# Responsible financial managing for the beginning and expanding business

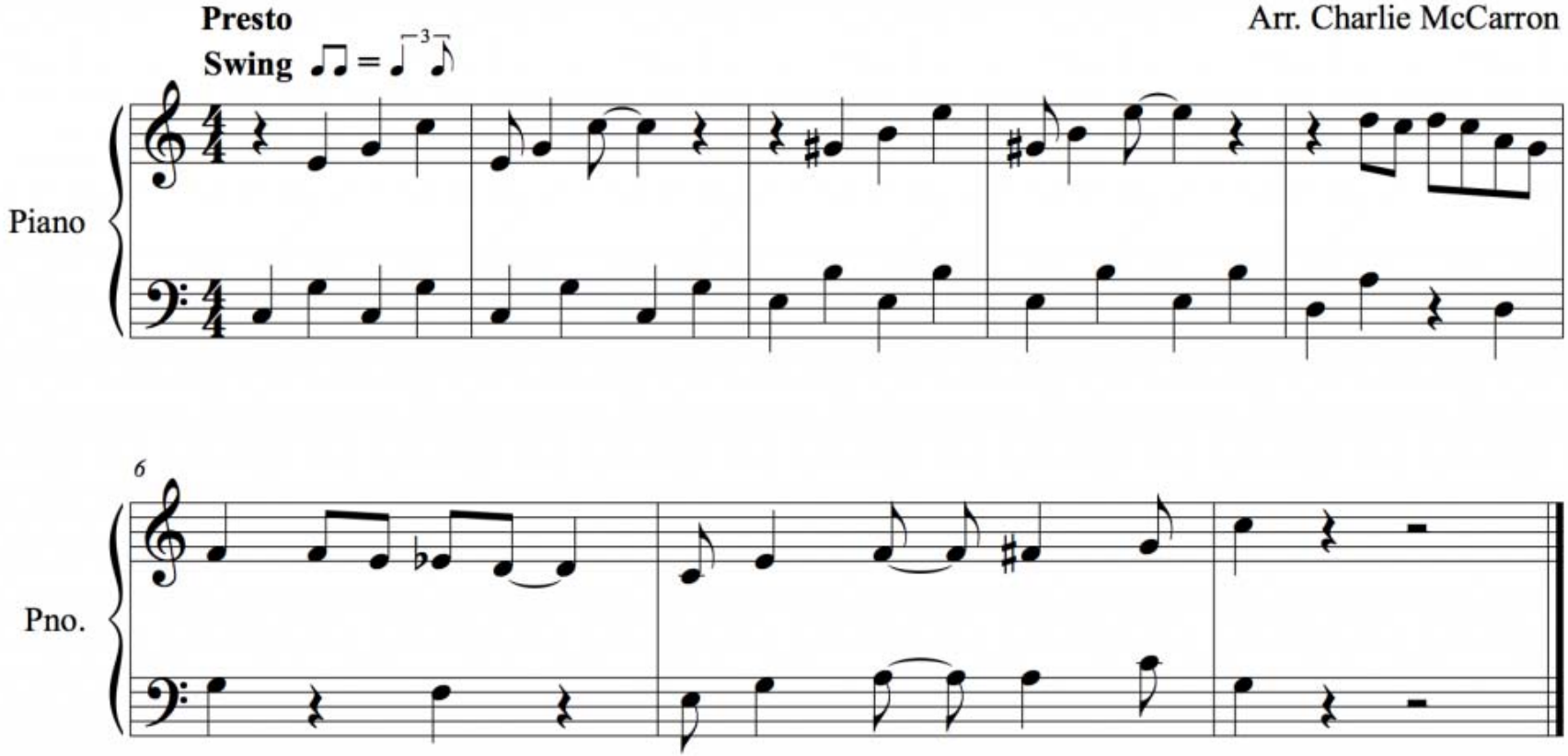
(or, how to learn to love the numbers…)

"It's not enough to just show up. You have to have a business plan."

# Excitebike Theme

Akito Nakatsuka

Arr. Charlie McCarron



| Sales- | January | February | March | April | SUM |
|---|---|---|---|---|---|
| **2013** | 19542 | 26784 | 29754 | 45872 | **121952** |
| | | | | | |
| **2012** | 15947 | 27258 | 37873 | 34497 | **115575** |
| | | | | | |
| **2011** | 14468 | 20521 | 39537 | 30277 | **104803** |
| | | | | | |
| **2010** | 6198 | 22866 | 39557 | 29279 | **97900** |

Erda Leather
RFD 1 Box 2175
Cambridge, Maine 04923
(207) 277-5115
ERDA
L
B
R
A
M
T-12
GR
13593/RI

ERDA
Erda Leather
RFD 1 Box 2175
Cambridge, Maine 04923
(207) 277-5115
We've got your style . . .

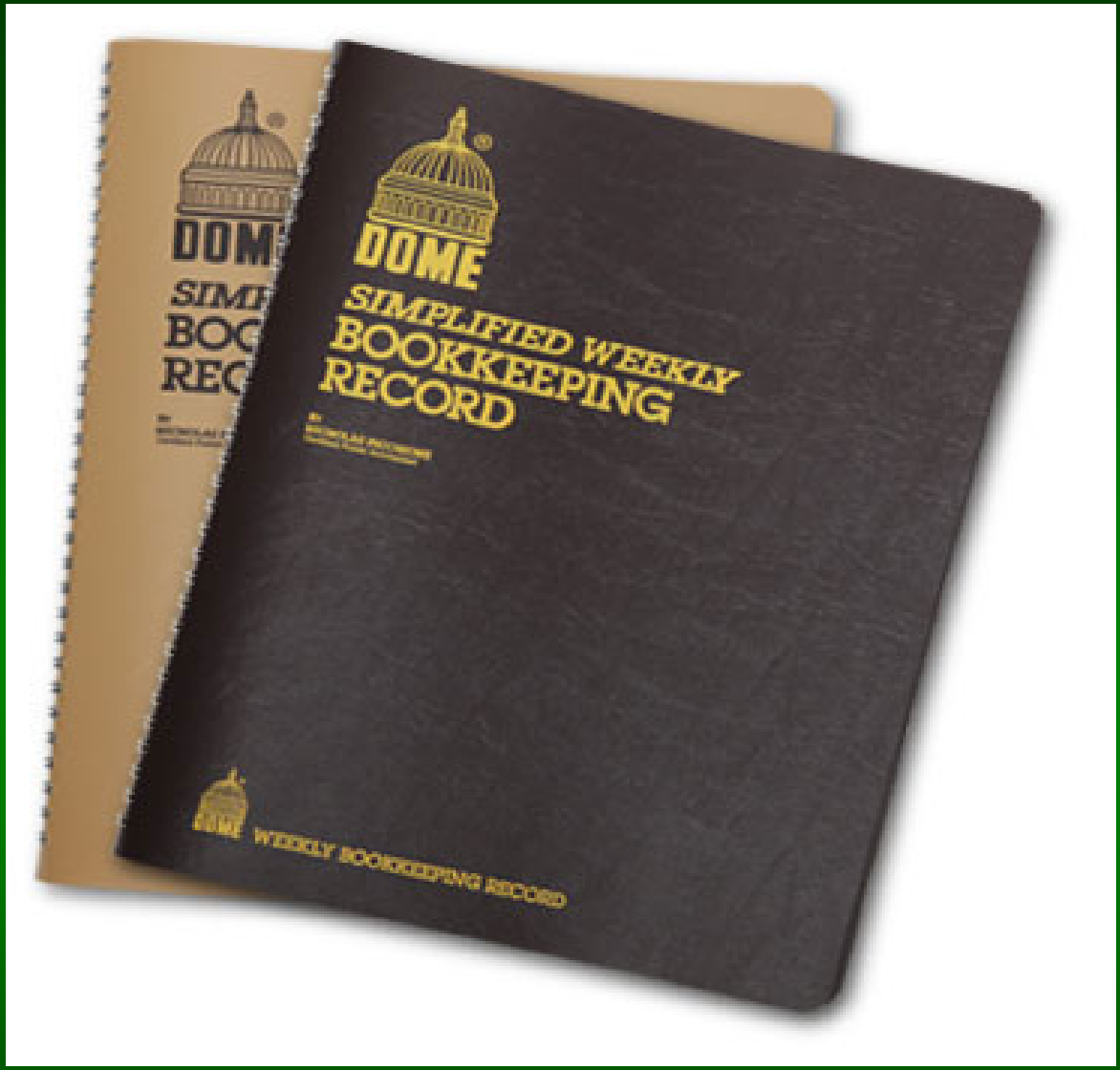
ERDA
RFD1, Box 2240
Cambridge, Maine 04923
Tel. (207) 277-5115
916
222
852
ZR
851
707
614

STEVEN TYLER

Erda

Erda

Erda


DOME
SIMPLIFIED WEEKLY
BOOKKEEPING
RECORD
WEEKLY BOOKKEEPING RECORD

## DETAIL OF WEEKLY EXPENDITURES

| [illegible] | | | | | [illegible] | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| TOTAL THIS WEEK | | | | | TOTAL THIS WEEK | | | | | |

WEEK OF THE YEAR

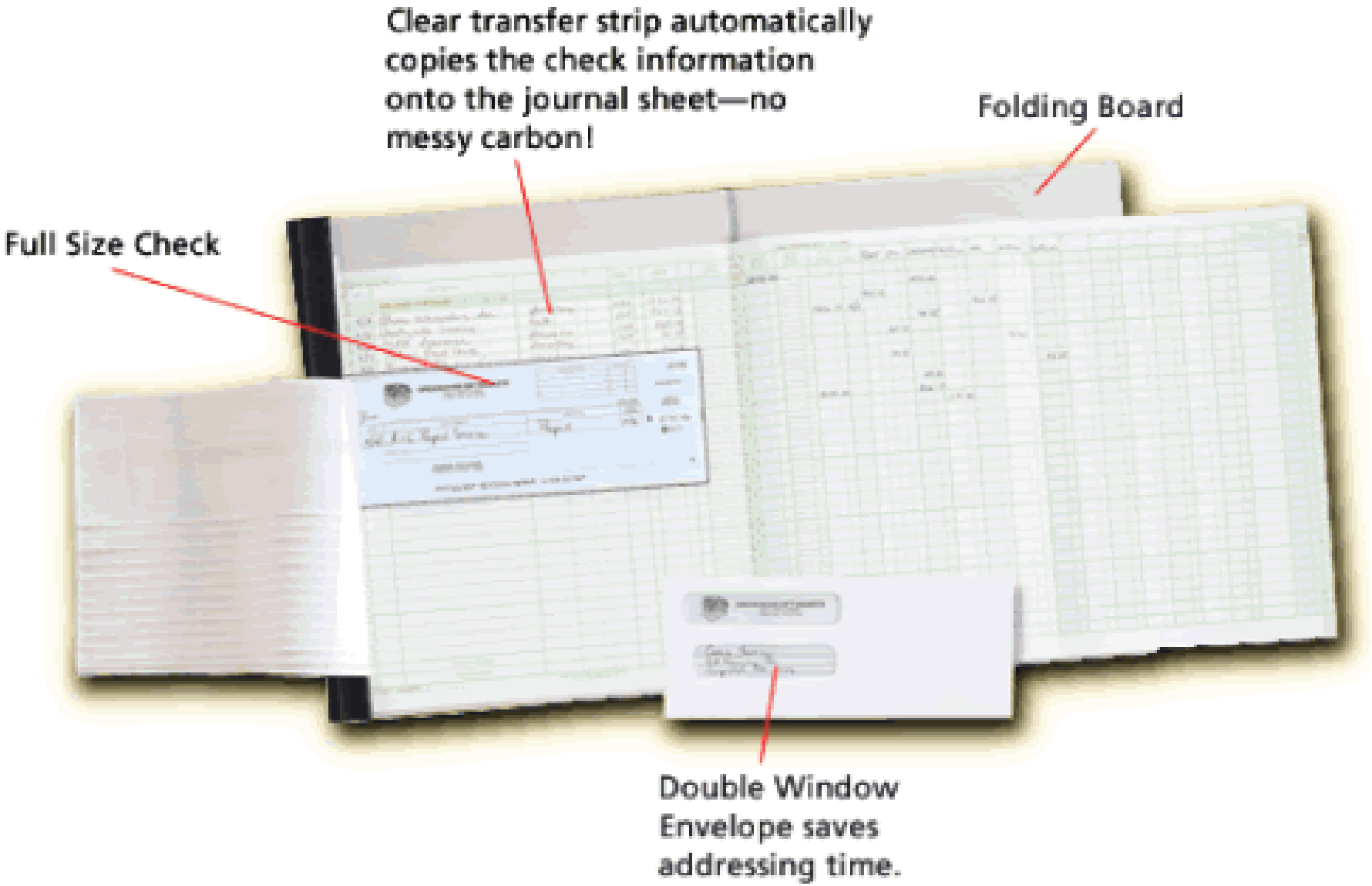
| [illegible] | | | |
|---|---|---|---|
| | | | |

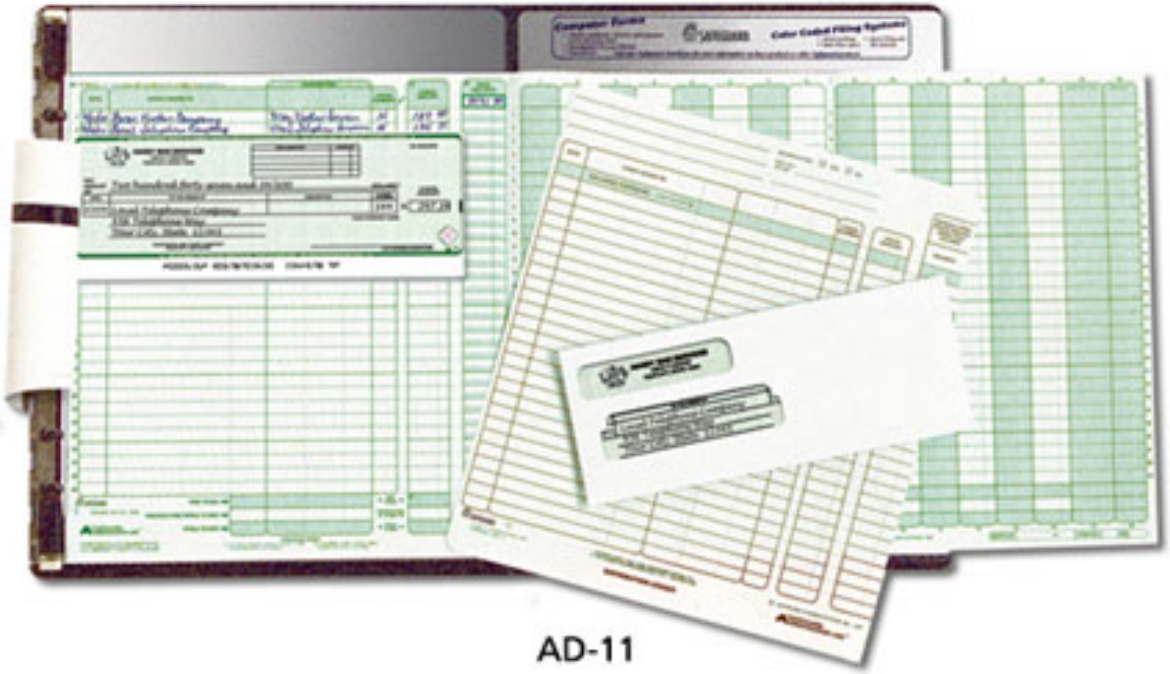
MEMO

PAYROLL

| EMPLOYEE | [illegible] | [illegible] | | | NET PAID |
|---|---|---|---|---|---|
| | | | | | |

| [illegible] | EXPENDITURES | | | |
|---|---|---|---|---|
| | [illegible] | | | |
| | SUB TOTAL | | | |
| | NON DEDUCTIBLE | | | |
| | [illegible] | | | |
| | TOTAL THIS WEEK | | | |
| | TOTAL UP TO THIS WEEK | | | |
| | TOTAL TO DATE | | | |


Clear transfer strip automatically copies the check information onto the journal sheet—no messy carbon!
Folding Board
Full Size Check
Double Window Envelope saves addressing time.



AD-11

## Perfect for Small Businesses

Maintaining accurate records of disbursements is vital for all businesses. Provide the control necessary to maintain proper credit ratings, regulate cash flow and supply up-to-date financial information with this system.

## Kit Components

- 300 single or duplicate checks
- 25 journals
- 200 double-window envelopes
- Folding accounting board
- 200 two-part deposit tickets (optional)
- Endorsement stamp (optional)

### AD-11 Check Disbursement System

| CODE | DESCRIPTION |
|---|---|
| A11C1 | STARTER KIT: INCLUDES 300 CHECKS WITH DUPLICATES, 25 JOURNALS, 200 ENVELOPES AND 1 BOARD |
| A11C1DT | STARTER KIT PLUS: INCLUDES EVERYTHING IN THE A11C1 KIT, PLUS 200 2-PART DEPOSIT TICKETS |

| CODE | SIZE | REORDER COMPONENTS | QTY |
|---|---|---|---|
| ACK11D | 9-1/2" X 3.3" | CHECK WITH DUPLICATE | 150, 300, 625 |
| ALD11 | 9-3/4" X 11" | DISTRIBUTION LEDGER | 50, 100, 250 |
| AJD1135 | 25-3/8" X 11" | DISBURSEMENT JOURNAL | 50, 100, 250 |
| DWE4 | 8-15/16" X 3-9/16" | DOUBLE-WINDOW ENVELOPES | 200, 500, 1000 |

| | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 |
|---|---|---|---|---|---|---|
| Sales | $39,000.00 | $42,900.00 | $47,000.00 | $49,000.00 | $52,000.00 | $52,000.00 |
| Cost of Goods Sold | | | | | | |
| Food & Pkg. | 11,700.00 | 12,870.00 | 14,100.00 | 14,700.00 | 15,600.00 | 15,600.00 |
| Labor | 9,750.00 | 10,725.00 | 11,750.00 | 12,250.00 | 13,000.00 | 13,00.00 |
| Total Cost of Goods Sold | 21,450.00 | 23,595.00 | 25,850.00 | 26,950.00 | 28,600.00 | 28,600.00 |
| Gross Profit | $17,550.00 | $19,305.00 | $21,150.00 | $22,050.00 | $23,400.00 | $23,400.00 |
| | | | | | | |
| Controllable Expenses | | | | | | |
| Uniforms | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 |
| Repair & Maintenance | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Payroll Taxes | 1,300.00 | 1,300.00 | 1,300.00 | 1,300.00 | 1,300.00 | 1,300.00 |
| Supplies | 520.00 | 520.00 | 520.00 | 520.00 | 520.00 | 520.00 |
| Telephone | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| Utilities | 700.00 | 700.00 | 700.00 | 700.00 | 700.00 | 700.00 |
| Management Salary | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 | 2,000.00 |
| Total Controllable Expenses | $4,945.00 | $4,945.00 | $4,945.00 | $4,945.00 | $4,945.00 | $4,945.00 |
| | | | | | | |
| Other Operating Expenses | | | | | | |
| General Insurance | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 | 125.00 |
| Workers Comp Insurance | 205.00 | 205.00 | 205.00 | 205.00 | 205.00 | 205.00 |
| Health Insurance | 425.00 | 425.00 | 425.00 | 425.00 | 425.00 | 425.00 |
| Rent | 2,520.00 | 2,520.00 | 2,520.00 | 2,520.00 | 2,520.00 | 2,520.00 |
| Common Area Maintenance | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| Royalties | 1,950.00 | 2,145.00 | 2,350.00 | 2,450.00 | 2,600.00 | 2,600.00 |
| Taxes & Licenses | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 |
| Interest Expense (Start-up Loan) | 2,620.00 | 2,620.00 | 2,620.00 | 2,620.00 | 2,620.00 | 2,620.00 |
| Total Other Operating Expenses | $8,545.00 | $8,740.00 | $8,945.00 | $9,045.00 | $9,195.00 | $9,195.00 |
| Franchise | 1,040.00 | 1,040.00 | 1,040.00 | 1,040.00 | 1,040.00 | 1,040.00 |
| All Other | 2,080.00 | 2,080.00 | 2,080.00 | 2,080.00 | 2,080.00 | 2,080.00 |
| Total Advertising | $3,120.00 | $3,120.00 | $3,120.00 | $3,120.00 | $3,120.00 | $3,120.00 |
| Total Operating Expenses | $38,060.00 | $40,400.00 | $42,860.00 | $44,060.00 | $45,860.00 | $45,860.00 |
| | | | | | | |
| Net Income | $940.00 | $2,500.00 | $4,140.00 | $4,940.00 | $6,140.00 | $6,140.00 |

## Break-Even & Profit Model

| | Break-Even | % | Average Sales | % | High Sales | % |
|---|---|---|---|---|---|---|
| SALES | 39,361 | 100.0 | 45,000 | 100.0 | 50,000 | 100.0 |
| COST OF SALES | | | | | | |
| Food | 12,005 | 30.5 | 13,725 | 30.5 | 15,250 | 30.5 |
| Paper | 1,535 | 3.9 | 1,755 | 3.9 | 1,950 | 3.9 |
| Total Cost of Sales | 13,540 | 34.4 | 15,480 | 34.4 | 17,200 | 34.4 |
| GROSS PROFIT | 25,821 | 65.6 | 29,520 | 65.6 | 32,800 | 65.6 |
| PAYROLL | | | | | | |
| Management | 4,200 | 10.7 | 4,200 | 9.3 | 4,200 | 8.4 |
| Hourly Personnel | 7,500 | 19.1 | 8,200 | 18.2 | 8,600 | 17.2 |
| Taxes & Benefits | 2,574 | 6.5 | 2,728 | 6.1 | 2,816 | 5.6 |
| Total Payroll | 14,274 | 36.3 | 15,128 | 33.6 | 15,616 | 31.2 |
| CONTROLLABLE EXPENSES | | | | | | |
| Direct Operating Exp. | 1,200 | 3.0 | 1,200 | 2.7 | 1,200 | 2.4 |
| Music & Entertain. | 280 | 0.7 | 280 | 0.6 | 280 | 0.6 |
| Marketing | 1,100 | 2.8 | 1,100 | 2.4 | 1,100 | 2.2 |
| Utility Services | 1,400 | 3.6 | 1,400 | 3.1 | 1,400 | 2.8 |
| Admin. & General | 1,100 | 2.8 | 1,100 | 2.4 | 1,100 | 2.2 |
| Repairs & Maint. | 500 | 1.3 | 500 | 1.1 | 500 | 1.0 |
| Total Controll. Exp. | 5,580 | 14.2 | 5,580 | 12.4 | 5,580 | 11.2 |
| CONTROLL. PROFIT | 5,967 | 15.2 | 8,812 | 19.6 | 11,604 | 23.2 |
| OCCUPANCY COSTS | | | | | | |
| Rent | 2,350 | 6.0 | 2,350 | 5.2 | 2,350 | 4.7 |
| Property Taxes | 450 | 1.1 | 450 | 1.0 | 450 | 0.9 |
| Other Taxes | 400 | 1.0 | 400 | 0.9 | 400 | 0.8 |
| Property Insurance | 1,125 | 2.9 | 1,125 | 2.5 | 1,125 | 2.3 |
| Total Occup.Costs | 4,325 | 11.0 | 4,325 | 9.6 | 4,325 | 8.7 |
| Interest | 700 | 1.8 | 700 | 1.6 | 700 | 1.4 |
| Depreciation | 942 | 2.4 | 942 | 2.1 | 942 | 1.9 |
| INCOME BEFORE TAX | (0) | (0.0) | 2,845 | 6.3 | 5,637 | 11.3 |
| PER WEEK EQUIVALENTS | | | | | | |
| Sales | 9,840 | 100.0 | 11,250 | 100.0 | 12,500 | 100.0 |
| Income Before Tax | (0) | (0.0) | 711 | 6.3 | 1,409 | 11.3 |

## Actual P&L's Within The Last 12 Months

| | Lowest Sales | % | Average Sales | % | Highest Sales | % | Est. At Bk-Even |
|---|---|---|---|---|---|---|---|
| SALES | 37,251 | 100.0 | 45,861 | 100.0 | 54,881 | 100.0 | |
| COST OF SALES | | | | | | | |
| Food | 11,589 | 31.1 | 13,581 | 29.6 | 16,540 | 30.1 | 30.5 |
| Paper | 1,486 | 4.0 | 1,684 | 3.7 | 2,147 | 3.9 | 3.9 |
| Total Cost of Sales | 13,075 | 35.1 | 15,265 | 33.3 | 18,687 | 34.1 | 34.4 |
| GROSS PROFIT | 24,176 | 64.9 | 30,596 | 66.7 | 36,194 | 65.9 | |
| PAYROLL | | | | | | | |
| Management | 4,200 | 11.3 | 4,200 | 9.2 | 4,200 | 7.7 | 4,200 |
| Hourly Personnel | 7,324 | 19.7 | 8,157 | 17.8 | 8,954 | 16.3 | 7,500 |
| Taxes & Benefits | 2,535 | 6.8 | 2,719 | 5.9 | 2,894 | 5.3 | 2,574 |
| Total Payroll | 14,059 | 37.7 | 15,076 | 32.9 | 16,048 | 29.2 | |
| CONTROLLABLE EXPENSES | | | | | | | |
| Direct Operating Exp. | 1,351 | 3.6 | 1,158 | 2.5 | 1,423 | 2.6 | 1,200 |
| Music & Entertain. | 285 | 0.8 | 280 | 0.6 | 280 | 0.5 | 280 |
| Marketing | 965 | 2.6 | 1,125 | 2.5 | 1,395 | 2.5 | 1,100 |
| Utility Services | 1,524 | 4.1 | 1,425 | 3.1 | 1,258 | 2.3 | 1,400 |
| Admin. & General | 1,158 | 3.1 | 1,254 | 2.7 | 1,058 | 1.9 | 1,100 |
| Repairs & Maint. | 689 | 1.8 | 235 | 0.5 | 551 | 1.0 | 500 |
| Total Controll. Exp. | 5,972 | 16.0 | 5,477 | 11.9 | 5,965 | 10.9 | |
| CONTROLL. PROFIT | 4,145 | 11.1 | 10,043 | 21.9 | 14,181 | 25.8 | |
| OCCUPANCY COSTS | | | | | | | |
| Rent | 2,350 | 6.3 | 2,350 | 5.1 | 2,350 | 4.3 | 2,350 |
| Property Taxes | 450 | 1.2 | 450 | 1.0 | 450 | 0.8 | 450 |
| Other Taxes | 226 | 0.6 | 521 | 1.1 | 385 | 0.7 | 400 |
| Property Insurance | 1,125 | 3.0 | 1,125 | 2.5 | 1,125 | 2.0 | 1,125 |
| Total Occup.Costs | 4,151 | 11.1 | 4,446 | 9.7 | 4,310 | 7.9 | |
| Interest | 698 | 1.9 | 725 | 1.6 | 719 | 1.3 | 700 |
| Depreciation | 942 | 2.5 | 942 | 2.1 | 942 | 1.7 | 942 |
| INCOME BEFORE TAX | (1,646) | (4.4) | 3,930 | 8.6 | 8,210 | 15.0 | |
| | | | | | Total Fixed Costs | | 25,821 |

**DEMO Construction Co., Inc.**
INCOME STATEMENT
March 2004

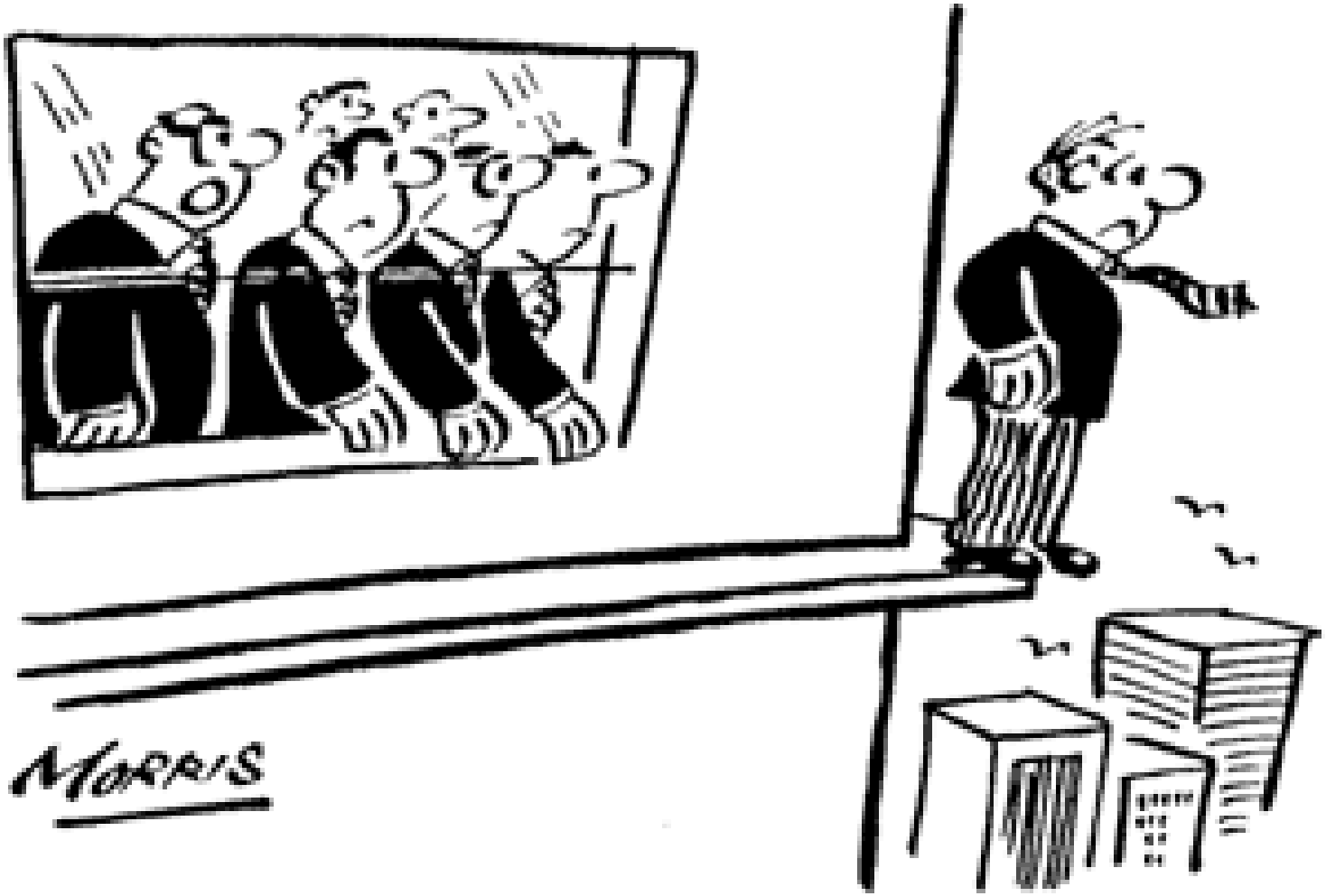


Completed Job Basis

| | This Year | | Prior Year | |
|---|---|---|---|---|
| | Month | Year-to-Date | Month | Year-to-Date |
| INCOME | | | | |
| Interest Income | 485.12 | 1,943.60 | 45.67 | 246.77 |
| Discounts Earned | 78.00 | 78.00 | | |
| Closed Job Revenue | 24,382.00 | 131,964.69 | 21,890.00 | 39,578.00 |
| TOTAL INCOME | 24,945.12 | 133,986.29 | 21,935.67 | 39,824.77 |
| COST OF CONSTRUCTION | | | | |
| Closed Job Labor | 4,819.56 | 18,234.27 | 3,266.50 | 4,838.50 |
| Closed Job Material | 4,249.45 | 24,004.77 | 3,623.25 | 5,759.05 |
| Closed Job SubContract | 5,190.25 | 40,820.75 | 8,710.50 | 11,752.80 |
| Closed Job Miscellaneous | 3,382.74 | 10,805.96 | 489.75 | 503.65 |
| Closed Job Burden | | 8,145.13 | 910.00 | 1,266.00 |
| TOTAL COST OF CONSTRUCTION | 17,642.00 | 102,010.88 | 17,000.00 | 24,120.00 |
| Gross Profit | 7,303.12 | 31,975.41 | 4,935.67 | 15,704.77 |
| GENERAL & ADMINISTRATIVE | | | | |
| Contributions | | 150.00 | | |
| Dues & Subscriptions | | | | 58.25 |
| Estimating Expense | | | | 45.00 |
| Insurance - General | 281.50 | 844.50 | 281.50 | 563.00 |
| Insurance - Medical | 35.02 | 147.47 | 158.00 | 316.00 |
| Office Expense | | 220.23 | | 57.00 |
| PR Taxes & Ins | 694.47 | 911.11 | 1,144.85 | 1,746.56 |
| Rent | 1,800.00 | 5,000.00 | 2,000.00 | 4,000.00 |
| Salaries - Office | 1,440.00 | 4,440.00 | 800.00 | 3,900.00 |
| Telephone | | 25.96 | | 312.50 |
| Utilities | | 128.25 | | 665.00 |
| TOTAL GENERAL & ADMINISTRATIVE | 4,250.99 | 11,867.52 | 4,384.35 | 11,663.31 |
| Operating Profit | 3,052.13 | 20,107.89 | 551.32 | 4,041.46 |
| Net Income Before Taxes | 3,052.13 | 20,107.89 | 551.32 | 4,041.46 |
| Net Income | 3,052.13 | 20,107.89 | 551.32 | 4,041.46 |

**MONTEZUMA MANUFACTURING COMPANY**
Balance Sheet
December 31, 19—
(in thousands of dollars)

| | | | |
|---|---|---|---|
| *Assets* | | | |
| Current assets | | | |
| Cash | | $180,000 | |
| Merchandise inventory | | 80,000 | |
| Notes receivable | | 20,000 | |
| Accounts receivable | | 40,000 | |
| Total current assets | | | $320,000 |
| Fixed assets | | | |
| Land | | 220,000 | |
| Buildings | 300,000 | | |
| Less allowance for depreciation | 10,000 | 290,000 | |
| Total fixed assets | | | 510,000 |
| Total assets | | | $830,000 |
| *Equities* | | | |
| Current liabilities | | | |
| Accounts payable | | $100,000 | |
| Notes payable | | 50,000 | |
| Wages payable | | 80,000 | |
| Income tax payable | | 90,000 | |
| Total current liabilities | | | $320,000 |
| Long-term liabilities | | | |
| Bonds payable | | | 125,000 |
| Total liabilities | | | $445,000 |
| Owner's equity | | | 385,000 |
| Total equities | | $830,000 | |




"At least somebody knows how to read a balance sheet."

"Look what I found in the dumpster!
A perfectly good business plan!"