Appliance Repair Business Plan and Operations Starter Kit

A working kit for residential appliance repair companies. It prices every repair type at true on-site cost with the parts share shown, turns the visit into a single collection point, tracks dispatched calls by lead source, shows what a billable technician hour truly costs after the driving, finds cash break-even through the quiet months, and scores the plan on six pass-or-fail tests.

APPLIANCE REPAIR
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PAGE 2

Start here

An appliance repair company can be busiest in the weeks a heat wave breaks the refrigerators and quiet in the weeks after it. The part is bought before the visit, the customer pays at the door, and a return visit eats the next appointment. This kit writes those numbers down and tests them before a lender asks.

WHAT IS INSIDE

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HOW TO USE IT

1. Build repair and diagnostic-visit sales on page 6 and costs on pages 5 and 8. Run the cash forecast on page 11, then score the plan on page 4. Draft pages 3 and 4 last.
2. Use pencil. Parts prices, card fees and technician rates move before a repair is priced, and every worksheet expects your own figures.
3. Once you open, use the page 14 checklists on every visit and the numbers review every week. Run the page 7 overrun check when each repair closes and update the page 9 dispatch log after every call.

HOW THIS KIT WAS BUILT

- **AI tools helped create this kit.** Example figures are illustrative, not benchmarks.
- **The owner question** on page 3 is one of the appliance repair company questions published at businessconsultant.services; the answer is general guidance, not a research finding.
- **The six questions** on page 14 were drafted by AI models from World Consulting Group desk research and challenged by a second AI model. None was measured in the field, so treat them as hypotheses to test, not findings.

SCOPE:

This kit gives general operational information. It is not legal, tax, accounting, employment, refrigerant-handling, electrical-safety or financial advice. Compliance, insurance, refrigerant-handling, manufacturer procedure, warranty, financing and employment terms vary by location and by manufacturer. Review them with qualified professionals before you commit money.

PAGE 3

Business plan, part one

The lender will ask one thing: do the repair tickets and diagnostic visits bring in enough to cover payroll, the parts account and the loan through the quiet months? Answer briefly here; put the long version on separate sheets.

1. Executive summary (write it last)

Say what work you take on, how far you drive for it, how much the start-up needs and what it buys, from the vans to the first payroll; then state the month the page 6 forecast clears cash break-even (page 8), and the page 4 result.

2. Services and customers

Write down the calls you accept, from a refrigerator that stops cooling to a dishwasher that backs up, and what the household buys besides a working machine: an appointment inside the week, a van carrying the part this model needs, a firm figure up front. List where calls come from and who gives the yes.

3. Service area and call capacity

Draw the edge of your service area and the distance between addresses. Work out the hours your crew can stand at an appliance in a day, then divide by the time a call takes.

4. Repairs, diagnostics and pricing

Give each repair type its own row, with the diagnostic visit beside it: the hours at the machine, the figure you charge and the contribution that leaves per on-site hour. A markup on parts with no labor behind it is not a price.

REPAIR OR SERVICE	ON-SITE HOURS	PRICE	PRICE PER ON-SITE HOUR

> *Owner question: you can quote a repair from memory. But do you know what one technician hour costs once driving is counted, and how many of the tickets you price that way leave anything behind?*
>
> Suspect this first: the figure came from the last shop's price, not the hours the visit eats. Log the close rate by lead source and repair type (page 9), set each price from the page 10 cost per billable hour, and compare contribution per on-site hour; a comparison, not proof.

PAGE 4

Business plan, part two

5. Operations

Describe how a visit runs from the call to the payment: dispatch, the diagnosis, the price written at the appliance, the repair and the test after it. Name who authorizes a part order and who checks the work in your absence.

6. Team

List every role, its hours and its pay, including a market wage for your own hours. Name the person who can run a full day of calls without you; the first question on page 14 checks that dependency.

7. Marketing and sales

Explain where dispatched calls come from, how a call becomes a priced repair, and why customers call again; repeat customers pay for the calls you never win.

8. Financials and funding

Attach pages 5, 6, 8 and 11 and the result below, with the money needed, its sources and its runway.

DOES THE PLAN PASS? SCORE IT BEFORE ANYONE ELSE READS IT

TEST	PASS?
Gate 0. Draft quotes for vans, tools, parts and insurance, supplier terms and the reviews the plan needs are in writing, with a qualified professional where needed.	
1. In the expected case, sales reach cash break-even at the month-12 run rate (page 8) and closing cash, payment timing included, holds your floor for 24 months (page 11).	
2. Slow start (tested share of sales, page 11): closing cash holds at or above your floor every month (if not, note the reserve that would hold it).	
3. Planning debt service coverage at full-run sales and at the month-12 run rate (page 8) meets your lender's ratio, on your lender's definition.	
4. Paid technician hours needed in the busiest month (repair and diagnostic-visit hours, pages 6 and 7, over utilization, page 10) fit the hours you can staff (page 6), and planned repairs reach break-even (page 8).	
5. The dispatch record backs the call volume, and the parts used back the parts share; a lead count supports a forecast of calls, not of repairs.	
6. The full-run steady-state year (seasons in; not the forecast year) leaves net cash above zero after principal, before income tax set-aside, replacements and stock build-up; set aside its largest fall in running net cash, the year run twice.	

Not ready: Gate 0 fails. **Green:** Gate 0 and all six tests pass. **Amber:** Tests 1 and 3 pass, but Test 2, 4, 5 or 6 fails, so fix the plan before you sign a van loan or a lease. **Red:** Test 1 or 3 fails, so change the plan before you commit money. Tests 1 and 3 score the plan as written; Test 2 is the slow start, and the page 13 what-ifs rerun the forecast under each change. Count a test without evidence as a fail. Result: _____

PAGE 5

Startup budget worksheet

Fill the estimate column first, then record each source: a written quote from the van dealer, the parts supplier or the insurer, or a documented calculation. An appliance repair budget can break on the first parts order and the first payroll before the calls arrive, so leave no line blank without a reason.

LINE ITEM	INITIAL ESTIMATE	QUOTE OR SOURCE	APPROVED BUDGET	ACTUAL OR COMMITTED
VANS, TOOLS AND PARTS				
Three used cargo vans, full purchase price (the loan is a source of funds)				
Hand tools, meters, leak detector, three kits				
Dollies, straps and safety kit				
Dispatch and billing software setup				
SETUP AND REVIEWS				
Compliance and registration review with a qualified professional				
Insurance down payment				
Business entity and accounting setup				
Shop lease deposit and first month				
PRE-OPENING				
Hiring and pre-opening payroll				
Launch marketing, website, profile and van lettering				
Opening parts stock				
WORKING CAPITAL				
Working capital reserve (cash you open with)				
Contingency for overruns on the lines above				
Total				

Size the reserve in two passes: run the page 11 expected case with opening cash of zero (no reserve, no other cash), set the reserve to your floor, plus one more month of fixed costs and principal as a buffer, plus how far its lowest closing cash falls below zero (zero if it never does), rounded up to the next $100, then rerun. If the Test 6 cushion (page 4) is larger than that buffer, add the difference. If the setup runs over, the contingency pays first and the reserve second; then rerun page 11.

PAGE 6

Sales forecast builder

Every other number depends on sales, so build them from the dispatched calls you can staff, not from the payroll you need to cover. Count calls first, then split them into repairs and diagnostic-only visits at the share your dispatch record supports.

```
Monthly sales for a line = units times average price, with the unit counted in its own period: a per-day count times days open in the month, a per-week count times 52 divided by 12, and a per-month count as it stands.
Days open in a month = days open per week times 52, divided by 12
```

SALES LINE	UNIT	UNITS PER DAY OR MONTH	AVERAGE PRICE	DAYS OPEN PER MONTH (OR 1 FOR MONTHLY UNITS)	MONTHLY SALES
Repairs completed in the billing month	repairs				
Diagnostic-only visits	visits				

Full-run month

RAMP AND SEASONS

MONTH	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Ramp, % of full run												
Season, % of full-run month (M1 = opening month)												
Expected sales												

Expected sales for each month = full-run repair and diagnostic-visit sales times ramp (the share of full-run volume the technicians and the dispatch record have reached) times season. Use 100 percent where a factor does not apply. Ramp and season are your assumptions; write down the evidence for each, such as your dispatch record by month.

CAPACITY CHECK

```
Paid technician hours available per month = technicians on the crew multiplied by hours a day (add each person's hours if they differ), days worked a week and 52, divided by 12; paid hours needed = on-site hours on repairs and diagnostic visits divided by utilization
```

Write how many paid hours you can field each day and how many days you work each week. Add up the monthly on-site hours your repairs and diagnostic visits need (repairs a month times on-site hours per repair, page 7) and divide by utilization (page 10). The diagnostic-only visits sit in line 3 with the rest of the crew. If the plan needs more paid hours than you can staff, the plan is wrong, whatever the dispatch record says.

PAGE 7

Repair pricing and payment in the billing month

The figure is agreed in the kitchen while the machine is out. The call costs the hour at the appliance plus the part, and the money is handed over before the van leaves.

Labor = hours at the appliance at the page 10 cost per billable hour (drive time and parts runs sit inside it)
Contribution = the price less labor, parts, materials, card and fuel at the page 8 shares; per on-site hour = that contribution over the hours. That is the contribution after all labor; page 8's ratio covers variable lines only, because the crew's paid hours sit in fixed costs.
Close rate = repairs sold over prices written; calls needed = repairs needed over the close rate

WORKED EXAMPLE: FIVE REPAIR TYPES (ILLUSTRATIVE)

REPAIR TYPE	REPAIRS / MONTH	PRICE	CREW HOURS	LABOR	PARTS AND MATERIALS	CARD AND FUEL	CONTRIBUTION	PER CREW HOUR	CLOSE RATE
Refrigerator	33	$420	1.8	$87	$165	$23	$145	$80.56	82%
Washer	58	$320	1.2	$58	$118	$17	$127	$105.83	89%
Dryer	43	$210	1	$48	$85	$11	$66	$66.00	91%
Oven and range	36	$310	1.3	$63	$120	$17	$110	$84.62	86%
Dishwasher	41	$255	1.2	$58	$95	$14	$88	$73.33	88%

Labor is $48.27 an hour at true cost from page 10; fees and fuel at 5.4 percent of price (page 8); parts at the supplier's quote. Every hour at the appliance is charged here. Per crew hour, the washer earns the most ($105.83) and the dryer the least ($66.00). Close rates are illustrative, not benchmarks; use your own repair log. Diagnostic visits: 30 a month at 0.6 crew hours each, in the capacity check. Page 12 takes its shares here (211 repairs a month, average $299).

YOUR REPAIR TYPES

REPAIR TYPE	REPAIRS / MONTH	PRICE	CREW HOURS	LABOR	PARTS AND MATERIALS	CARD AND FUEL	CONTRIBUTION	PER CREW HOUR	CLOSE RATE

PAID IN THE BILLING MONTH: WHEN THE MONEY LANDS

LINE	PAYMENT STEP	SHARE OF THE PRICE	ARRIVES
Repairs completed in the billing month	Paid in the billing month (retail at the visit)	100%	in that month
Diagnostic-only visits	Fee paid in the billing month (retail at the visit)	100%	in that month

The example banks all of every $100 of repair work in the month it is done; both lines are weighted into one pattern for this sentence alone, and page 11 runs each line on its own schedule. Retail work settles on the spot, by card or in cash; third-party dispatch work is assumed to remit inside the billing month. A deposit taken ahead of the visit is included in closing cash when received, its unearned part a memo liability, never deducted.

REPAIR OVERRUN CHECK

A ticket goes long when the fault sits deeper than this model needs and the part is fetched on a second trip. At each close, set hours logged against the machine beside the hours the price was built on.

Overrun hours = hours the repair took less hours allowed; overrun cost = those hours at true cost. Find the cause first; quote the second trip up front, and let the call set the next price.

PAGE 8

Break-even and coverage

Use this one numbered cost list everywhere in the kit. Loan interest is a fixed cost here. Loan principal is not an operating cost: it enters cash break-even below and the cash forecast on page 11, so interest and principal are each counted once. A line that starts or steps up during year 1 goes in at its amount once in place; page 11 uses each month's amount.

FIXED COSTS PER MONTH	PER MONTH
1. Shop and parts-storage rent	
2. Liability and property insurance	
3. Three technicians' minimum paid hours, with payroll taxes	
4. Owner's market wage (selling, scheduling, management; hours on calls go in line 14)	
5. Loan interest (van and tool loan)	
6. Base utilities, phones and internet	
7. Marketing, website and lead services	
8. Dispatch, billing and accounting software	
9. Accounting, bookkeeping and bank fees	
10. Tool and meter upkeep	
11. Van insurance, registration and fixed vehicle costs	
12. Recurring training and other fixed costs	
Total fixed costs	

VARIABLE COSTS AS A SHARE OF NET SALES	SHARE
13. Parts and materials used on each repair	
14. Hourly technician labor above any minimum crew, with payroll taxes and workers' compensation	
15. Card and financing fees	
16. Fuel and small consumables	
Total variable cost share	

```
Contribution margin ratio = 1 minus variable cost share; contribution = sales times the line's ratio
Operating break-even sales = fixed costs divided by contribution margin ratio
Cash break-even sales = (fixed costs with line 4 even if undrawn, plus principal and other recurring
cash out) divided by contribution margin ratio; page 13 covers a result with no usable number
Break-even repairs = (fixed costs, principal and other recurring cash out minus diagnostic-visit
contribution) divided by one average repair's contribution; diagnostic visits: no parts, kit's other
lines
Month-12 run rate = average monthly sales over a year at month 12's ramp and bookings, seasons applied
Planning debt service coverage (before income tax and replacements) = (full-run sales times contribution
margin ratio, minus fixed costs other than line 5) divided by (line 5 + principal)
```

RESULT	PER MONTH	PER WEEK	PER DAY OPEN
Operating break-even sales			
Cash break-even sales			
Break-even repairs (use cash break-even)	one figure per month		
Shop and parts-storage share and debt service coverage at full-run sales		ratios, monthly only	

Weekly = monthly times 12, divided by 52; per working day = weekly divided by days open per week. Shop and parts-storage share = line 1 divided by net sales.

PAGE 9

Calls, prices written and repeat customers

The same three vans answer to very different callers. Keep the prices written separate by lead source: a call that arrives from someone who used you before and a call that arrives from a map search do not close at the same rate, and the repeat caller is what keeps a route worth running.

```
Price rate = prices written over calls dispatched; win rate = repairs sold over prices written
Calls needed = the new repairs you want divided by (price rate times win rate)
Cancellation rate = calls cancelled in the month over calls held at the start of it
```

WORKED EXAMPLE: A QUARTER OF THE CALLS YOU WERE SENT, GROUPED BY THEIR SOURCE (ILLUSTRATIVE)

LEAD SOURCE	DISPATCHED CALLS	PRICES WRITTEN	REPAIRS SOLD	PRICE RATE	SOLD RATE	DAYS FROM CALL TO PRICE	CALLS FOR 211 WINS
Search and map results	400	400	346	100%	86%	1 day	244
Repeat customers and referrals	220	220	198	100%	90%	1 day	234
Property managers, landlords and warranty dispatch	103	103	89	100%	86%	5 days	244

Every figure here is an assumption put in to make the arithmetic visible; none of it explains why a repeat customer closes and a map search does not. A quarter this size still points a direction, never a rate. In this trade the diagnostic visit is the proposal, which is why visits and proposals carry the same count and there is no separate estimating step. The calls shown here win 633 repairs a quarter, the number the plan needs at full run. The page 12 ramp is an assumption about how fast calls build, and it reaches full run in month 9. In the example below, losing 1 of 241 calls across a quarter (a call booked and then cancelled) works out at roughly 0.14 percent of the book cancelled each month, set against the calls you held when the quarter opened, before any new ones arrived, so the pipeline has to replace that much before it can add anything.

YOUR DISPATCHED CALLS, BY LEAD SOURCE

LEAD SOURCE	DISPATCHED CALLS	PRICES WRITTEN	REPAIRS SOLD	PRICE RATE	SOLD RATE	DAYS FROM THE CALL TO THE FIGURE	CALLS REQUIRED TO HIT THE TARGET

LOG OF BOOKED CALLS AND CANCELLATIONS

ACCOUNT	VISIT DATE	REPAIR PRICED	REPAIRED OR CANCELLED	REASON FOR ANY CANCELLATION, IN THE CUSTOMER'S WORDS

PAGE 10

Technician utilization and true labor cost

The wage is where the cost begins, not where it stops. Hours behind the wheel, at the parts counter, or back at the same machine for a fault that did not hold are paid for and never invoiced, and the hours you do bill have to carry all of it.

```
Utilization = hours billed at the machine over hours paid
Loaded hourly cost = the wage with payroll taxes, workers' compensation, benefits and paid leave laid on top, expressed as a share
Cost per billable hour = the loaded cost of the paid week spread across the hours in it that carry an invoice
```

WORKED EXAMPLE: THREE TECHNICIANS, ONE WEEK (ILLUSTRATIVE)

ITEM	HOURS	SLICE OF THE PAID WEEK
Paid hours	120	100%
At the machine, with an invoice	78	65%
Driving between addresses and chasing parts	30	25.0%
Going back for the same fault	8	6.7%
Parts counter, shop time and paperwork	4	3.3%

At a $24.51 wage with 28 percent on top in payroll taxes and benefits, one paid hour stands at $31.3728 an hour; at 65 percent utilization the billed hours have to absorb $48.27. Every repair price belongs on that number, not on the wage and not on the loaded cost. The shares are rounded and may not sum exactly to 100 percent.

EACH TECHNICIAN, ONE WEEK

TECHNICIAN	PAID HOURS	HOURS BILLED	DRIVE	REWORK	UTILIZATION	COST OF A BILLED HOUR

WHERE LOSING A TECHNICIAN HURTS MOST

When a technician walks, the fault history walks with him: which model, which serial number, which parts were already swapped. Unless that sits on paper, the next person starts from nothing. Write it at every call so the file travels with the machine rather than with whoever happened to be on the van.

Twelve-month cash forecast

Parts and payroll leave before the card settles. Enter $000 (51.25 means $51,250), receipts net of sales tax; collected tax stays out of closing cash.

EXPECTED CASE ($000)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Opening cash												
In: collections, in the month each payment lands, net of sales tax												
Memo, not cash: billed this month (page 6)												
In: owner money and loans received												
Out: parts, fees and fuel (lines 13, 15, 16)												
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)												
Out: shop and parts-storage rent (line 1)												
Out: other costs, with loan interest (lines 2, 5 to 12)												
Out: income tax set-aside, equipment replacement, stock build-up												
Out: loan principal												
Out: startup bills still to pay												
Net cash flow (in minus out)												
Closing cash, expected (your floor: _____)												
Actual closing cash, once open												
Memo: sales tax collected (not in closing cash)												
Memo: sales tax remitted												
Memo: tax owed = last month's + collected minus remitted												
Memo: receivables = last month's + billed minus collected												
SLOW-START CASE												
Sales receipts, slow start												
Out: variable costs, slow start (lines 13 to 16)												
Out: fixed, principal, bills, less funding												
Net cash flow, slow start												
Closing cash, slow start												

Month 1 opening cash is cash on the first day the vans roll after startup spending is paid; each closing balance opens the next month, and the slow start opens with the same cash. Your floor is at least one full-run month of fixed costs plus principal. Technicians and parts suppliers are paid in the month of the work. For the slow start, test 70 percent of expected sales in every month (a stress assumption, not a benchmark; a higher share only with evidence); fixed costs, other cash out, principal, startup bills and funding stay as expected, and all variable lines fall with sales; line 14 holds only hours you would cut. The first month either case falls below your floor is your planning deadline: act before it. Then run a second year at the month-12 run rate (page 8), month by month with the seasons continuing, and check the floor holds.

PAGE 12

Runway, and what the quiet months cost

```
Runway = the number of consecutive future months, counted from the latest closed month (before opening,
from the first day the vans roll), before the first month in which closing cash falls below your floor
```

Worked example: a hypothetical appliance repair company

Figures are illustrative, not benchmarks. Repairs bill when done; the three technicians are on line 3 from the first month. Cash floor $32,900. Money arrives on the page 7 terms, all of it in the month of the visit. Parts and wages leave as the work is done. The owner is paid in cash; nothing new is borrowed.

Page 5, budget	Startup budget altogether $178,470, funded by a $75,000 loan (10.5 percent over 5 years) and $103,470 of owner money, including a $93,800 reserve cut to cover what the opening months lose, the two shoulder seasons, a floor and a margin. The two passes made on page 5: a floor of $32,900, plus one further month of buffer, $32,900, plus $27,982 (the depth of the first pass when it opens with nothing), rounded up to $93,800.
Page 8, costs	Fixed costs $31,897 a month, including $1,150 for shop and parts storage space and $609 of that total in loan interest; principal $1,003 a month (both year 1 averages); variable share 41.8 percent, leaving a contribution margin of 0.582. Lines 13 to 16 take 36.4, 0, 2.9 and 2.5 percent of sales (line 13 blended across the sales lines). Lines 1 to 12 run $1,150, $790, $16,314, $6,654, $609, $400, $3,980, $480, $200, $70, $900 and $350 a month.
Page 8, break-even	Operating break-even works out around $54,806 a month. Cash break-even (fixed $31,897 plus principal $1,003, divided by 0.582) is about $56,529 a month: 177.0 repairs a month from repairs completed in the billing month after the other lines' contribution (line 13 runs 38.3 percent on repairs completed in the billing month, 0 percent on diagnostic-only visits; lines 14 to 16 draw the same fraction from each line, so the contribution ratio works out at 0.563 on repairs completed in the billing month, 0.946 on diagnostic-only visits), so 177, against the 211 the plan works toward.
Page 6, sales	Repairs completed in the billing month: 211 repairs a month at $298.89. Diagnostic-only visits: 30 visits a month at $110. A full-run month comes to about $66,366; repairs and diagnostic visits ramp 55, 65, 74, 82, 88, 92, 96, 99 percent in months 1 to 8, then 100 percent; season 95, 92, 96, 104, 112, 110, 100, 94, 104, 108, 112, 96 percent in each of the twelve months, applied the same way to repairs and diagnostic visits.
Page 19, expected case	Month 1 invoices $34,676; month 1 ends at $81,082, month 12 at $115,063. Low: month 3, closing $65,818, $32,918 above the floor.
Page 19, slow start	With calls and repairs cut to 70 percent of plan, month 1 sales $24,273; month 1 ends at $75,027, month 12 at minus $9,756. The floor is breached in month 5 (closing $28,508) and below zero in month 10 (closing minus $193), so runway from opening comes to 4 months.
Page 8, coverage	With a full-run month at $66,366, the planning coverage, before income tax and before van and tool replacement, stands at 4.55 against the 1.25 the lender in this example asks for, while at the month-12 run rate it comes to 5.01, and Test 3 looks at both figures. Shop and parts-storage share is about 1.7 percent.

PAGE 4 RESULT FOR THIS EXAMPLE: AMBER

Gate 0 is assumed met for the example. Test 1 passes: sales at the month-12 run rate reach about $67,638 a month, above the $56,529 break-even; the floor survives a second year at that rate (its lowest close at $118,857, month 1 of year 2). Test 2 fails: at 70 percent cash falls through the floor in month 5; about $42,700 more reserve would cover it. Test 3 clears the formula here; your lender's definition decides. Test 4 passes: in the busiest full-run month (month 5, season 112 percent) the five repair rows on page 7 plus the diagnostic visits on page 6 come to about 320 hours at the appliance, which at 65 percent utilization (page 10) is about 493 paid hours, close to 2.8 full-time technicians, against the 520 paid hours the crew can field (3 technicians; line 3 pays for 520), so the call volume fits; the 211 repairs a month sit above the 177 break-even count, before the 30 diagnostic visits, with six days open, five staffed. Test 5 fails for want of evidence. Test 6 passes: a full-run year leaves about $77,582 after principal, with no full-run month below zero, so no cushion is needed. That is a steady-state year, not year one: page 19's first year leaves about $21,263. A full-run month leaves a margin of safety of about 17 percent of sales over operating break-even (about 15 percent over cash break-even), leaving the ramp and the quiet weeks to decide the year.

PAGE 13

What moves the result

Each row changes one page 12 input and reruns the forecast. A row names a test when a change newly fails or passes it; a failed test stays failed. The last column also gives the slow start, which is Test 2.

FULL-RUN MONTHLY CHANGES; DEADLINES RERUN; SLOW-START LOSSES SCALE WITH SALES

CHANGE	STEADY-MONTH CASH	CASH BREAK-EVEN, DEADLINE AND SLOW START (TEST 2)
Ten percent fewer repair and diagnostic calls (lines 13 to 16 come down)	minus $3,862	Expected case holds the floor
Repairs completed in the billing month: average price 5 percent higher, same volume (only the card and financing fees move up)	plus $3,062	Break-even repairs fall from 177.0 to 162.9 a month, so from 177 to 163: per-unit costs hold while sales-linked fees rise with price, so the ratio rises from 0.582 to 0.600 (sales-linked fees, line 15, take 2.9 percent of each added dollar)
Fixed costs $1,000 lower	plus $1,000	Cash break-even falls to about $54,811
Lose the washer line (58 repairs a month, $18,560 of billing), from month 6 onward	minus $10,714	Expected case still clears the floor; slow start deadline unchanged (month 5); full-run coverage falls below zero; the month-12 run rate falls below cash break-even; would fail Tests 1, 3 and 6
Every payment lands two months after billing (crew and bills still paid on time)	no change	Expected case below the floor in month 2 (closing minus $3,084), below zero too; slow start below the floor in month 2 (closing $6,241); would fail Test 1
A property manager's $299 a month goes unpaid for 2 months from month 6	no change	Expected case still clears the floor; slow start deadline unchanged (month 5); $598 never collected (a one-time loss)
Repair and diagnostic calls run 15 percent over quoted hours, absorbed in the three technicians' paid hours (506 of the 520 paid hours; line 14 stays at zero until they run about 18 percent over quote). The busiest month (month 5, season 112 percent) needs more than the 520 paid hours: overtime or a missed appointment.	no change	Cash break-even is unchanged at about $56,529; expected case still clears the floor; slow start deadline unchanged (month 5)
Parts prices 10 percent higher (line 13 rises from 36.4 to 40.04 percent, about $2,416 a month at full run)	minus $2,416	Cash break-even rises to about $60,301; expected case still clears the floor; slow start below the floor in month 4 (closing $30,222)
The refrigerator line stops (33 repairs a month at $420, $13,860 of billing), from month 6 onward	minus $7,667	Expected case still clears the floor; slow start deadline unchanged (month 5); full-run coverage falls below zero; the month-12 run rate falls below cash break-even; would fail Tests 1, 3 and 6
Setup overrun of $10,000 beyond the contingency, taken out of the cash reserve	no change	Expected case still clears the floor; slow start below the floor in month 4 (closing $24,760)
Opening 3 months late (shop and parts storage space, insurance, loan interest and principal, $3,552 a month, paid while closed; no sales; the ramp starts at the new opening, and seasons stay on the calendar)	no change	Expected case holds the floor; its low falls to $63,920 in month 8 from the planned opening, $1,898 lower than on time; slow start below the floor in month 7 from the planned opening (month 5 on time)

WHEN A PAGE 8 FORMULA GIVES NO USABLE NUMBER

```
Contribution margin ratio zero or below: break-even is N/A; score Tests 1 and 6 as failed
One unit's contribution, or the count it is multiplied by, zero or below: break-even units are N/A;
score Test 4 as failed
Other lines already cover fixed costs and principal: break-even units are 0, never a negative number
No loan: coverage is N/A, Test 3 passes; with a loan, margin at or below zero makes Test 3 fail
```

PAGE 14

Repair checklists, weekly review, six questions

These are operating checklists, not a safety program. Add the electrical, gas, refrigerant-handling and manufacturer procedure steps your work and a qualified safety professional require.

BEFORE THE VISIT

- ☐ On the phone, pin down the machine, the symptom, how to get in and the arrival window.
- ☐ Agree the diagnostic fee and say plainly how it comes off the repair if the customer goes ahead.
- ☐ Pull the parts this model calls for and run the van stock list before the route pulls out.
- ☐ Establish who pays, and whether the place is owner-occupied or rented.
- ☐ Ring the customer the moment the route slips, before the window shuts.
- ☐ Record how the customer wants to be reached, plus gate codes, parking and any pet warning.

REPAIR CLOSE AND CALL DAY END

- ☐ On every closed call, set the hours you logged beside the hours the price was built on.
- ☐ Write the model, the serial number and what turned out to be wrong on every machine.
- ☐ Enter the part used and any manufacturer paperwork before the day ends.
- ☐ Take payment on the spot, or put the invoice date in writing.
- ☐ Mark the call fixed on the first visit, or state why it needs a second one.
- ☐ Top up the van and flag the parts that are running down.

WEEKLY NUMBERS REVIEW

MEASURE	TARGET	THIS WEEK	LAST WEEK	VARIANCE TO TARGET
Invoiced and banked, split by repair, diagnostic visit and payment step				
Hours at the appliance against the hours each price assumed, repair by repair				
Utilization by technician, and overtime				
Calls dispatched, repairs finished, visits that ended at the diagnostic				
Where calls came from, prices written and close rate				
Share fixed first time, and return visits due within 30 days				
Hours the owner spends on calls				

SIX QUESTIONS TO INVESTIGATE

1. **Founder dependency.** Does every price have to be signed off by the owner, and does a technician ring the owner from the driveway before ordering a part?
2. **Reactive operations.** In one week, how many customer messages say nobody came, come back, or still broken, and how many return visits go out unbilled?
3. **Growth without structure.** How many calls in a day need a second trip for a part, and how much overtime is bought by a van that was not stocked?
4. **Talent and retention.** How many repairs rest on one technician who alone holds the machine, the customer and last time's diagnosis?
5. **Revenue plateau.** How many days pass between a call arriving and a price being written, and what share of calls stop at the diagnostic fee?
6. **Strategic confusion.** Do two repairs of the same type run to very different hours, and does the work actually done drift from what was priced at the machine?

Hypotheses from AI-assisted World Consulting Group desk research, described on page 2. Check each one against a record: the customer message log, the hours you logged beside the hours each price assumed, the repair record, or the dispatch log.

PAGE 15

Your first 30 days

WHEN	DO THIS
Week 1	Start the weekly numbers review and log on-site hours on every call. Log the hours the owner spends on calls.
Week 2	Fill the page 7 repair table at true on-site cost and mark any repair type priced below its labor, parts, fees and fuel.
Week 3	Set up the dispatch table on page 9 by lead source and record days from the call to the price written at the appliance.
Week 4	Enter actual closing cash on page 11 and recalculate runway. Write the decisions a lead technician may make without calling you.
After month 1	Run the overrun check on every closed repair and measure technician utilization on page 10.

BEFORE YOU SIGN FOR AN OFFICE OR LONG CONTRACTS, GET WRITTEN ANSWERS TO THESE

- ☐ Do clients or staff need a shared office, or can you work remotely at first?
- ☐ If you rent, will you have to sign a personal guarantee, and what charges sit on top of base rent?
- ☐ What will software, equipment and tools cost per month per person?
- ☐ What does professional liability and other insurance cost, and what does it exclude?
- ☐ Which client contracts require insurance, documents or terms you must have in place before work starts?
- ☐ How long do clients take to pay, and how much cash does that delay tie up?
- ☐ What happens to client work in progress if a key person leaves?

Have qualified professionals review insurance, client contracts and any lease before you sign. These questions prepare you for those conversations; they do not replace them.

WHAT THE FULL KIT ADDS

The full Appliance Repair Business Plan and Operations Kit adds an editable business plan, a three-year financial model with profit and loss, cash flow and a debt schedule, a repair pricing calculator from parts and on-site hours to a price at a target margin, a card and deposit tracker, editable dispatch, repair and parts-stock trackers, repair checklists and hiring checklists. Release status is on the kit page.

SOURCES

Public sources. Fixr: most appliance repairs take two hours or less, the on-site hours band. HomeGuide: the first hour of labor included in the call-out fee, and labor at $50 to $125 an hour. MoneyGeek: national monthly averages for the liability, property and three-van insurance lines. O*NET OnLine, 49-1011.00: median wage $38.39 an hour, the owner market wage. Housecall Pro: marketing at 5 to 10 percent of revenue. Smart Service: accounting, bookkeeping and payroll service costs. Stripe: card pricing at 2.9 percent plus 30 cents, with no cash-and-check blend assumed. The example models the 2.9 percent and leaves out the fixed 30 cents, which comes to about $72 a month at 241 transactions. The loan rate sits on the 7.00 percent bank prime floor. Where each job sits inside the hours band, and every line marked judgment, are planning figures built from these pages; replace them with your own time log and invoices.
World Consulting Group material. Origin of the questions: AI-assisted World Consulting Group desk research on appliance repair businesses, 2026, an internal working file that is not published, described on page 2; the questions are hypotheses and no figure in this kit comes from it. Appliance repair owner questions, businessconsultant.services, 2026.

SCOPE AND DISCLAIMER

General information only. Not legal, tax, accounting, employment, refrigerant-handling, electrical-safety or financial advice. Provided as is, without warranty. © 2026 World Consulting Group. Free diagnostic tool at businessconsultant.services. The site's privacy page explains what the diagnostic tool sends to an AI provider for analysis and the third-party analytics on the site.

About the author. Kamyar Shah is the founder of World Consulting Group and works as a fractional COO and CMO. He has more than 25 years of experience and more than 650 engagements across more than a dozen industries. Contact and the latest version: businessconsultant.services.

PAGE 16

Customize this kit with AI

Attach this PDF to ChatGPT, Claude or Gemini, paste the prompt below, and answer with your own calls, repairs and technician costs.

BEFORE YOU RELY ON THE ANSWER.

Check every total with a calculator. An AI assistant can misread a file or slip on arithmetic, even when it runs code, so rerun every figure you will act on with the page formulas. Check your AI provider's data settings first, and never paste personal data, account numbers, passwords, customer-level records or anything an agreement restricts, such as customer names or addresses, access details, card details, manufacturer claim forms, employee records or bank account details. So rounding does not make a record anonymous; run the arithmetic on your own computer.

I am opening (or running) a residential appliance repair company. I have attached the Appliance Repair Business Plan and Operations Starter Kit from businessconsultant.services. Help me turn it into my own plan for my repairs, diagnostic visits and technicians, using my numbers only.

Follow these rules for the whole conversation:
1. Use only numbers I give you, or numbers you calculate from mine with the formulas below. Never invent a repair price, parts cost, technician wage, close rate, percentage or benchmark.
2. The numbers printed in the kit are worked examples. Never use them as my numbers, not even as a placeholder.
3. If a number you need is missing, ask me for it. If I ask you to estimate or use typical figures, write [NEED: ...] instead and name the quote, record or calculation that holds it. If I give you my own estimate, label it MY ESTIMATE.
4. Use these formulas exactly, and show your arithmetic for every number you calculate:
- Monthly sales for a sales line = units times average price. Each month's expected sales = full-run repair and diagnostic-visit sales times ramp times season; count expected bookings by month before opening and mark each MY ESTIMATE.
- Net sales exclude sales tax. Labor = wages, payroll taxes and benefits, plus a market wage for the owner's management time (line 4); the owner's hours on shift go in line 14 at a market wage. Shift hours count as cash even if I skip my own pay, so the plan still holds when I step back from the work; only line 4 may go undrawn, and Tests 1 and 6 count it anyway.
- Contribution margin ratio = 1 minus variable cost share; a line's contribution = its sales times its own ratio. Operating break-even sales = fixed costs divided by contribution margin ratio. Cash break-even sales = (fixed costs with line 4 even if I do not draw it, plus monthly loan principal and any recurring other cash out) divided by contribution margin ratio; only the cash forecast drops an undrawn wage. A blended ratio holds only at its own sales mix: name that mix beside each break-even, and recompute from each line's own contribution when a what-if changes one line. Loan interest is fixed; principal is not an operating cost, so it never enters operating break-even or operating profit.
- Weekly = monthly times 12, divided by 52. Daily = weekly divided by days open per week.
- Break-even repairs = (fixed costs, principal and other recurring cash out minus diagnostic-visit contribution) divided by one average repair's contribution; diagnostic visits: no parts, kit's other lines. If the other lines already cover fixed costs and principal, report 0 and say so; never report a negative break-even count. Paid technician hours available per month = technicians on the crew multiplied by hours a day (add each person's hours if they differ), days worked a week and 52, divided by 12; paid hours needed = on-site hours on repairs and diagnostic visits divided by utilization.
- Shop and parts-storage share = line 1 divided by net sales. Planning debt service coverage, before income tax and equipment replacement = (full-run sales times contribution margin ratio, minus fixed costs other than loan interest) divided by (loan interest + loan principal).
- Month-12 run rate = average monthly sales over a year at month 12's ramp and bookings, seasons applied (not month 12's own sales). Test 1 needs that rate at or above cash break-even and my floor held 24 months; Test 3, coverage at full run and at that rate.
- Test 6 = 12 months of (full-run sales minus their variable costs, minus full-run fixed costs, line 4 included, minus principal), seasons applied to every sales line but booked lines, which run in their own months, and seasonal fixed lines at each month's amount. The cushion to set aside = the largest fall in running net cash from a high to any later low, the year run twice so a dip can cross into month 1 (zero if it never falls).
- Full-run figures (break-even, coverage, floor) take a late-starting fixed line at its full amount, and a seasonal fixed line at its year average.
- For pages 7, 9 and 10, use the formulas printed on those pages of the attached kit, exactly as written, with my own figures.
- Cash forecast: closing cash = opening cash + cash in minus cash out. Month 1 opening cash = cash on hand on the first day the vans roll after startup spending is paid. Place every receipt and payment (deposits, supplier invoices, startup bills, funding) in the month the cash moves. Income tax set-aside, equipment replacement and stock build-up go in their own row. Open month 1 with the cash I give; the page 5 two-pass size is advice beside it, never a substitute. Enter each repair or visit payment in the month it lands; payroll and suppliers are paid in the month worked. Include a deposit in closing cash in the month it is received; carry the unearned part as a memo customer-deposit liability and never deduct it from closing cash. In the slow-start case, every month's sales, service calls included, are the tested share of expected sales; fixed costs, other cash out, principal, bills and funding stay as planned; all variable lines fall with sales, each figured from the slow-start sales of the same month, on the same payment timing as the expected case (fair because line 14 holds only hours I would cut). Runway = the number of consecutive future months, counted from the latest closed month (before opening, from the first day the vans roll), before the first month in which closing cash falls below my cash floor.
(Continued on page 17.)

PAGE 17

The prompt, continued

Paste this part directly after the rules on page 16, as one message.

5. Do not give legal, tax, licensing, permit, refrigerant handling, manufacturer procedures, employment, wage or lease advice. Do not name laws, license or permit types, agencies, government fees or wage rates, even as examples. When my question touches these, write only "Review this with a qualified professional" and continue with the rest. You may record and use figures I give from my own records, such as my sales tax rate and when I remit it, without checking, interpreting or advising on them.
6. Do not quote statistics, studies or sources that are not in the kit. For the market and marketing sections, use only what I tell you, and list the local facts I should gather.
7. Work every total step by step and recheck it a second way. In the cash forecast, show the arithmetic for month 1, one later month and the year total; give plain numbers for the other months.
8. If a formula would divide by zero or a contribution margin is zero or below, write N/A, say why, and do not continue that calculation. Where a result is N/A for that reason, score the tests that depend on it as failed, exactly as page 13 sets out: a contribution margin ratio of zero or below fails Tests 1 and 6 and, with a loan, Test 3; one unit's contribution, or the count it multiplies, of zero or below: break-even units are N/A and score Test 4 as failed. If my lender defines coverage differently, show both results and label each. If cash never falls below my floor in the forecast, write the runway as more than 24 months; otherwise give the runway in months and, separately, the first month below it, counting year 2. With no loan, Test 3 passes.
9. Use business figures only, with anonymous customer IDs. Do not ask for names, home addresses, bank account or tax ID numbers.
10. Mark every output: Draft for my own planning. Not for a lender or investor until a qualified accountant has reviewed it.
11. If your full answer would be very long, deliver outputs 1 to 4 first, then stop and ask me to type "continue" for the rest.
12. Build the cash forecast month by month from the sales build, the cost lines, my payment terms and my opening cash; it does not need the inputs for pages 7, 9 and 10. Each month: cash in = sales receipts plus money arriving; cash out = each variable cost, calculated from the sales that created it and placed in the month it is paid under my terms, plus fixed costs (lines 1 to 12, with line 4 only if I draw it in cash), plus loan principal, startup bills and other cash out. Loan interest is already in line 5; never add it again. Supplier payments follow the cost of what I sold plus any stock build-up I give; if I buy ahead or carry supplier balances, ask me for purchases and payments by month instead. If you can run code, do every calculation in code.

Step 1. Before you write anything else, ask me for the inputs below in three rounds, one message per round. Ask round A as one numbered list, then wait for my answers. When I answer, ask round B and wait; then round C and wait. Start Step 2 only after I answer round C.
Round A, sales, capacity and evidence:
a. Services, customer segments and lead sources, service area, the technicians I can staff each day and the paid hours each works a day, days worked per week, and days open per week.
b. Sales build: for repairs completed in the billing month (repairs), the full-run repairs a month by repair type, each type's price, parts cost and on-site hours; for diagnostic-only visits (visits), the visits a month at full run and the fee for each; a ramp percentage of full-run volume for every month from 1 to 12 (ask me to confirm any month I leave out); a seasonal percentage for each month from my dispatch record or my market; and the slow-start percentage I want to test (this kit sets a 70 percent stress test, a kit rule rather than my estimate; use it unless I give evidence for a higher share). Give counts at full run, with month 1 as my opening month. Give the evidence behind each count (site counts, comparables, signed orders or my history).
c. For each repair type: repairs a month, price, parts cost, on-site hours, close rate; and the repair prices and schedules I use.
Then wait for my answers.
Round B, costs, the startup budget and my lender:
d. Startup budget: an amount and its source (dealer quote, parts supplier quote, insurer quote or calculation) for each line on page 5, from the vans and tools to the working capital reserve and contingency.
e. Monthly fixed costs for lines 1 to 12 on page 8, including the three technicians, any minimum paid hours, loan interest and my market wage; whether I draw that wage in cash; and my monthly loan principal. Give interest and principal as year 1 monthly averages for break-even and coverage, and, for the cash forecast, any payment, fixed line or other cash line that changes in months 1 to 24 (a payment holiday, a balloon payment, a rent step) with its month. My market wage covers management time (line 4); my hours on shift go in line 14 at a market wage.
f. Variable cost shares of net sales for lines 13 to 16: line 13, parts and materials used on each repair; line 14, hourly technician labor above any minimum crew, with payroll taxes and workers' compensation; line 15, card and financing fees; line 16, fuel and small consumables; and any sales line whose own shares differ, given for that line.
g. For each lead source: dispatched calls, prices written and repairs sold last quarter, and days from the call to the repair; calls cancelled at the start of the month; the number of repairs I need.
h. For one typical week per technician: paid, on-site billable, drive, rework, and waiting at the parts counter or doing admin hours; base wage and payroll taxes and benefits share.
i. The debt service coverage ratio my lender requires and how the lender calculates it, if I know them.
Then wait for my answers.
(Continued on page 18.)

PAGE 18

The prompt, last part

Paste this part directly after the text on page 17, still as one message.

Round C, cash timing, sales tax, deposits and Gate 0:
j. Payment terms: when each customer pays me (at the door by card or in cash for a repair or a diagnostic visit, or how many days after the visit an invoice from a property manager or a warranty payer lands), deposits I collect or pay and when, and when payroll and my parts supplier are paid.
k. For every other cash line (payroll, card settlements, insurance, loan payments, rent and fixed bills), when it is paid, or confirm it is paid in the month it is incurred.
l. Monthly cash out beyond operating costs: income tax set-aside, van, tool and meter replacement and parts stock build-up.
m. Cash on hand on the first working day after all startup spending, startup bills still to pay by month, owner money or loans still to arrive by month, and my minimum cash floor (at least one full-run month of fixed costs plus principal).
n. If I am already open: what customers owe me and what I owe suppliers and staff, each by the month it will be paid, deposits I already hold, and sales tax already owed with its payment month.
o. Sales tax: the rate I collect on taxable sales, from my own registration, which sales lines (or what share of each) are taxable, and when I remit what I collect (each month, each quarter or another schedule), so the forecast holds collected tax apart until it is paid.
p. Gate 0: which agreements, quotes and approval requirements I already have in writing.
Then wait for my answers.

Step 2. When I answer, produce these as plain tables I can copy back into the kit:
1. Business plan sections 1 to 8 for my appliance repair company, drafted from my answers, with gaps marked [NEED: ...].
2. The sales build by repair type, diagnostic-visit line and month, with annual sales and the capacity check from page 6.
3. The completed startup budget, line by line as on page 5, with the total. Size the reserve by the page 5 rule; if I gave another, show both and the result for each.
4. Operating and cash break-even per month, per week and per day open; break-even repairs (use cash break-even); shop and parts-storage share and planning debt service coverage at full-run sales and at the month-12 run rate, labeled before income tax and equipment replacement, and on my lender's definition too if I gave it.
5. The 12-month cash forecast for the expected and slow-start cases, in thousands of dollars to two decimals for the page 11 worksheet (51.25 means $51,250), with any page 19-style exhibit in whole dollars and its unit labeled, and, for each case, the first month below my cash floor and the first month below zero, and the runway; the second year's lowest closing cash (month 12's ramp and bookings held, each month with its own season, not a flat average); any extra reserve the slow start needs; and the Test 6 cushion, with whether the page 5 buffer covers it (add any excess to the reserve). Add a sales tax memo for each month: collected, remitted, and owed at month end (last month's owed + collected minus remitted), kept out of closing cash.
6. A priced repair table by type, with the price at a target contribution per on-site hour, plus the payment timing and the overrun check.
7. Calls by lead source, with the calls needed to reach my repair target and the monthly cancellation rate.
8. Technician utilization and cost per billable hour, with the largest leak named.
9. The kit's page 4 check: Gate 0 and pass or fail for each of the six tests with the reason (if Gate 0 fails, the result is not ready), and the overall result: not ready if Gate 0 fails, with no color; otherwise green, amber or red under the page 4 rules.
10. A final checklist: every MY ESTIMATE figure, every [NEED: ...] gap, every call count or payment timing I should verify, and every question that needs a qualified professional.

WHEN THE ANSWER COMES BACK.

Copy each table into the matching kit page in pencil. Check every [NEED: ...] gap and MY ESTIMATE figure, starting with call counts by month, payment timing and on-site hours, before anyone sees the plan, and recheck the page 4 result with a calculator.

The worked example's twelve-month forecast, filled in

The page 12 example entered on the page 11 form, month by month, in dollars. Parentheses mean minus. Each column adds up as printed, so a row can move by a dollar between months with the same sales; each closing balance becomes the next month's opening cash. Cash floor $32,900.

LINE ($)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
EXPECTED CASE												
Opening cash	**93,800**	**81,082**	**71,279**	**65,818**	**65,858**	**71,026**	**77,215**	**81,395**	**84,439**	**91,709**	**100,524**	**110,884**
In: sales receipts	34,676	39,687	47,146	56,597	65,410	67,162	63,711	61,760	69,020	71,675	74,330	63,711
In: owner money and loans received	0	0	0	0	0	0	0	0	0	0	0	0
Out: parts, fees and fuel (lines 13, 15, 16)	14,495	16,589	19,707	23,657	27,342	28,073	26,631	25,816	28,850	29,960	31,070	26,632
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)	22,967	22,969	22,968	22,968	22,968	22,968	22,968	22,968	22,968	22,968	22,968	22,968
Out: shop and parts-storage rent (line 1)	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
Out: other costs, with loan interest (lines 2, 5 to 12)	7,779	7,779	7,779	7,779	7,779	7,779	7,779	7,779	7,779	7,779	7,779	7,779
Out: income tax set-aside, equipment replacement, stock build-up (none in the example; see below)	0	0	0	0	0	0	0	0	0	0	0	0
Out: loan principal	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Out: startup bills still to pay	0	0	0	0	0	0	0	0	0	0	0	0
Net cash flow (in minus out)	**(12,718)**	**(9,803)**	**(5,461)**	**40**	**5,168**	**6,189**	**4,180**	**3,044**	**7,270**	**8,815**	**10,360**	**4,179**
Closing cash, expected	**81,082**	**71,279**	**65,818**	**65,858**	**71,026**	**77,215**	**81,395**	**84,439**	**91,709**	**100,524**	**110,884**	**115,063**
SLOW-START CASE (70 PERCENT OF EXPECTED SALES IN EVERY MONTH)												
Opening cash, slow start	**93,800**	**75,027**	**58,295**	**44,603**	**34,760**	**28,508**	**22,970**	**16,026**	**8,287**	**3,506**	**(193)**	**(2,812)**
Sales receipts, slow start	24,273	27,781	33,002	39,618	45,787	47,014	44,598	43,232	48,314	50,173	52,031	44,598
Out: variable costs, slow start (lines 13 to 16)	10,146	11,613	13,794	16,561	19,139	19,652	18,642	18,071	20,195	20,972	21,750	18,642
Out: fixed costs (lines 1 to 12), principal, bills, less funding	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900	32,900
Net cash flow, slow start	**(18,773)**	**(16,732)**	**(13,692)**	**(9,843)**	**(6,252)**	**(5,538)**	**(6,944)**	**(7,739)**	**(4,781)**	**(3,699)**	**(2,619)**	**(6,944)**
Closing cash, slow start	**75,027**	**58,295**	**44,603**	**34,760**	**28,508**	**22,970**	**16,026**	**8,287**	**3,506**	**(193)**	**(2,812)**	**(9,756)**
STEADY-STATE YEAR FOR TEST 6 (RAMP DONE, SEASONS IN; NOT THE FORECAST YEAR)												
Net cash flow, steady-state year	**3,794**	**2,635**	**4,180**	**7,270**	**10,360**	**9,587**	**5,725**	**3,407**	**7,270**	**8,815**	**10,360**	**4,180**

Reading this forecast. It is in whole dollars, rounded so each column adds up, so a row can differ by $1 between like months; the page 11 form uses thousands. The floor is cash you never plan to spend. The page 5 buffer holds one more month of fixed costs and principal above it, so a small miss spends the buffer, not the floor. The opening cash was sized by the two passes on page 5, buffer included. The example sets aside no income tax (it depends on the owner's whole return, so take the figure from your accountant), replaces no equipment in its first two years and builds no stock beyond the opening stock in the startup budget; enter your own amounts. Second year at the month-12 run rate means month-12 ramp and bookings with each month's season still applied (average about $67,638 a month, against month 12's own $63,711): closing cash runs $118,857 in month 1 and $192,646 in month 12, lowest $118,857 in month 1, above the floor. Sales are net of sales tax, and the example pays each month's tax in the month it is collected, so it owes none at any month end; enter your own rate and payment timing in the page 11 memo rows. If you borrow the reserve, add its interest and principal to the forecast and run both passes again. The slow start lets variable costs fall with sales, which is fair only because hours you cannot cut are carried in fixed lines; waste or purchases you cannot cut make a real slow start worse. Slow-start month 1 closes below the expected case ($75,027 against $81,082): receipts fall with sales by more than equipment and parts do, while payroll, fixed costs and principal do not fall.