Business Coaching Business Plan and Operations Starter Kit

A working kit for boutique business coaching practices. It prices every coaching engagement and retainer at the true cost of a billable hour with realization shown, turns signing payments, delivery invoices and retainer accounts into a collection pattern, measures how much of the paid week is billable, finds cash break-even through the summer and December troughs, and scores the plan on six pass-or-fail tests.

BUSINESS COACHING
FREE EDITION · VERSION 1.0 · OCTOBER 2026
19 PAGES · PRINT IT, WRITE ON IT, KEEP IT
LATEST VERSION: BUSINESSCONSULTANT.SERVICES/KITS/BUSINESS-COACHING/
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PAGE 2

Start here

A coaching practice can be fully booked in October and short of cash in January. Salaries go out every month, an intensive fee arrives in two pieces, and a retainer that quietly uses five hours was priced for four. This kit writes those numbers down and tests them before a lender or a partner asks.

WHAT IS INSIDE

3	Business plan, part one: services, clients and referral sources, positioning, pricing
4	Business plan, part two, and the six-test pass or fail check
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7	Pricing each engagement at the true cost of a billable hour, realization, payment dates and the write-down check
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15	Your first 30 days, office and setup questions, sources and what the full kit adds
16-18	An AI prompt that turns this kit into your own plan
19	The worked example's twelve-month cash forecast, filled in

HOW TO USE IT

1. Build engagement and retainer 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. Rates, scopes and payment terms move before a proposal is signed, and every worksheet expects your own figures.
3. Once you open, use the page 14 checklists on every engagement and the numbers review every week. Run the page 7 write-down check when each engagement closes and update the page 9 retainer table every month.

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 coaching practice 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, confidentiality, conflict and data-handling or financial advice. Confidentiality and the terms of a coaching agreement vary by engagement; requirements vary by location; review with a qualified professional. Review them with qualified professionals before you commit money.

PAGE 3

Business plan, part one

A lender will ask one question. Do the coaching engagements and the retainer accounts bring in enough cash to pay two coaches, the desks and the loan through the slow months? Answer each point below.

1. Executive summary (write it last)

Say what you sell, who buys it, how much money you need and what it buys; then the month the page 6 forecast first covers cash break-even on page 8, and the page 4 result.

2. What the practice sells, and who buys it

List the formats you sell: the strategy intensive, the one-to-one program, the team series, the monthly retainer account. For each, say what the client walks away with, in the client's words. Name who refers and who signs.

3. Where you fit, and what you can carry

Say which problems the practice takes on and which it sends elsewhere. Then count the billable hours the coaches can give in a week and turn that into engagements and retainer accounts, so the plan never sells hours you cannot staff.

4. Price every engagement and retainer tier

For each engagement type and retainer tier, write the billable hours it takes and the fee it carries. A fee copied from another coach, with no hours behind it, is a guess.

ENGAGEMENT OR RETAINER TIER	BILLABLE HOURS IT TAKES	FEE YOU CHARGE	FEE FOR EACH BILLABLE HOUR

> *Owner question: our calendar is full, clients renew, and there is still nothing left at the end of the month. Is our pricing wrong?*
> Look at three numbers before you touch a rate. Does a fee's hours match the hours the engagement took? Does a retainer account use more hours than it includes? When does the money actually arrive? $53,540 of full-run sales carries $35,386 of fixed costs and about $1,766 of variable cost, so the leak sits in hours, unbilled preparation and late invoices, not in the rate card. Put hours logged beside hours assumed for each engagement (page 7) and hours used beside hours included for each retainer account (page 9), then set both against the collection dates on page 11. It is a comparison, not proof.

PAGE 4

Business plan, part two

5. Operations

Describe how an engagement runs from signed proposal to final invoice: discovery, the session plan, the work between sessions, the review and the handover. Name who reviews the coaching when you are not in the room.

6. Team

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

7. Marketing and sales

Explain where conversations come from, how a conversation becomes a proposal, and why clients renew or refer; renewals pay for the proposals you lose.

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 proposals with payment terms, retainer agreements, insurance and software quotes, the office or coworking agreement and the terms your clients ask for are in writing; requirements vary by location, so review anything you are unsure of with a qualified professional.	
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 hours needed in the busiest month (pages 7, 9 and 10), at full-run volume, fit the hours you can staff (page 6), and planned coaching engagements reach break-even (page 8).	
5. Signed proposals and retainer agreements back the engagement count; a list of contacts supports a forecast of conversations, not of engagements.	
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 an office lease or hire a coach. **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 stress-test Tests 1, 3 and 6. 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 insurer, the software vendor or the office, or a documented calculation. Coaching budgets break on payroll before the first delivery invoice lands, so leave no line blank without a reason.

LINE ITEM	INITIAL ESTIMATE	QUOTE OR SOURCE	APPROVED BUDGET	ACTUAL OR COMMITTED
EQUIPMENT AND BRAND				
Laptops, monitors and phones				
Practice-management, CRM and template software setup				
Brand, website and collateral				
SETUP AND APPROVALS				
Business entity, coaching agreements and accounting setup				
Insurance down payment				
Office or coworking deposit and first month				
PRE-OPENING				
Pre-opening payroll and recruiting				
Launch marketing, events and content				
Coaching diagnostic and benchmark assets				
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), then 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 signed proposals, retainer agreements and the hours your coaches can bill, not from the payroll you need to cover. Count retainer accounts first; add coaching engagements at the volume the conversation record supports.

```
Monthly sales for a line = units times average fee times days open in the month (or times 1 for units counted per month)
Days open in a month = days open per week times 52, divided by 12
```

SALES LINE	UNIT	UNITS PER DAY OR MONTH	AVERAGE FEE	DAYS OPEN PER MONTH (OR 1 FOR MONTHLY UNITS)	MONTHLY SALES
Coaching engagements	engagements				
Retainer accounts	retainers				

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 engagement and retainer sales times ramp (the share of full-run volume the pipeline and the retainer base 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 proposal record by month; a signed engagement or retainer account with a start date replaces its ramped figure that month.

CAPACITY CHECK

```
Paid hours available per month = the sum over billable people of each person's hours a day times days worked a week, times 52, divided by 12; paid hours needed = billable hours on engagements and retainers divided by utilization
```

Write how many hours your billable people are paid each day and how many days you work each week. The two salaried coaches are paid for 80 hours a week, of which 56 are billable, about 242 billable hours a month, and the principal adds coaching capacity on top. The example's own book, pages 7 and 9, asks for about 130 of those hours a month, so it carries headroom; page 10 prices the hour at a full book and at this book's share. Add up the monthly billable hours your engagements and retainers need (engagements a month times billable hours each, page 7, plus retainer hours used, page 9) and divide by utilization (page 10). If the plan needs more paid hours than you can staff, the plan is wrong, whatever the proposals say.

PAGE 7

Engagement pricing, fee by fee

Every engagement carries a fee, a set of billable hours and a share of that fee that reaches an invoice.

Invoiced = billable hours times the standard rate times realization, the share of the fee that survives discounting, plus pass-through the client repays at cost
Coaching cost = billable hours times the true cost of a billable hour (page 10, where proposals, admin and write-down time sit); contribution = invoiced minus coaching cost, pass-through and card fees at their page 8 share; per billable hour = contribution divided by billable hours
Close rate = engagements won divided by proposals sent; proposals needed = engagements wanted divided by the close rate

WORKED EXAMPLE: THE THREE ENGAGEMENT TYPES THIS PRACTICE SELLS (ILLUSTRATIVE)

ENGAGEMENT TYPE	SOLD A MONTH	FEE X REALIZATION	HOURS EACH	INVOICED	COACHING COST	PASS-THROUGH, CARD FEES	CONTRIBUTION	CONTRIBUTION AN HOUR	CLOSE RATE
One-day strategy intensive	2	$450 x 95%	8	$3,570	$547	$214	$2,809	$351.13	40%
Six-month one-to-one program	2	$400 x 90%	12	$4,320	$821	$78	$3,421	$285.08	30%
Six-session team series	2	$450 x 95%	12	$5,380	$821	$347	$4,212	$351.00	45%

Coaching time costs $68.40 a billable hour (page 10); card fees and consumables at 1.8 percent of billing (page 8 lines 15 and 16); pass-through recovered at cost. Page 8 already pays the two salaried coaches on line 3, so line 14 holds only the hours beyond theirs. Ranked by the hour, the one-day strategy intensive earns the most ($351.13) and the six-month one-to-one program the least ($285.08). Retainer accounts add 10 a month, 6.6 billable hours each, and they sit in the capacity check too. Page 12 reuses the pass-through and coaching-cost shares above (coaching engagements: 6 a month, an average $4,423 invoiced).

YOUR ENGAGEMENT TYPES

ENGAGEMENT TYPE	SOLD A MONTH	FEE X REALIZATION	HOURS EACH	INVOICED	COACHING COST	PASS-THROUGH, CARD FEES	CONTRIBUTION	CONTRIBUTION AN HOUR	CLOSE RATE

WHEN EACH FEE LANDS

INCOME LINE	PAYMENT STEP	SHARE OF THE FEE	LANDS IN
Coaching engagements	Signing payment	50%	the month work starts
Coaching engagements	Delivery invoice, net 30	50%	the month after billing
Retainer accounts	Invoiced on the first, paid net 30	100%	the month after billing

Out of every $100 of fees billed in one month, this practice takes in $25 the month work starts and $75 the month after billing. The mix follows the full-run billings, 50 percent each line. Page 11 keeps each line on its own terms, month by month. A signing payment is cash when received; if it arrives before opening, add it to opening cash. Each engagement counts once, when invoiced.

THE WRITE-DOWN CHECK

Scope grows and the fee does not. At each close, put hours logged beside the hours the fee was built on.

Write-down hours = hours logged minus the hours the fee assumed; write-down cost = those hours at the true cost of a billable hour. Name the cause before you reprice, price added work in writing, and carry the lesson into the next proposal.

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. Retainer account contribution means retainer sales times the page 8 ratio, not the page 9 after-labor figure.

FIXED COSTS PER MONTH	PER MONTH
1. Three coworking desks and a meeting room	
2. Liability, professional, cyber, workers compensation and commercial auto insurance	
3. Two salaried coaches at $38 an hour, with taxes and benefits (the minimum delivery staff)	
4. Owner's market wage (sales, delivery, management)	
5. Loan interest (working capital and launch loan)	
6. Phones, internet, video, collaboration tools and four software seats	
7. Marketing, website, content and events	
8. Practice-management and accounting software	
9. Accounting, bookkeeping, payroll filing and bank fees	
10. Professional development, certification and memberships	
11. Part-time administrator	
12. Unbilled travel, client entertainment and other fixed costs	
Total fixed costs	

VARIABLE COSTS AS A SHARE OF NET SALES	SHARE
13. Pass-through assessment materials and room hire, billed to the client at cost	
14. Contract coaches above the salaried staff, with their fees	
15. Card and payment-processing fees	
16. Unbilled travel, materials and 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 coaching engagements = (fixed costs, principal and other recurring cash out minus retainer
account contribution, each account at its own contribution margin ratio) divided by one average coaching
engagement's contribution (its fee times its own contribution margin ratio)
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 coaching engagements (use cash break-even)	one figure per month		
Office share and debt service coverage at full-run sales		ratios, monthly only	

Weekly = monthly times 12, divided by 52; per day = weekly divided by days open per week. Office share = line 1 divided by net sales.

PAGE 9

Retainer accounts, hour by hour

A retainer account looks like the easiest money in the practice until you count the hours it really takes.

Effective rate = the monthly retainer divided by the hours the account really uses, not the hours included
Coaching cost = hours used times the true cost of a billable hour (page 10)
Contribution = retainer minus coaching cost, minus card fees at their page 8 share; contribution per hour = contribution divided by hours used

WORKED EXAMPLE: THE THREE RETAINER TYPES THIS PRACTICE SELLS (ILLUSTRATIVE)

ACCOUNT TYPE	ACCOUNTS	RETAINER A MONTH	HOURS PROMISED	HOURS TAKEN	RATE PER HOUR	COACHING COST	CARD FEES	CONTRIBUTION	PER HOUR EARNED
Ongoing coaching	5	$1,600	4	5	$320.00	$342	$29	$1,229	$245.80
Fractional leadership coaching	3	$5,000	10	11	$454.55	$752	$90	$4,158	$378.00
Owner advisory	2	$2,000	4	4	$500.00	$274	$36	$1,690	$422.50

Every hour is costed at $68.40 a billable hour (page 10); card fees and consumables at 1.8 percent of billing (page 8 lines 15 and 16). Ranked by the hour, the owner advisory earns the most ($422.50) and the ongoing coaching the least ($245.80). The ongoing coaching runs an hour past its promised hours, and so does the fractional leadership coaching. Every hour is costed here for pricing. Page 8 keeps the two salaried coaches on line 3, so line 14 holds only hours beyond theirs, and these retainer hours count in the capacity check. The page 12 example carries 10 retainer accounts at an average of $2,700 a month.

YOUR RETAINER ACCOUNTS

ACCOUNT TYPE	ACCOUNTS	RETAINER A MONTH	HOURS PROMISED	HOURS TAKEN	RATE PER HOUR	COACHING COST	CARD FEES	CONTRIBUTION	PER HOUR EARNED

THE CREEP CHECK

A retainer account grows by small requests. One extra call becomes a weekly call, then a session between sessions. At each month end set hours used beside hours promised.

Creep hours = hours used this month minus hours the retainer promised. Multiply them by the true cost of a billable hour to see what the creep costs you. When creep shows up two months running, raise the retainer to match, bill the extra sessions hourly, or put the smaller scope in writing.

PAGE 10

Where the paid week goes, and what a billable hour costs

The coaches draw a salary for the whole week; a client pays only for the hours it uses.

```
Utilization = hours a client is billed for divided by hours paid
Loaded hourly cost = one hour of salary grossed up by the payroll tax, benefit and paid-time-off share
Cost per billable hour = the loaded cost of every paid hour, spread over the hours a client paid for
```

WORKED EXAMPLE: THE TWO SALARIED COACHES ACROSS A WORKING WEEK (ILLUSTRATIVE)

PIECE OF THE WEEK	THE PIECE OF THE WEEK	SHARE OF THE 80 PAID HOURS
Hours paid for	80	100%
Hours clients pay for	56	70%
Proposals and discovery calls	14	17.5%
Rework and overruns	4	5.0%
Notes, admin and training	6	7.5%

On a $38.00 wage, with 26 percent on top for payroll taxes and benefits, one paid hour costs $47.88; at 70 percent of the week billed, an hour must earn $68.40. Set fees from that figure, not from the wage. A full book bills about 70 percent of a paid week, which is why fees are set from $68.40. This example's own book (pages 7 and 9) asks for about 130 billable hours a month, 30 of the 80 paid hours a week, 37.5 percent, so while it fills, an hour would have to earn $127.68; the fees on page 7 clear that with room, and the headroom is capacity a fuller book uses.

EACH COACH, ONE PAID WEEK

COACH	HOURS PAID FOR	HOURS CLIENTS PAY FOR	PROPOSALS	OVERRUNS	SHARE THAT BILLS	COST OF A BILLABLE HOUR

WHAT WALKS OUT WITH A DEPARTING COACH

A departing coach takes the client's history, the sponsor relationship and the working notes. Keep a live engagement record, a decisions log and a sponsor contact sheet on every account, so the practice can hand that client to another coach inside a week. Keep them current for every client, so a successor can open the same file on Monday.

Twelve-month cash forecast

Salaries leave before delivery invoices land. 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: pass-through costs, fees and consumables (lines 13, 15, 16)												
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)												
Out: office or coworking space (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 billable day 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. Salaries, contract coaches and pass-through 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 troughs cost

```
Runway = the future months that close above your cash floor, counted from the latest closed month
(before opening, from the first billable day); the first month below the floor ends it
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A worked case: an invented coaching practice

Figures worked through to show the method, not benchmarks. Both salaried coaches are paid from month 1. Cash floor $36,055. Coaching fees follow page 7, with half at signing and half on the delivery invoice one month later, with a six-month program's midpoint bill folded into that split. Retainer accounts bill on the first and pay the month after. Bills are paid in the month the work happens. The year opens in January, runs through the summer trough and the December low, and the owner's wage is drawn in cash.

Page 5, startup budget	The whole startup budget is $183,600, paid for with a $50,000 loan (10.5 percent over 5 years) and $133,600 of owner money; and $125,300 of reserve inside it, sized for the ramp, the slow season, late invoices and a buffer month. How page 5 reached it: start at the floor $36,055, plus one month's buffer, $36,055, plus $53,112 (the deepest a first pass falls), then rounded up to $125,300.
Page 8, monthly costs	Fixed costs $35,386 a month, of which $1,400 rents the coworking desks and $406 is loan interest; principal $669 a month (both year 1 averages). Variable costs take 3.3 percent, so the contribution margin ratio is 0.967. Variable lines 13 to 16 take 1.5, 0, 0.8 and 1 percent of sales (line 13 is 1.5 percent of total sales, 3.0 percent on coaching and 0 on retainers). The twelve fixed lines run $1,400, $420, $16,590, $9,500, $406, $320, $2,400, $450, $550, $450, $2,400 and $500 a month.
Page 8, the break-even point	Operating break-even lands at $36,594 a month. Cash break-even (fixed costs of $35,386 plus principal $669, divided by 0.967) is about $37,285 a month: 2.3 engagements a month once the retainer accounts have paid their share (line 13 runs 3.0 percent on coaching engagements, 0 on retainer accounts; lines 14 to 16 fall on both lines in the same proportion, which leaves a contribution ratio of 0.952 on coaching engagements, 0.982 on retainer accounts), so 3; the plan carries 6.
Page 6, monthly sales	Coaching engagements: 6 engagements a month at $4,423.33. Retainer accounts: 10 retainers a month at $2,700. At full run the practice bills $53,540; the engagement count and the retainer base climb 35, 50, 60, 70, 80, 85, 90, 95 percent of full-run volume in months 1 to 8, then 100 percent; season 114, 109, 109, 104, 99, 94, 83, 83, 109, 114, 104, 78 percent across the twelve months, applied to both lines alike.
Page 19, expected case	January bills $21,362; January closes on $93,835, month 12 at $153,204. The low point is month 4, closing $72,188, $36,133 above the floor.
Page 19, the 70 percent case	Both lines held at 70 percent of the expected case: January sells $14,954; January closes on $92,458, month 12 at $15,035. Cash drops under the floor in month 5 (closing $35,699), which gives a runway of 4 months.
Page 8, the coverage ratio	On a full-run month of $53,540, the planning coverage ratio, before income tax and equipment replacement, reaches 15.62 against the 1.25 the example lender asks for; at month 12's pace it also reaches 15.62, and Test 3 needs both. The coworking desks take about 2.6 percent.

PAGE 4 VERDICT FOR THIS EXAMPLE: AMBER

Gate 0 is treated as met for the example here. Test 1 passes: a year run at month 12's pace averages about $53,540 a month, above the $37,285 break-even, and cash stays above the floor twelve months longer at that pace (low point $161,673, month 1 of year 2). (Not scored: expected sales first cover cash break-even in month 4.) Test 2 fails: both lines at 70 percent send cash under the floor in month 5; about $28,900 more reserve at opening would carry it. Test 3 passes on the planning formula; your lender's own definition counts in the end. Test 4 passes: in the fullest month of the year (month 1, season 114 percent, and October carries the same figure, all scored at full ramp) the engagement types on page 7 and the retainer accounts on page 9 ask for about 148 billable hours. At 70 percent utilization that is about 210 paid hours (page 10), inside the 520 paid hours the practice can staff (3 billable people on 8-hour days, 5 days a week; the two salaried coaches on line 3 plus the principal give 520). The work fits, and the 6 planned engagements clear the break-even count. Test 5 cannot pass without evidence. Test 6 passes: twelve months at full run, troughs included, leave about $188,618 after principal, and no full-run month dips below zero, so no cushion is needed. This is the steady-state year, not the forecast year: page 19's year one adds about $27,904 to cash because clients sign through the year. Break-even takes about 3 coaching engagements a month. The summer trough and December drain the reserve. At these hours, capacity is not what holds the practice back.

PAGE 13

What moves the result

Each row changes one input of the page 12 example and reruns the forecast. A row names Test 1, 3 or 6 when the change would newly fail or pass it; a test the example already fails stays failed. The last column also gives the slow start, which is Test 2.

WHAT MOVES THE RESULT (FULL-RUN MONTHLY CHANGES; DEADLINES RERUN; SLOW-START LOSSES SCALE WITH SALES)

CHANGE	MONTHLY CASH	CASH BREAK-EVEN AND DEADLINE
A tenth fewer coaching engagements and retainer accounts (lines 13 to 16 fall)	minus $5,177	Expected case holds the floor
Coaching engagements: average fee 5 percent higher, same volume (payment and platform fees are the only costs that rise)	plus $1,277	Break-even engagements fall from 2.3 to 2.2 a month, so from 3 to 3: per-unit costs stay the same, so the ratio rises from 0.967 to 0.968 on the new sales; only the fee rises; pass-through stays at cost (sales-linked fees, line 15, take 0.8 percent of each added dollar)
Fixed costs $1,000 lower	plus $1,000	Cash break-even falls to about $36,251
Sales fall 5 percent from month 6, from month 6 onward	minus $2,589	Expected case still clears the floor; slow start deadline unchanged (month 5)
Realization falls 5 points on every engagement (the weakest from 90 to 85 percent of standard fees; about $1,380 a month less billed, hours and salaries unchanged), from month 1 onward	minus $1,369	Expected case still clears the floor; slow start deadline unchanged (month 5)
One extra hour used on every retainer account (5, 11 and 4 hours become 6, 12 and 5, 10 more billable hours a month)	no change	Cash break-even is unchanged at about $37,285; expected case still clears the floor; slow start deadline unchanged (month 5)
One salaried coach leaves at month 4 and a third of the coaching sales leaves with them; the seat is refilled at the same pay, so the salary stays, from month 4 onward	minus $8,420	Expected case still clears the floor; slow start deadline unchanged (month 5)
Every client pays two months after billing (staff and bills still paid on time)	no change	Expected case below the floor in month 3 (closing $35,674); slow start below the floor in month 3 (closing $30,112); would fail Test 1
July and August fall to 72 on the season instead of 83 (the cash column is the annualized average; each of those months falls about $5,695)	minus $949	Expected case still clears the floor; slow start deadline unchanged (month 5)
Setup overrun of $10,000 beyond the contingency, paid from the cash reserve	no change	Expected case still clears the floor; slow start below the floor in month 4 (closing $34,855)
Opening 3 months late (office or coworking space, insurance, loan interest and principal, $2,895 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 $47,732 in month 8 from the planned opening, $24,456 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; score Test 3 as passed
```

PAGE 14

Engagement start and close checklists, weekly review, six questions

Operations lists only, not a quality system. Add the confidentiality and data steps your agreements and advisers require.

BEFORE THE FIRST SESSION

- [ ] Sign the agreement, with scope, signing payment and invoice date, before the first session.
- [ ] Name the sponsor and the person who says yes, and book the weekly check-in.
- [ ] Write the hours the fee buys into the agreement, and name who records time.
- [ ] List what the client pays on top, such as assessment packs or room hire.
- [ ] Open the client file, the time sheet and the open-questions list first.
- [ ] Record what the client wants kept private, and where.

CLOSING AN ENGAGEMENT, AND CLOSING THE MONTH

- [ ] At every close, put hours recorded beside the hours the fee was built on.
- [ ] For every retainer account, put hours used beside the hours included.
- [ ] Invoice the delivery the day the client accepts the work.
- [ ] Work out realization as the fee billed against those hours at the standard rate.
- [ ] Log each proposal with its source, its days to a decision and whether it became an engagement.
- [ ] Before the file closes, ask the sponsor what to work on next.

WEEKLY NUMBERS REVIEW

MEASURE	TARGET	THIS WEEK	LAST WEEK	VARIANCE TO TARGET
Fees billed and cash banked, split by engagement and by retainer account				
Hours recorded against the hours each fee assumed				
Each coach's billable hours out of the paid week				
Hours used against hours included, account by account				
Proposals sent, proposals won and the close rate from each referral source				
Invoices falling due in the next month, delivery and retainer				
Hours the principal billed personally				

SIX QUESTIONS TO INVESTIGATE

1. **Everything waits on the principal.** Do proposals sit until you scope and price them, and does a coach leave a client question until you are free to answer it?
2. **Work nobody planned.** Count the messages in a week that say the plan is late or this is not what we agreed, and the unbilled hours behind them.
3. **Growth outrunning the process.** How many engagements a month need a scope reset, and how many of those hours reach the invoice?
4. **One coach holds every answer.** How many clients depend on a single coach who alone holds the history, the sponsor and the working file?
5. **The intensive that never grows.** How long does a strategy intensive take to become a six-month program, and how many clients ever begin one?
6. **Two plans for one engagement.** Do two engagements of the same type take very different hours, and does the work drift from what was proposed?

Hypotheses from AI-assisted World Consulting Group desk research, described on page 2. Check each one against a record: your client message log, the hours record behind each fee, the proposal log, or the retainer time sheet.

PAGE 15

Your first 30 days

WHEN	DO THIS
Week 1	Start the weekly numbers review and log hours on every engagement and retainer account. Log the hours the owner bills.
Week 2	Fill the page 7 engagement table at the true cost of a billable hour and mark any engagement type priced below its labor, pass-through and fees.
Week 3	Fill the page 9 retainer table and record hours used against hours included for every retainer account.
Week 4	Enter actual closing cash on page 11 and recalculate runway. Write the decisions a coach may make without calling you.
After month 1	Run the write-down check on every closed engagement and measure billable 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 Business Coaching 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, an engagement pricing calculator from hours, rate and realization to a fee at a target margin, a retainer account and invoice tracker, editable proposal, pipeline and utilization trackers, engagement checklists and hiring checklists. Release status is on the kit page.

SOURCES

World Consulting Group material. Origin of the questions: AI-assisted World Consulting Group desk research on business coaching practices, 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. Business coaching owner questions, businessconsultant.services, 2026.

SCOPE AND DISCLAIMER

General information only. Not legal, tax, accounting, employment, confidentiality, conflict and data-handling 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 engagements and costs. A copy-ready version is on the kit page.

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, and never paste personal data, account numbers, passwords, customer-level records or anything an agreement restricts, such as client agreements, working files or bank account details. Totals and rounded figures serve the arithmetic; rounding does not make a record anonymous, and you can run the arithmetic on your own computer.

I am opening (or running) a boutique business coaching practice. I have attached the Business Coaching Business Plan and Operations Starter Kit from businessconsultant.services. Help me turn it into my own plan for my engagements and retainers, 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 rate, fee, salary, realization figure, 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 tell me which quote, record or calculation will give me the real number. 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 fee (every line is counted per month). Each month's expected sales = full-run engagement and retainer sales times ramp times season; a signed engagement or retainer account replaces its ramped figure that month, never both; before opening, count expected signings by month, each marked MY ESTIMATE until confirmed.
- 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 own coaching hours sit inside line 4 (delivery and management); staff hours go in line 3 or 14. Paid coach 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 coaching engagements = (fixed costs, principal and other recurring cash out minus retainer account contribution, each account at its own contribution margin ratio) divided by one average coaching engagement's contribution (its fee times its own contribution margin ratio). If the other lines already cover fixed costs and principal, report 0 and say so; never report a negative break-even count. Paid hours available per month = the sum over billable people of each person's hours a day times days worked a week, times 52, divided by 12; paid hours needed = billable hours on engagements and retainers divided by utilization.
- Office 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, since no line is held at fixed bookings, 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 billable day 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 to report beside it, never a substitute. Enter the signing payment, the delivery invoice and each retainer account in the month it lands; payroll, contract coaches and pass-through suppliers are paid in the month worked. In the slow-start case, every month's sales, signed engagements 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 billable day), 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, confidentiality and data-handling obligations, 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. 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 client IDs. Do not ask for names, 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, client segments and referral sources, positioning, the billable people I can staff (coaches and myself) and the paid hours each works a day, days worked per week, and days open per week.
b. Sales build: for coaching engagements, the full-run engagements a month by type, each type's billable hours, standard rate, realization and pass-through costs; for retainer accounts, the retainers at full run, each one's monthly fee, hours included and hours used; 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 proposal 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 engagement type (the counts, hours, rate, realization and pass-through from b above): proposals given and won last quarter; my payment terms for each sales line (retainer or deposit share and when it is collected, progress billing and when, the final invoice and how many days after completion it is paid); and the engagements I need a month.
Then wait for my answers.
Round B, costs, the startup budget and my lender:
d. Startup budget: an amount and its source (vendor quote, insurer quote, office quote or calculation) for each line on page 5, from laptops and brand to the working capital reserve and contingency.
e. Monthly fixed costs for lines 1 to 12 on page 8, including the two salaried coaches and the administrator, 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 own coaching hours sit inside line 4 (delivery and management); staff hours go in line 3 or 14.
f. Variable cost shares of net sales for lines 13 to 16: line 13, pass-through assessment materials and room hire, billed to the client at cost; line 14, contract coaches above the salaried staff, with their fees; line 15, card and payment-processing fees; line 16, unbilled travel, materials and consumables; and any sales line whose own shares differ, given for that line.
g. For each retainer client type: clients a month at full run, retainer a month, hours included and hours actually used; where I have them, the client's own fees in dollars. If I give none, apply the company shares and label each result MY ESTIMATE.
h. For one typical week: paid, billable, business development, write-down or rework, and admin hours per billable person; 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 client pays me (the signing share, when the delivery invoice goes out and how many days later it is paid, when retainers are invoiced and paid), deposits I collect or pay and when, and when payroll, contractors and pass-through suppliers 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, equipment replacement and stock build-up.
m. Cash on hand on the first billable 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 coaching practice, drafted from my answers, with gaps marked [NEED: ...].
2. The sales build by engagement line, retainer 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 coaching engagements (use cash break-even); office share and planning debt service coverage at full-run sales, 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 (51.25 means $51,250) to match the kit, with, 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 memo rows for each month, kept out of closing cash: sales tax collected, remitted and owed at month end (last month's owed + collected minus remitted), and receivables (last month's + billed minus collected).
6. Engagement economics for each engagement type at true cost per billable hour, ranked by contribution per billable hour, flagging any engagement type billed below its labor, pass-through and fees; proposals needed a month; and the collection pattern the cash forecast uses.
7. Retainer economics for each client type at true cost per billable hour, ranked by contribution per hour, flagging any retainer priced below its labor and fees and any client type whose hours used exceed the hours included.
8. Utilization and the true 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 engagement count or payment term 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 engagement counts by month, payment terms and billable 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 $36,055.

LINE ($)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
EXPECTED CASE												
Opening cash	**125,300**	**93,835**	**80,117**	**73,532**	**72,188**	**74,560**	**79,590**	**84,303**	**87,400**	**95,637**	**116,590**	**138,406**
In: sales receipts	5,295	23,300	30,626	35,997	39,826	42,497	42,088	40,545	46,217	59,022	59,709	52,231
In: owner money and loans received	0	0	0	0	0	0	0	0	0	0	0	0
Out: pass-through costs, fees and consumables (lines 13, 15, 16)	705	963	1,155	1,286	1,399	1,412	1,320	1,393	1,926	2,014	1,837	1,378
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)	26,090	26,090	26,091	26,090	26,090	26,090	26,090	26,090	26,089	26,090	26,091	26,090
Out: office or coworking space (line 1)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Out: other costs, with loan interest (lines 2, 5 to 12)	7,896	7,896	7,896	7,896	7,896	7,896	7,896	7,896	7,896	7,896	7,896	7,896
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	669	669	669	669	669	669	669	669	669	669	669	669
Out: startup bills still to pay	0	0	0	0	0	0	0	0	0	0	0	0
Net cash flow (in minus out)	**(31,465)**	**(13,718)**	**(6,585)**	**(1,344)**	**2,372**	**5,030**	**4,713**	**3,097**	**8,237**	**20,953**	**21,816**	**14,798**
Closing cash, expected	**93,835**	**80,117**	**73,532**	**72,188**	**74,560**	**79,590**	**84,303**	**87,400**	**95,637**	**116,590**	**138,406**	**153,204**
SLOW-START CASE (70 PERCENT OF EXPECTED SALES IN EVERY MONTH)												
Opening cash, slow start	**125,300**	**92,458**	**72,039**	**56,613**	**44,855**	**35,699**	**28,404**	**20,887**	**12,238**	**7,187**	**11,038**	**15,492**
Sales receipts, slow start	3,706	16,310	21,438	25,198	27,878	29,748	29,462	28,382	32,352	41,315	41,796	36,562
Out: variable costs, slow start (lines 13 to 16)	493	674	809	901	979	988	924	976	1,348	1,409	1,287	964
Out: fixed costs (lines 1 to 12), principal, bills, less funding	36,055	36,055	36,055	36,055	36,055	36,055	36,055	36,055	36,055	36,055	36,055	36,055
Net cash flow, slow start	**(32,842)**	**(20,419)**	**(15,426)**	**(11,758)**	**(9,156)**	**(7,295)**	**(7,517)**	**(8,649)**	**(5,051)**	**3,851**	**4,454**	**(457)**
Closing cash, slow start	**92,458**	**72,039**	**56,613**	**44,855**	**35,699**	**28,404**	**20,887**	**12,238**	**7,187**	**11,038**	**15,492**	**15,035**
STEADY-STATE YEAR FOR TEST 6 (RAMP DONE, SEASONS IN; NOT THE FORECAST YEAR)												
Net cash flow, steady-state year	**22,966**	**20,378**	**20,378**	**17,789**	**15,200**	**12,612**	**6,917**	**6,917**	**20,378**	**22,966**	**17,789**	**4,328**

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 (about $53,540 a month, against month 12's own $41,761): closing cash runs $161,673 in month 1 and $341,822 in month 12, lowest $161,673 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 sit in line 3; waste or purchases you cannot cut make a real slow start worse.