: that they have service consumers will want and that the Car wash Service business owner can make and sell the service profitably. An investor or partner will want to see that you’ve done you are homework and can support more key assumptions than those two, with research and data.

**Table: General Assumptions**

|  |
| --- |
| General Assumptions |
|   | Year 1 | Year 2 | Year 3 |
| Plan Month | 1 | 2 | 3 |
| Current Interest Rate | 10.00% | 10.00% | 10.00% |
| Long-term Interest Rate | 10.00% | 10.00% | 10.00% |
| Tax Rate | 30.00% | 30.00% | 30.00% |
| Other | 0 | 0 | 0 |

**Projected Profit and Loss**

The projected profit and loss statement will list revenues, your cost for services provided, operating expenses, and net income or loss. Depending on whether you are preparing a projected profit and loss statement for an existing business or a start up enterprise, you may have some difficulty coming up with reliable estimates.

Example: Michel Car wash service LLC‘s Month-by-month assumptions for profit and loss are as follows, shown in chart & table.

**Chart: Profit Monthly**

**Chart: Gross Margin Monthly**

**Chart: Gross Margin Yearly**

Example: Michel Car wash service LLC‘s gross margin same-day collection is critical, and is reasonable and customary in the Car wash Service industry. The yearly gross margin is shown below on table.

**Table: Profit and Loss**

|  |
| --- |
| Pro Forma Profit and Loss |
|   | Year 1 | Year 2 | Year 3 |
| Sales | $148,802 | $243,181 | $348,767 |
| Direct Cost of Sales | $39,600 | $67,145 | $72,607 |
| Other Costs of Goods | $0 | $0 | $0 |
| Total Cost of Sales | $39,600 | $67,145 | $72,607 |
| Gross Margin | $104,200 | $156,035 | $176,141 |
| Gross Margin % | 72.46% | 69.91% | 70.81% |
| Expenses |   |   |   |
| Payroll | $39,225 | $70,000 | $80,000 |
| Sales and Marketing and Other Expenses | $5,000 | $5,000 | $5,000 |
| Depreciation | $0 | $0 | $0 |
| Rent | $20,400 | $20,400 | $20,400 |
| Utilities | $2,400 | $2,400 | $2,400 |
| Insurance | $238 | $238 | $238 |
| Payroll Taxes | $0 | $0 | $0 |
| Web site management | $6,400 | $12,000 | $15,000 |
| Business travel | $6,000 | $8,000 | $10,000 |
| Miscellaneous | $2,400 | $3,000 | $5,000 |
| Total Operating Expenses | $82,063 | $121,038 | $138,038 |
| Profit Before Interest and Taxes | $22,567 | $34,432 | $38,086 |
| EBITDA | $22,137 | $34,997 | $38,103 |
| Interest Expense | $4,461 | $3,506 | $2,510 |
| Taxes Incurred | $5,303 | $9,447 | $10,678 |
| Net Profit | $12,374 | $22,044 | $24,915 |
| Net Profit/Sales | 8.71% | 9.78% | 11.02% |

 **Break-even Analysis**

Breakeven analysis is used to determine when your business will be able to cover all its expenses and begin to make a profit. It is important to identify your start-up costs, which will help you determine your sales revenue needed to pay ongoing business expenses.

Example: The following estimated break-even Analysis table & chart shows the projected fixed & variable cost.

**Table: Break-even Analysis**

|  |
| --- |
| Break-even Analysis |
| Monthly Revenue Break-even | $9,438 |
| Assumptions: |   |
| Average Percent Variable Cost | 28% |
| Estimated Monthly Fixed Cost | $6,839 |

**Chart: Break-even Analysis**

**Projected Cash Flow**

The cash flow depends on assumptions for inventory turnover, payment days, and accounts receivable management. Our projected same-day collection is critical, and is reasonable and customary in the Car wash Service industry.

Example: Michel Car wash service LLC‘s projected same-day collection is critical, and is reasonable and customary in the Car wash Service industry.

**Table: Cash Flow**

|  |
| --- |
| Pro Forma Cash Flow |
|   | Year 1 | Year 2 | Year 3 |
| Cash Received |   |   |   |
| Cash from Operations |   |   |   |
| Cash Sales | $35,950 | $55,795 | $62,187 |
| Cash from Receivables | $46,790 | $133,679 | $175,704 |
| Subtotal Cash from Operations | $82,740 | $189,474 | $237,891 |
| Additional Cash Received |   |   |   |
| Sales Tax, VAT, HST/GST Received | $0 | $0 | $0 |
| New Current Borrowing | $0 | $0 | $0 |
| New Other Liabilities (interest-free) | $0 | $0 | $0 |
| New Long-term Liabilities | $0 | $0 | $0 |
| Sales of Other Current Assets | $0 | $0 | $0 |
| Sales of Long-term Assets | $0 | $0 | $0 |
| New Investment Received | $75,000 | $0 | $0 |
| Subtotal Cash Received | $157,740 | $189,474 | $237,891 |
| Expenditures | Year 1 | Year 2 | Year 3 |
| Expenditures from Operations |   |   |   |
| Cash Spending | $39,225 | $70,000 | $80,000 |
| Bill Payments | $78,089 | $155,278 | $145,235 |
| Subtotal Spent on Operations | $117,314 | $225,278 | $225,235 |
| Additional Cash Spent |   |   |   |
| Sales Tax, VAT, HST/GST Paid Out | $0 | $0 | $0 |
| Principal Repayment of Current Borrowing | $9,960 | $9,960 | $9,960 |
| Other Liabilities Principal Repayment | $0 | $0 | $0 |
| Long-term Liabilities Principal Repayment | $0 | $0 | $0 |
| Purchase Other Current Assets | $0 | $0 | $0 |
| Purchase Long-term Assets | $0 | $0 | $0 |
| Dividends | $0 | $0 | $0 |
| Subtotal Cash Spent | $127,274 | $235,238 | $235,195 |
| Net Cash Flow | $30,466 | ($45,764) | $2,696 |
| Cash Balance | $70,466 | $24,702 | $27,398 |
|   |   |   |   |

**Chart: Cash**

 **Projected Balance Sheet**

A business' long-term plans often concern future asset growth and how it may be supported by increased financing through both debt and equity. A projected balance sheet communicates expected changes in future asset investments, outstanding liabilities and equity financing.

Example: Michel Car wash service LLC‘s balance sheet along with the conservative forecast shown on the table.

**Table: Balance Sheet**

|  |
| --- |
| Pro Forma Balance Sheet |
|   | Year 1 | Year 2 | Year 3 |
| Assets |   |   |   |
| Current Assets |   |   |   |
| Cash | $70,466 | $24,702 | $27,398 |
| Accounts Receivable | $61,060 | $94,766 | $105,623 |
| Inventory | $13,310 | $22,568 | $24,404 |
| Other Current Assets | $0 | $0 | $0 |
| Total Current Assets | $144,836 | $142,037 | $157,425 |
| Long-term Assets |   |   |   |
| Long-term Assets | $0 | $0 | $0 |
| Accumulated Depreciation | $0 | $0 | $0 |
| Total Long-term Assets | $0 | $0 | $0 |
| Total Assets | $144,836 | $142,037 | $157,425 |
| Liabilities and Capital | Year 1 | Year 2 | Year 3 |
| Current Liabilities |   |   |   |
| Accounts Payable | $26,422 | $11,539 | $11,973 |
| Current Borrowing | $40,040 | $30,080 | $20,120 |
| Other Current Liabilities | $0 | $0 | $0 |
| Subtotal Current Liabilities | $66,462 | $41,619 | $32,093 |
| Long-term Liabilities | $0 | $0 | $0 |
| Total Liabilities | $66,462 | $41,619 | $32,093 |
| Paid-in Capital | $97,200 | $97,200 | $97,200 |
| Retained Earnings | ($31,200) | ($18,826) | $3,217 |
| Earnings | $12,374 | $22,044 | $24,915 |
| Total Capital | $78,374 | $100,417 | $125,332 |
| Total Liabilities and Capital | $144,836 | $142,037 | $157,425 |
| Net Worth | $78,374 | $100,417 | $125,332 |

 **Business Ratios**

It includes dozens of standard Car wash Service business ratios calculated from Car wash Service business plans financials, and used and expected by bankers, financial analysts, and investors. It also includes a column of statistical indicators for the specific type of business.

Example: Michel Car wash service LLC‘s asset ratios differ from the industry standard for two reasons:

1. Because we are operating initially as a home office with outsourced manufacturing, we do not require any long-term assets at this stage.
2. our first sales approaches are to professionals and to individual consumers, we have a higher percentage of assets as accounts receivable.

**Table: Ratios**

|  |
| --- |
| Ratio Analysis |
|   | Year 1 | Year 2 | Year 3 | Industry Profile |
| Sales Growth | 0.00% | 55.20% | 11.46% | 1.08% |
| Percent of Total Assets |   |   |   |   |
| Accounts Receivable | 42.16% | 66.72% | 67.09% | 22.01% |
| Inventory | 9.19% | 15.89% | 15.50% | 18.65% |
| Other Current Assets | 0.00% | 0.00% | 0.00% | 36.34% |
| Total Current Assets | 100.00% | 100.00% | 100.00% | 77.00% |
| Long-term Assets | 0.00% | 0.00% | 0.00% | 23.00% |
| Total Assets | 100.00% | 100.00% | 100.00% | 100.00% |
| Current Liabilities | 45.89% | 29.30% | 20.39% | 27.21% |
| Long-term Liabilities | 0.00% | 0.00% | 0.00% | 18.98% |
| Total Liabilities | 45.89% | 29.30% | 20.39% | 46.19% |
| Net Worth | 54.11% | 70.70% | 79.61% | 53.81% |
| Percent of Sales |   |   |   |   |
| Sales | 100.00% | 100.00% | 100.00% | 100.00% |
| Gross Margin | 72.46% | 69.91% | 70.81% | 38.34% |
| Selling, General & Administrative Expenses | 49.91% | 49.23% | 49.60% | 15.66% |
| Advertising Expenses | 0.00% | 0.00% | 0.00% | 1.52% |
| Profit Before Interest and Taxes | 15.39% | 15.68% | 15.32% | 3.70% |
| Main Ratios |   |   |   |   |
| Current | 2.18 | 3.41 | 4.91 | 1.83 |
| Quick | 1.98 | 2.87 | 4.14 | 1.01 |
| Total Debt to Total Assets | 45.89% | 29.30% | 20.39% | 58.09% |
| Pre-tax Return on Net Worth | 22.55% | 31.36% | 28.40% | 3.95% |
| Pre-tax Return on Assets | 12.20% | 22.17% | 22.61% | 9.42% |
| Additional Ratios | Year 1 | Year 2 | Year 3 |   |
| Net Profit Margin | 8.60% | 9.88% | 10.02% | n.a |
| Return on Equity | 15.79% | 21.95% | 19.88% | n.a |
| Activity Ratios |   |   |   |   |
| Accounts Receivable Turnover | 1.77 | 1.77 | 1.77 | n.a |
| Collection Days | 50 | 170 | 196 | n.a |
| Inventory Turnover | 8.74 | 3.74 | 3.09 | n.a |
| Accounts Payable Turnover | 3.96 | 12.17 | 12.17 | n.a |
| Payment Days | 27 | 49 | 29 | n.a |
| Total Asset Turnover | 0.99 | 1.57 | 1.58 | n.a |
| Debt Ratios |   |   |   |   |
| Debt to Net Worth | 0.85 | 0.41 | 0.26 | n.a |
| Current Liab. to Liab. | 1 | 1 | 1 | n.a |
| Liquidity Ratios |   |   |   |   |
| Net Working Capital | $78,374 | $100,417 | $125,332 | n.a |
| Interest Coverage | 4.96 | 9.98 | 15.18 | n.a |
| Additional Ratios |   |   |   |   |
| Assets to Sales | 1.01 | 0.64 | 0.63 | n.a |
| Current Debt/Total Assets | 46% | 29% | 20% | n.a |
| Acid Test | 1.06 | 0.59 | 0.85 | n.a |
| Sales/Net Worth | 1.83 | 2.22 | 1.98 | n.a |
| Dividend Payout | 0 | 0 | 0 | n.a |

**References**

Michel Car wash service LLC‘s will first attempt to sell the operation and use the proceeds to clear all outstanding balances. If unable to sell the operation for sufficient proceeds we will force to default whereby the SBA loan will be in senior standing.

**Table: Sales Forecast**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Sales |   |   |   |   |   |   |
| Basic small feeder | 0% | $0 | $0 | $0 | $0 | $0 |
| Basic medium feeder | 0% | $0 | $0 | $0 | $0 | $0 |
| Basic large feeder | 0% | $0 | $0 | $0 | $0 | $0 |
| Basic extra large feeder | 0% | $0 | $0 | $0 | $0 | $0 |
| Custom low-end feeder | 0% | $0 | $0 | $0 | $0 | $1,200 |
| Custom medium feeder | 0% | $0 | $0 | $0 | $0 | $0 |
| Custom high-end feeder | 0% | $0 | $0 | $0 | $0 | $0 |
| Total Sales |   | $0 | $0 | $0 | $0 | $1,200 |
| Direct Cost of Sales |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Basic small feeder |   | $0 | $0 | $0 | $0 | $0 |
| Basic medium feeder |   | $0 | $0 | $0 | $0 | $0 |
| Basic large feeder |   | $0 | $0 | $0 | $0 | $0 |
| Basic extra large feeder |   | $0 | $0 | $0 | $0 | $0 |
| Custom low-end feeder |   | $0 | $0 | $0 | $0 | $500 |
| Custom medium feeder |   | $0 | $0 | $0 | $0 | $0 |
| Custom high-end feeder |   | $0 | $0 | $0 | $0 | $0 |
| Subtotal Direct Cost of Sales |   | $0 | $0 | $0 | $0 | $500 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
|   |   |   |   |   |   |   |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $1,200 | $2,400 | $1,200 | $4,800 | $8,400 | $9,600 | $12,000 |
| $2,500 | $2,500 | $7,500 | $2,500 | $5,000 | $10,000 | $15,000 |
| $4,000 | $8,000 | $4,000 | $4,000 | $2,000 | $16,000 | $20,000 |
| $7,700 | $12,900 | $12,700 | $11,300 | $15,400 | $35,600 | $47,000 |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $500 | $1,000 | $500 | $2,000 | $3,500 | $4,000 | $5,000 |
| $600 | $1,200 | $1,800 | $600 | $1,200 | $2,400 | $3,600 |
| $700 | $1,400 | $700 | $700 | $1,400 | $2,800 | $3,500 |
| $1,800 | $3,600 | $3,000 | $3,300 | $6,100 | $9,200 | $12,100 |

**Table: Personnel**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| TL McClendon | 0% | $2,400 | $2,400 | $2,400 | $2,400 | $2,400 |
| Part-time Sales Rep | 0% | $0 | $0 | $0 | $0 | $0 |
| Inventory/Office Mgmt. | 0% | $0 | $0 | $0 | $0 | $0 |
| Total People |   | 1 | 1 | 1 | 1 | 1 |
| Total Payroll |   | $2,400 | $2,400 | $2,400 | $2,400 | $2,400 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
| $2,400 | $2,400 | $2,400 | $2,400 | $2,400 | $2,400 | $2,400 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $2,085 | $2,085 | $2,085 | $2,085 | $2,085 |
| 1 | 1 | 2 | 2 | 2 | 2 | 2 |
| $2,400 | $2,400 | $4,485 | $4,485 | $4,485 | $4,485 | $4,485 |

**Table: General Assumptions**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Plan Month |   | 1 | 2 | 3 | 4 | 5 |
| Current Interest Rate |   | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| Long-term Interest Rate |   | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| Tax Rate |   | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% |
| Other |   | 0 | 0 | 0 | 0 | 0 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% | 30.00% |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Table: Profit and Loss**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Sales |   | $0 | $0 | $0 | $0 | $1,200 |
| Direct Cost of Sales |   | $0 | $0 | $0 | $0 | $500 |
| Other Costs of Goods |   | $0 | $0 | $0 | $0 | $0 |
| Total Cost of Sales |   | $0 | $0 | $0 | $0 | $500 |
| Gross Margin |   | $0 | $0 | $0 | $0 | $700 |
| Gross Margin % |   | 0.00% | 0.00% | 0.00% | 0.00% | 58.33% |
| Expenses |   |   |   |   |   |   |
| Payroll |   | $2,400 | $2,400 | $2,400 | $2,400 | $2,400 |
| Sales and Marketing and Other Expenses |   | $417 | $417 | $417 | $417 | $417 |
| Depreciation |   | $0 | $0 | $0 | $0 | $0 |
| Rent |   | $1,700 | $1,700 | $1,700 | $1,700 | $1,700 |
| Utilities |   | $200 | $200 | $200 | $200 | $200 |
| Insurance |   | $20 | $20 | $20 | $20 | $20 |
| Payroll Taxes | 15% | $0 | $0 | $0 | $0 | $0 |
| Web site management |   | $0 | $0 | $0 | $0 | $800 |
| Business travel | 15% | $500 | $500 | $500 | $500 | $500 |
| Miscellaneous |   | $200 | $200 | $200 | $200 | $200 |
| Total Operating Expenses |   | $5,437 | $5,437 | $5,437 | $5,437 | $6,237 |
| Profit Before Interest and Taxes |   | ($5,437) | ($5,437) | ($5,437) | ($5,437) | ($5,537) |
| EBITDA |   | ($5,437) | ($5,437) | ($5,437) | ($5,437) | ($5,537) |
| Interest Expense |   | $410 | $403 | $396 | $389 | $382 |
| Taxes Incurred |   | ($1,754) | ($1,752) | ($1,750) | ($1,748) | ($1,776) |
| Net Profit |   | ($4,092) | ($4,088) | ($4,083) | ($4,078) | ($4,143) |
| Net Profit/Sales |   | 0.00% | 0.00% | 0.00% | 0.00% | -345.25% |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
| $7,700 | $12,900 | $12,700 | $11,300 | $15,400 | $35,600 | $47,000 |
| $1,800 | $3,600 | $3,000 | $3,300 | $6,100 | $9,200 | $12,100 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $1,800 | $3,600 | $3,000 | $3,300 | $6,100 | $9,200 | $12,100 |
| $5,900 | $9,300 | $9,700 | $8,000 | $9,300 | $26,400 | $34,900 |
| 76.62% | 72.09% | 76.38% | 70.80% | 60.39% | 74.16% | 74.26% |
|   |   |   |   |   |   |   |
| $2,400 | $2,400 | $4,485 | $4,485 | $4,485 | $4,485 | $4,485 |
| $417 | $417 | $417 | $417 | $417 | $417 | $417 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $1,700 | $1,700 | $1,700 | $1,700 | $1,700 | $1,700 | $1,700 |
| $200 | $200 | $200 | $200 | $200 | $200 | $200 |
| $20 | $20 | $20 | $20 | $20 | $20 | $20 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $800 | $800 | $800 | $800 | $800 | $800 | $800 |
| $500 | $500 | $500 | $500 | $500 | $500 | $500 |
| $200 | $200 | $200 | $200 | $200 | $200 | $200 |
| $6,237 | $6,237 | $8,322 | $8,322 | $8,322 | $8,322 | $8,322 |
| ($337) | $3,064 | $1,379 | ($322) | $979 | $18,079 | $26,579 |
| ($337) | $3,064 | $1,379 | ($322) | $979 | $18,079 | $26,579 |
| $375 | $368 | $361 | $354 | $348 | $341 | $334 |
| ($214) | $809 | $305 | ($203) | $189 | $5,321 | $7,873 |
| ($498) | $1,887 | $712 | ($473) | $442 | $12,417 | $18,371 |
| -6.47% | 14.63% | 5.61% | -4.19% | 2.87% | 34.88% | 39.09% |

**Table: Cash Flow**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Cash Received |   |   |   |   |   |   |
| Cash from Operations |   |   |   |   |   |   |
| Cash Sales |   | $0 | $0 | $0 | $0 | $300 |
| Cash from Receivables |   | $0 | $0 | $0 | $0 | $0 |
| Subtotal Cash from Operations |   | $0 | $0 | $0 | $0 | $300 |
| Additional Cash Received |   |   |   |   |   |   |
| Sales Tax, VAT, HST/GST Received | 0.00% | $0 | $0 | $0 | $0 | $0 |
| New Current Borrowing |   | $0 | $0 | $0 | $0 | $0 |
| New Other Liabilities (interest-free) |   | $0 | $0 | $0 | $0 | $0 |
| New Long-term Liabilities |   | $0 | $0 | $0 | $0 | $0 |
| Sales of Other Current Assets |   | $0 | $0 | $0 | $0 | $0 |
| Sales of Long-term Assets |   | $0 | $0 | $0 | $0 | $0 |
| New Investment Received |   | $0 | $0 | $0 | $0 | $50,000 |
| Subtotal Cash Received |   | $0 | $0 | $0 | $0 | $50,300 |
| Expenditures |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Expenditures from Operations |   |   |   |   |   |   |
| Cash Spending |   | $2,400 | $2,400 | $2,400 | $2,400 | $2,400 |
| Bill Payments |   | $56 | $1,692 | $1,687 | $1,683 | $1,803 |
| Subtotal Spent on Operations |   | $2,456 | $4,092 | $4,087 | $4,083 | $4,203 |
| Additional Cash Spent |   |   |   |   |   |   |
| Sales Tax, VAT, HST/GST Paid Out |   | $0 | $0 | $0 | $0 | $0 |
| Principal Repayment of Current Borrowing |   | $830 | $830 | $830 | $830 | $830 |
| Other Liabilities Principal Repayment |   | $0 | $0 | $0 | $0 | $0 |
| Long-term Liabilities Principal Repayment |   | $0 | $0 | $0 | $0 | $0 |
| Purchase Other Current Assets |   | $0 | $0 | $0 | $0 | $0 |
| Purchase Long-term Assets |   | $0 | $0 | $0 | $0 | $0 |
| Dividends |   | $0 | $0 | $0 | $0 | $0 |
| Subtotal Cash Spent |   | $3,286 | $4,922 | $4,917 | $4,913 | $5,033 |
| Net Cash Flow |   | ($3,286) | ($4,922) | ($4,917) | ($4,913) | $45,267 |
| Cash Balance |   | $36,714 | $31,791 | $26,874 | $21,961 | $67,228 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
|   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |
| $1,925 | $3,225 | $3,175 | $2,825 | $3,850 | $8,900 | $11,750 |
| $30 | $1,063 | $5,905 | $9,670 | $9,490 | $8,578 | $12,055 |
| $1,955 | $4,288 | $9,080 | $12,495 | $13,340 | $17,478 | $23,805 |
|   |   |   |   |   |   |   |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $25,000 | $0 | $0 | $0 |
| $1,955 | $4,288 | $9,080 | $37,495 | $13,340 | $17,478 | $23,805 |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
|   |   |   |   |   |   |   |
| $2,400 | $2,400 | $4,485 | $4,485 | $4,485 | $4,485 | $4,485 |
| $5,495 | $7,032 | $7,996 | $7,486 | $7,201 | $13,674 | $22,283 |
| $7,895 | $9,432 | $12,481 | $11,971 | $11,686 | $18,159 | $26,768 |
|   |   |   |   |   |   |   |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $830 | $830 | $830 | $830 | $830 | $830 | $830 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $8,725 | $10,262 | $13,311 | $12,801 | $12,516 | $18,989 | $27,598 |
| ($6,770) | ($5,975) | ($4,231) | $24,694 | $824 | ($1,512) | ($3,793) |
| $60,458 | $54,484 | $50,252 | $74,947 | $75,770 | $74,259 | $70,466 |

**Table: Balance Sheet**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Assets | Starting Balances |   |   |   |   |   |
| Current Assets |   |   |   |   |   |   |
| Cash | $40,000 | $36,714 | $31,791 | $26,874 | $21,961 | $67,228 |
| Accounts Receivable | $0 | $0 | $0 | $0 | $0 | $900 |
| Inventory | $1,000 | $1,000 | $1,000 | $1,000 | $1,000 | $3,500 |
| Other Current Assets | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Current Assets | $41,000 | $37,714 | $32,791 | $27,874 | $22,961 | $71,628 |
| Long-term Assets |   |   |   |   |   |   |
| Long-term Assets | $0 | $0 | $0 | $0 | $0 | $0 |
| Accumulated Depreciation | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Long-term Assets | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Assets | $41,000 | $37,714 | $32,791 | $27,874 | $22,961 | $71,628 |
| Liabilities and Capital |   | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 |
| Current Liabilities |   |   |   |   |   |   |
| Accounts Payable | $0 | $1,636 | $1,631 | $1,627 | $1,622 | $5,262 |
| Current Borrowing | $50,000 | $49,170 | $48,340 | $47,510 | $46,680 | $45,850 |
| Other Current Liabilities | $0 | $0 | $0 | $0 | $0 | $0 |
| Subtotal Current Liabilities | $50,000 | $50,806 | $49,971 | $49,137 | $48,302 | $51,112 |
| Long-term Liabilities | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Liabilities | $50,000 | $50,806 | $49,971 | $49,137 | $48,302 | $51,112 |
| Paid-in Capital | $22,200 | $22,200 | $22,200 | $22,200 | $22,200 | $72,200 |
| Retained Earnings | ($31,200) | ($31,200) | ($31,200) | ($31,200) | ($31,200) | ($31,200) |
| Earnings | $0 | ($4,092) | ($8,180) | ($12,263) | ($16,340) | ($20,483) |
| Total Capital | ($9,000) | ($13,092) | ($17,180) | ($21,263) | ($25,340) | $20,517 |
| Total Liabilities and Capital | $41,000 | $37,714 | $32,791 | $27,874 | $22,961 | $71,628 |
| Net Worth | ($9,000) | ($13,092) | ($17,180) | ($21,263) | ($25,340) | $20,517 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
|   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |
| $60,458 | $54,484 | $50,252 | $74,947 | $75,770 | $74,259 | $70,466 |
| $6,645 | $15,258 | $18,878 | $17,683 | $19,743 | $37,865 | $61,060 |
| $4,700 | $4,100 | $4,100 | $3,800 | $6,710 | $10,120 | $13,310 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $71,803 | $73,841 | $73,230 | $96,429 | $102,223 | $122,244 | $144,836 |
|   |   |   |   |   |   |   |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $71,803 | $73,841 | $73,230 | $96,429 | $102,223 | $122,244 | $144,836 |
| Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 |
|   |   |   |   |   |   |   |
| $6,765 | $7,746 | $7,253 | $6,755 | $12,937 | $21,372 | $26,422 |
| $45,020 | $44,190 | $43,360 | $42,530 | $41,700 | $40,870 | $40,040 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $51,785 | $51,936 | $50,613 | $49,285 | $54,637 | $62,242 | $66,462 |
| $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| $51,785 | $51,936 | $50,613 | $49,285 | $54,637 | $62,242 | $66,462 |
| $72,200 | $72,200 | $72,200 | $97,200 | $97,200 | $97,200 | $97,200 |
| ($31,200) | ($31,200) | ($31,200) | ($31,200) | ($31,200) | ($31,200) | ($31,200) |
| ($20,982) | ($19,095) | ($18,383) | ($18,856) | ($18,414) | ($5,998) | $12,374 |
| $20,018 | $21,905 | $22,617 | $47,144 | $47,586 | $60,002 | $78,374 |
| $71,803 | $73,841 | $73,230 | $96,429 | $102,223 | $122,244 | $144,836 |
| $20,018 | $21,905 | $22,617 | $47,144 | $47,586 | $60,002 | $78,374 |