Fencing Business Plan and Operations Starter Kit

A working kit for residential fence contractors. Each fence style is costed at what the crew really costs, with the materials share worked out style by style; the deposit and the balance become a one-month collection pattern; quotes are tracked by where the lead came from; a billable crew hour is costed down to the dollar; cash break-even is found through the winter trough; and the whole plan faces six pass-or-fail tests.

RESIDENTIAL FENCE INSTALLATION AND REPAIR
FREE EDITION · VERSION 1.0 · OCTOBER 2026
19 PAGES · PRINT IT, WRITE ON IT, KEEP IT
LATEST VERSION: BUSINESSCONSULTANT.SERVICES/KITS/FENCING-CONTRACTORS/
SHARE THIS KIT: LINKEDIN · X · FACEBOOK · BLUESKY · THREADS · EMAIL
BY KAMYAR SHAH · WORLD CONSULTING GROUP

PAGE 2

Start here

In many seasonal markets April can be the busiest month a fence company has and January the thinnest for cash; use your own local history. Panel and post orders go out before the deposit has cleared, the ground sets how long a hole takes, and winter halts the work while the crew still expects to be paid. This kit puts those figures on paper and tests them before a lender looks.

WHAT IS INSIDE

3	Business plan, part one: services, customers and lead sources, service area, pricing
4	Business plan, part two, and the six-test pass or fail check
5	Startup budget: trucks, tools and trailer, setup, pre-opening, working capital
6	Sales forecast builder for fence jobs and repair visits, ramp, season, capacity check
7	Linear-foot pricing at true crew cost, the deposit and the balance, and the overrun check
8	Operating and cash break-even, break-even jobs, yard share and debt coverage
9	Where the quotes come from, how many visits each source needs, cancellations and the signed-job log
10	Crew utilization, what a billable hour really costs, and where the paid hours escape
11	Twelve-month cash forecast, expected and slow-start cases
12	Runway, and a worked example scored on the page 4 check
13	What moves the result: the worked example's what-if table
14	Job checklists, weekly numbers review and six questions to investigate
15	Your first 30 days, vehicle, equipment and yard 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. Put install-job and repair-call sales on page 6 and the costs on pages 5 and 8. Work the cash forecast on page 11, score the plan on page 4, and leave pages 3 and 4 until the rest is filled in.
2. Work in pencil. Panel prices, the week a delivery lands and the crew rate all shift before a quote is signed, and every sheet in this kit expects your own numbers.
3. Once you open, work the page 14 checklists on every job and the numbers review each week. Do the page 7 overrun check as each job closes, and enter every quote in the page 9 log as it goes out.

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 fencing contractor 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, site-safety or financial advice. Insurance, warranty, financing, delivery timing, site conditions and employment terms vary by location and by supplier. Review them with qualified professionals before you commit money.

PAGE 3

Business plan, part one

Whoever lends you the money wants one thing proved: that fence work and repair calls produce enough cash to cover wages, panels, posts and the truck loan in the frozen months. Answer briefly here; write the long version on its own sheet.

1. Executive summary (write it last)

Say what you install and repair, the towns you drive to, and the dollars you need with what each buys, from the first pickup to the first payroll. Then name the month the page 6 forecast covers cash break-even (page 8), and give the page 4 result.

2. The work you take and the people who buy it

Write down the jobs you accept, from a sagging gate rehung in an afternoon to a long run of privacy fence, and say what a homeowner buys past the boards: a price quoted by the linear foot and a crew that arrives when the ground is workable. Quote the customer, then list where calls come from and who decides.

3. The ground you cover and what the crew can build

Draw the driving radius and count the windshield time between yards. Take the installer hours you can put in a day and work out the linear feet and repair calls they buy.

4. Fence styles, repair calls and the prices you set

Give every fence style and every repair call its own row, with the installer hours it consumes and the figure you charge. A linear-foot number with no hours under it is only a wish.

FENCE STYLE OR REPAIR CALL	CREW HOURS	PRICE	PRICE PER CREW HOUR

> *Owner question: If 40 percent comes at contract and the rest at completion, how many linear feet of wood fence does my best crew have to set in a day before I can put a second crew on the road and still draw $5,100 a month?*
>
> The wood row is 180 feet for 29 crew hours, 150 feet a day with three installers. A lost wood job gives back 45 percent of its price in variable costs, so 55 percent stops covering fixed costs; across the book the share is 55.3 percent. Fixed cost of $34,475 and $508 of principal come before the $5,100 you draw, about seven times the draw.

PAGE 4

Business plan, part two

5. Operations

Describe a job from quote to final payment: measure the line, order materials, set posts, hang panels and gates, haul away the old fence. Name who checks it when you are away.

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 job without you; page 14 checks it.

7. Marketing and sales

Explain where quotes come from, how a site visit becomes a signed job, and why customers recommend you; referrals pay for lost quotes.

8. Financials and funding

Attach pages 5, 6, 8 and 11, plus the result below: the money required, where it comes from, and how long it lasts.

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

TEST	PASS?
Gate 0. Draft quotes with payment schedules, insurance, truck and equipment quotes, supplier terms and the requirements of any review the plan needs are in writing, reviewed by 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 crew hours needed in the busiest month (pages 6 and 7, page 10 utilization) fit the hours you can staff (page 6), and planned jobs reach break-even (page 8).	
5. Signed quotes with deposits back the job count, and the repair log backs visits; leads forecast quotes, not jobs.	
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 signing a truck loan or a yard 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 truck dealer, the fence supplier or the insurer, or a documented calculation. Fence budgets can break on the first panel order before the first completion payment lands, so leave no line blank without a reason.

LINE ITEM	INITIAL ESTIMATE	QUOTE OR SOURCE	APPROVED BUDGET	ACTUAL OR COMMITTED
TRUCKS, TOOLS AND EQUIPMENT				
Two used pickups and a trailer, full purchase price (the loan is a source of funds)				
Fence installation tools and equipment				
Ladders, safety and access equipment				
Estimating and scheduling software setup				
SETUP AND REGISTRATION				
Registration deposits (compliance and registration review with a qualified professional)				
Insurance down payment				
Business entity and accounting setup				
Yard lease deposit and first month				
PRE-OPENING				
Hiring, training and pre-opening payroll				
Launch marketing, website and truck lettering				
Opening parts and fastener 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 signed job quotes and the repair visits you can staff, not from the payroll you need to cover. Count jobs first; add repair visits at the volume your repair log 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
Fence installation jobs	jobs				
Repair, gate and hardware 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 fence-job and repair-visit sales times ramp (the share of full-run volume the crews and the repair log 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 repair log by month.

CAPACITY CHECK

Paid crew hours available per month = installers 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 = crew hours on jobs and repair visits divided by utilization

Write how many crew hours you can staff each day and how many days you work each week. Add up the monthly crew hours your jobs and visits need (jobs a month times crew hours per job, page 7) and divide by utilization (page 10). Repair visits use their own hours in the same crew. If the plan needs more paid hours than you can staff, the plan is wrong, whatever the quotes say.

PAGE 7

Pricing a job, and when the money lands

Fence lines are priced by the linear foot and repair visits per visit; divide the footage by what the crew sets in a day, then multiply by crew size and by 8 to reach crew hours. Materials and haul-away go on top, and the money is booked in the month you bill it.

```
Labor = crew hours on site times the page 10 cost per billable hour (drive and waiting sit in that cost)
Contribution = job price minus labor, minus fence materials, minus card and fuel costs at the page 8
shares; per crew hour = contribution over the crew hours. That is the contribution after all labor; the
page 8 ratio covers variable lines only.
Close rate = jobs sold divided by quotes; quotes needed = jobs needed divided by close rate
```

WORKED EXAMPLE: FIVE FENCE TYPES (ILLUSTRATIVE)

FENCE TYPE	JOBS / MONTH	PRICE	CREW HOURS	LABOR	MATERIALS	FEES, FUEL	CONTRIBUTION	PER CREW HOUR	CLOSE RATE
Wood privacy fence	5	$6,120	29	$1,073	$2,430	$324	$2,293	$79.07	45%
Vinyl privacy fence	4	$6,300	20	$740	$4,050	$334	$1,176	$58.80	40%
Chain link fence	4	$4,800	16	$592	$2,600	$254	$1,354	$84.63	55%
Aluminum fence	3	$4,560	13	$481	$3,000	$242	$837	$64.38	35%
Old-fence removal	3	$750	10	$370	$0	$40	$340	$34.00	70%

Labor at $36.99 a billable hour from page 10; fees and fuel at 5.3 percent of price (page 8 lines 15 and 16); materials at the supplier's quote. Crew hours are charged at true cost. Per crew hour, chain link earns the most ($84.63), old-fence removal the least ($34.00). Old-fence removal runs 10 crew hours per 150 feet, an estimate; disposal sits in line 16. Repair and gate visits: 25 a month at 1.6 hours each, in the capacity check. These types set the page 12 shares (19 jobs a month, $4,786 average).

YOUR FENCE TYPES

FENCE TYPE	JOBS / MONTH	PRICE	CREW HOURS	LABOR	MATERIALS	FEES, FUEL	CONTRIBUTION	PER CREW HOUR	CLOSE RATE

DEPOSIT AND COMPLETION: WHEN CASH LANDS

LINE	PAYMENT STEP	SHARE OF THE PRICE	ARRIVES
Fence installation jobs	Deposit at contract	40%	in that month
Fence installation jobs	Balance at completion	60%	in that month
Repair, gate and hardware visits	Paid on the day	100%	in that month

The job is paid in full in the month it is billed: 40 percent at contract, 60 percent at completion. Fence jobs and repair visits are combined by full-run sales for this sentence only; page 11 collects each line in its own month. The down payment covers the panel and post order, and both payments fall in the month you bill.

WHERE CREW HOURS SLIP PAST WHAT WAS QUOTED

Rock, roots, buried concrete and a slow tear-out stretch a job past its quote. At close, put logged hours beside quoted hours.

```
Overrun hours = hours the job took minus hours quoted; overrun cost = those hours at the loaded wage,
which is the cash they cost. The page 10 true billable cost prices a quote, not one more hour. Name the
cause first; price added scope in writing before the crew does it, and reprice the next quote.
```

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. Yard, shed and office rent	
2. Liability, property, tools and vehicle insurance	
3. Install crew and any guaranteed minimum crew hours, with payroll taxes	
4. Owner's market wage (sales, measuring, quoting and management; hours on jobs go in line 14)	
5. Loan interest (truck and equipment loan)	
6. Utilities, phones and yard power	
7. Marketing, website and lead services	
8. Estimating, scheduling and accounting software, including an accounting add-on the vendor's pricing page does not publish	
9. Accounting, bookkeeping, payroll and bank fees	
10. Tool, small equipment and trailer maintenance	
11. Truck and trailer fixed running costs	
12. Uniforms, safety gear and training (a replacement allowance built from one-time purchase prices and an assumed replacement cycle)	
Total fixed costs	

VARIABLE COSTS AS A SHARE OF NET SALES	SHARE
13. Fence materials, panels, posts, gates and repair parts, as quoted on jobs and visits	
14. Hourly crew labor above any minimum crew, with payroll taxes and workers' compensation	
15. Card and financing fees	
16. Fuel, blades, bits, concrete, fasteners and removal disposal	
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 jobs = (fixed costs, principal and other recurring cash out less repair-visit contribution) /
average job contribution; repair-visit contribution = visit price less parts and other variable 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 tax and replacements) = (full-run sales times contribution ratio,
less fixed costs other than line 5) over (line 5 + principal)
```

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

Weekly = monthly x 12 / 52; per day open = weekly / days open. Yard share = line 1 / net sales.

PAGE 9

Where quotes come from, what signs and what cancels

The same crew and the same truck, but the buyers are not alike. Sort every quote by where the call started, because a homeowner who watched you rehang a gate and a stranger off a map listing do not sign at the same rate, and it is the near neighbor and the old customer who decide whether a second crew stays fed.

```
Quote rate = quotes written divided by site visits; sold rate = jobs signed divided by quotes written
Site visits needed = the jobs still to be won divided by (quote rate times sold rate)
Cancellation rate = jobs cancelled after signing in the quarter, over the jobs signed and still in hand
when it opened
```

WORKED EXAMPLE: ONE QUARTER OF QUOTES, SPLIT BY WHERE THE CALL STARTED (ILLUSTRATIVE)

SOURCE	SITE VISITS	QUOTES	JOBS SOLD	QUOTE RATE	SOLD RATE	DAYS FROM VISIT TO QUOTE	VISITS NEEDED FOR 57 SIGNED JOBS
Neighbors and past customers	45	36	20	80%	56%	3 days	128
Online and map leads	80	62	28	78%	45%	5 days	163
Landscapers, builders and property managers	30	20	9	67%	45%	14 days	190

The counts here are invented so the sums can be followed; they explain nothing about why a neighbor down the street agrees and a lead off the map does not. At a quarter this size you get a direction, not a rate. The quotes in this example win 57 jobs a quarter; one cancellation a quarter leaves 56, one short of the 57 a quarter the plan needs at full run. The page 12 ramp is set by install dates rather than quotes, and it reaches full run in month 8. Close rates on page 7 are illustrative: replace them with your own quote log before you rely on them. Here, losing 1 of 30 signed jobs over a quarter (a job lost after the signature) comes to roughly 1.11 percent of the book lost each month, counted against the jobs already signed when the quarter opened, before any new work is won, so fresh quotes have to replace those before the book grows at all.

YOUR QUOTES, SORTED BY LEAD SOURCE

SOURCE	SITE VISITS	QUOTES	JOBS SOLD	QUOTE RATE	SOLD RATE	DAYS FROM VISIT TO QUOTE	VISITS REQUIRED

SIGNED JOBS AND CANCELLATIONS

ACCOUNT	INSTALL DATE	GATE AND HARDWARE SELECTED	INSTALLED OR CANCELLED	WHY IT WAS CANCELLED, IN THE CUSTOMER'S OWN WORDS

PAGE 10

Crew utilization and the real price of a billable hour

The installer's hourly rate opens the calculation; it does not close it. An hour spent driving to the next yard, chasing a panel that never arrived, standing about for a delivery or driving back to a gate that will not latch is an hour you pay for and cannot invoice, and the hours you can bill have to absorb all of it.

```
Utilization = hours billed on site divided by hours on the clock
Loaded hourly cost = the wage with payroll taxes, workers' compensation, benefits and paid time off
folded in, carried as a share
Cost per billable hour = the whole paid week at loaded cost, split across the hours that can be billed
```

WORKED EXAMPLE: THE INSTALL CREW, ONE WEEK (ILLUSTRATIVE)

ITEM	HOURS	PART OF THE PAID WEEK
Paid hours	160	100%
On site, billable	118	74%
Drive between jobs	26	16.3%
Comebacks and return trips	8	5.0%
Waiting on a delivery, loading, paperwork	8	5.0%

At a $22.00 wage with 24 percent payroll taxes and benefits on top, the installer costs $27.28 an hour; at 73.75 percent utilization, one billable hour works out at $36.99. Every fence quote should rest on that figure, never on the bare wage and never on the loaded rate. The shares are rounded and may not sum exactly to 100 percent.

YOUR OWN CREWS, A WEEK APIECE

CREW	PAID HOURS	ON SITE, BILLABLE	DRIVE	REWORK	UTILIZATION	BILLABLE-HOUR COST

WHERE LOSING AN INSTALLER HURTS MOST

When an installer walks, the measurements, the post spacing and the gate hardware list walk out with him unless somebody wrote them down. Put them on paper for every run and every repair call, so whoever picks up the job next starts from the same sheet.

PAGE 11

Twelve-month cash forecast

Materials and payroll leave before balances 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: materials, parts, fees and fuel (lines 13, 15, 16)												
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)												
Out: yard, shed and office 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 morning the first truck pulls out of the yard 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. Pay the crew and the fence supplier in the month the work happens. 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 the frozen months

```
Runway = the number of consecutive future months, counted from the latest closed month (before opening, from the morning the first truck pulls out of the yard), before the first month in which closing cash falls below your floor
```

Worked example: an invented fence contractor

Illustrative assumptions, not benchmarks. Each install job is invoiced on completion, and the crew sits in line 3 from month one. Cash floor $34,983. Fence work is collected as page 7 shows: 40 percent at contract and 60 percent at completion, both inside the month you bill. Repair calls are paid on the day. Panels and posts are bought in the month they are used, wages and fixed costs leave every month, the owner draws the $5,100 wage in cash, the loan takes $817 a month, and nothing new comes in after opening day.

Page 5, budget	The whole startup budget $179,698, funded by a $38,000 loan (10.5 percent over 5 years) and $141,698 of owner money, including an $85,200 reserve cut to carry the slow ramp, the frozen months, the first panel order, the floor and the buffer. The two passes on page 5 start at the $34,983 floor, add another floor month and $15,151 (how far the no-cash pass drops under zero), then round up to $85,200.
Page 8, costs	Fixed costs $34,475 a month, including $1,700 for the laydown yard and shed and $309 of loan interest in the total; principal $508 a month (both year 1 averages); variable share 55.3 percent, which puts the contribution margin ratio at 0.447. Lines 13 to 16 take 50, 0, 2.9 and 2.4 percent of sales (line 13 blended across the sales lines). Lines 1 to 12 run $1,700, $516, $18,900, $5,100, $309, $650, $4,200, $350, $750, $550, $1,000 and $450 a month.
Page 8, break-even	Operating break-even lands near $77,125 a month. Cash break-even (fixed $34,475 plus principal $508, divided by 0.447) is about $78,262 a month: 13.9 jobs a month from fence installation jobs after the other lines' contribution (line 13 runs 52.5 percent on fence installation jobs, 28 percent on repair, gate and hardware visits; lines 14 to 16 take an even slice of each line, leaving a contribution ratio of 0.422 on fence installation jobs, 0.667 on repair, gate and hardware visits), so 14, against the 19 the plan banks on.
Page 6, sales	Fence installation jobs: 19 jobs a month at $4,785.79. Repair, gate and hardware visits: 25 visits a month at $420. A full-run month comes to about $101,430; fence jobs and repair visits ramp 45, 60, 70, 80, 85, 90, 95 percent across months 1 to 7, then 100 percent; season 106, 122, 122, 120, 108, 108, 122, 112, 80, 62, 64, 74 percent in months 1 through 12, with install work and repair calls treated the same.
Page 19, expected case	Month 1 invoices $48,382; the first month ends at $71,844, month 12 at $118,433. Low: month 2, closing $70,049, $35,066 above the floor.
Page 19, slow start	With fence jobs and repair calls at 70 percent of plan, month 1 sales $33,867; the first month ends at $65,356, month 12 at minus $17,475. Cash dips below the floor in month 6 (closing $31,228) and below zero in month 11 (closing minus $5,978), which leaves a runway from opening of 5 months.
Page 8, coverage	At full run, a month of $101,430, the coverage figure for planning, before income tax and truck replacement, is 13.68 against the 1.25 the example lender asks for, and at the month-12 run rate it stands at 13.68, and Test 3 wants both of them. Yard share is about 1.7 percent.

PAGE 4 RESULT FOR THIS EXAMPLE: AMBER

Gate 0 is assumed met for the example. Test 1 passes: by the month-12 run rate, sales reach about $101,430 a month, above the $78,262 break-even; the floor still holds for a second year at that rate (its lowest close $131,510, month 1 of year 2). (Outside the test: the expected case first clears cash break-even in month 3.) Test 2 fails: at 70 percent the cash dips below the floor in month 6; about $52,500 a bigger reserve would carry it. Test 3 passes on the planning formula; your lender's definition governs. Test 4 passes: the busiest full-run month (month 2, season 122 percent) puts the fence work on page 7 and the repair calls on page 6 at roughly 486 on-site crew hours, about 658 paid hours at 74 percent utilization (page 10), close to 3.8 full-time installers against the 693 paid hours the crew can field, so the work fits; the 19 jobs planned also clear the break-even count. Test 5 fails because the evidence is not there yet. Test 6 passes: a full-run year, cold months and all, leaves about $124,275 after principal, but monthly net cash flow is negative in months 10, 11 and 12, falling $14,271 from the month 9 high to the month 12 low, covered by the page 5 buffer. That is a steady-state year: page 19's first year leaves about $33,233 in cash because the early months run below the full-run ramp while the standing costs do not. Break-even eats about 77 percent of an average month and 63 percent of peak sales; the frozen months still lose money.

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 install jobs and repair calls (lines 13 to 16 come down with them)	minus $4,534	Expected case holds the floor
Fence installation jobs: average price 5 percent higher, same volume (nothing rises but the card fee)	plus $4,415	Break-even jobs fall from 13.9 to 12.4 a month, so from 14 to 13: per-unit costs hold while sales-linked fees rise with price, so the ratio rises from 0.447 to 0.469 (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 $76,025
Fence materials and panels 10 percent higher (line 13 rises from 50 to 55 percent, about $5,072 a month at full run)	minus $5,072	Cash break-even rises to about $88,118; expected case still clears the floor; slow start below the floor in month 4 (closing $30,479)
Lose the wood privacy fence line (5 jobs a month, $30,600 of billing), from month 6 onward	minus $16,828	Expected case below the floor in month 11 (closing $30,491); slow start deadline unchanged (month 6); 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 1 (closing $23,462), below zero in month 2; slow start below the floor in month 1 (closing $31,488); would fail Test 1
Jobs run 40 percent over quoted crew hours (line 14 rises from 0 to 1.68 percent, about 62 more paid hours a month at the loaded installer cost; a price rise of about 1.9 percent on job prices would hold contribution)	minus $1,704	Cash break-even rises to about $81,318; expected case still clears the floor; slow start below the floor in month 5 (closing $30,661)
Jobs run 25 percent over quoted crew hours, absorbed inside the four installers' paid hours (675 paid hours needed of the 693 they are paid for; line 14 stays at zero until they run 28 percent over quote)	no change	Cash break-even is unchanged at about $78,262; expected case still clears the floor; slow start deadline unchanged (month 6)
The final payment on one wood privacy job a month from month 6 never arrives for 2 months ($3,672 a month)	no change	Expected case still clears the floor; slow start deadline unchanged (month 6); $7,344 never collected (a one-time loss)
Setup overrun of $10,000 beyond the contingency, paid out of the reserve	no change	Expected case still clears the floor; slow start below the floor in month 4 (closing $31,210)
Opening 3 months late (the laydown yard and shed, insurance, loan interest and principal, $3,033 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 $58,725 in month 12 from the planned opening, $11,324 lower than on time; slow start below the floor in month 6 from the planned opening, as 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

Job checklists, weekly review, six questions

These lists cover operations only; they are not a safety program. Add the site, ground, access and safety steps your own jobs call for, worked out with a qualified safety professional.

BEFORE THE JOB

- [ ] Check the signed quote, the deposit in hand and the site measurements.
- [ ] Check that panels, gate hardware, concrete and fasteners are on the truck or at the yard.
- [ ] Check quoted crew hours; name who logs them.
- [ ] Walk the run before the auger starts, with the line marked, the brush cleared and the property line confirmed with the customer using a survey or a qualified professional where required.
- [ ] Ring the customer the day before with the window the crew will arrive in.
- [ ] Write down how the customer wants to be contacted, plus gate codes, dogs and anything else about getting into the back yard.

JOB CLOSE AND REPAIR DAY END

- [ ] On every closed job, set the hours on the time sheet beside the hours in the quote.
- [ ] Record the post depth, how many panels went in, and which way each gate swings.
- [ ] Take the completion payment on the day the last post is set and the site is cleared.
- [ ] Log each repair call with what failed, the parts it took, and any gate or hinge work still owed.
- [ ] Photograph the finished run, and photograph the old fence before it goes in the truck.
- [ ] Restock the truck at day end and flag the parts that are running out.

WEEKLY NUMBERS REVIEW

MEASURE	TARGET	THIS WEEK	LAST WEEK	VARIANCE TO TARGET
Billed and collected, split by job, repair call and payment step				
Logged hours beside quoted hours, one job at a time				
Utilization of the crew, and overtime				
Repair calls, gate work and hardware sold				
Quotes written, jobs signed and close rate, by lead source				
Balance payments due inside the next 30 days				
The owner's own hours on jobs				

SIX QUESTIONS TO INVESTIGATE

1. **Founder dependency.** Does every price sit waiting for the owner, and do the installers ring him from the job before deciding where a gate hangs or a post goes in?
2. **Reactive operations.** In one week, count the messages that read no-show, come back, or the gate will not latch, then count the return trips nobody billed for.
3. **Growth without structure.** How often does a job stop for a phone call about scope, and how many overtime hours come from a short panel count or gate hardware nobody loaded?
4. **Talent and retention.** How much of the book rests on the one installer who alone remembers the run layout, the homeowner and which hinge went on?
5. **Revenue plateau.** How many weeks pass before a repair call turns into a quote for a new fence, and how many repair customers are ever offered one?
6. **Strategic confusion.** Do two jobs of the same fence type come in at wildly different hours, and does what gets built drift away from what was quoted?

Hypotheses from AI-assisted World Consulting Group desk research, described on page 2. Check each one against a record: the message log, the hours sheet, the quote record or the repair log.

PAGE 15

Your first 30 days

WHEN	DO THIS
Week 1	Start the weekly numbers review and log crew hours on every job. Log the hours the owner spends on quotes and site visits.
Week 2	Fill the page 7 job table at true crew cost and mark any fence type priced below its labor, materials, fees and fuel.
Week 3	Set up the quote table on page 9 by lead source and record days from site visit to quote.
Week 4	Enter actual closing cash on page 11 and recalculate runway. Write the decisions a lead installer may make without calling you.
After month 1	Run the overrun check on every closed job and measure crew utilization on page 10.

BEFORE YOU BUY EQUIPMENT OR RENT A YARD, GET WRITTEN ANSWERS TO THESE

- ☐ What will each truck and major piece of equipment cost per month in total, including payment, insurance, fuel and maintenance?
- ☐ What does an inspection by a qualified mechanic find on each used truck or machine, and what will each repair cost?
- ☐ What does the yard cost, what does it include (storage, security, access hours), and how much notice does either side give to end it?
- ☐ What does insurance cost for vehicles, equipment, liability and work at customer sites, and what does it exclude?
- ☐ If equipment is financed or leased, what is the monthly payment and what does ending early cost?
- ☐ Which customers require proof of insurance or other documents before work starts?
- ☐ What is your plan, and its cost, when a truck or machine is down?

Have qualified professionals review equipment, yard and insurance commitments before you sign. These questions prepare you for those conversations; they do not replace them.

WHAT THE FULL KIT ADDS

The full Fencing 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 per-foot pricing calculator from materials and crew hours to a price at a target margin, a deposit tracker, editable quote, repair and crew scheduling trackers, job checklists and hiring checklists. Release status is on the kit page.

SOURCES

Public sources. HomeGuide, fence installation cost; Fixr, fence installation cost; Angi, fence installation cost; Jobber, how to start a fencing company.
World Consulting Group material. Origin of the questions: AI-assisted World Consulting Group desk research on fencing contractors, 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. Residential fence installation and repair owner questions, businessconsultant.services, 2026.

SCOPE AND DISCLAIMER

General information only. Not legal, tax, accounting, employment, site-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 fence jobs, repair visits and crew 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 first, and never paste personal data, account numbers, passwords, customer-level records or anything an agreement restricts, such as customer contracts, customer names or addresses, access details, gate codes, 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 fence installation and repair company. I have attached the Fencing Business Plan and Operations Starter Kit from businessconsultant.services. Help me turn it into my own plan for my fence jobs, repair visits and crews, 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 job price, materials cost, installer 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 (every line here is counted per month). Each month's expected sales = full-run fence-job and repair-visit sales times ramp times season, each marked MY ESTIMATE until I confirm it.
- 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 crew hours belong in line 14 at an installer's wage, never in line 3. 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 jobs = (fixed costs, principal and other recurring cash out minus repair-visit contribution) divided by one average job's contribution; repair-visit contribution = visit price minus its own parts share and the kit's other variable lines. If the other lines already cover fixed costs and principal, report 0 and say so; never report a negative break-even count. Paid crew hours available per month = installers 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 = crew hours on jobs and repair visits divided by utilization.
- Yard and laydown 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 morning the first truck pulls out of the yard 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; report the page 5 two-pass size beside it. Enter the deposit and the balance in the month each lands; payroll and suppliers are paid in the month worked. Include a customer deposit in closing cash in the month it is received; where a job has not started, 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, repair visits 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 morning the first truck pulls out of the yard), 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, 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 installers 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 fence installation jobs (jobs), the full-run jobs a month by fence type, each type's price, materials cost and crew hours; for repair, gate and hardware visits (visits), the visits a month at full run, the average ticket and the parts share of it; 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 repair log 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 job type: jobs a month at full run, price, crew hours on site (drive and setup are in the cost per billable hour, not the hours), materials and subcontract cost, and quotes given and won last quarter; my payment schedule for each sales line (deposit share and when it is collected, progress payments and when, the final payment and how many days after completion it is paid); and the jobs 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 (dealer quote, supplier quote, insurer quote or calculation) for each line on page 5, from the trucks and tools to the working capital reserve and contingency.
e. Monthly fixed costs for lines 1 to 12 on page 8, including the installation crew, any guaranteed minimum crew, 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 crew hours belong in line 14 at an installer's wage, never in line 3.
f. Variable cost shares of net sales for lines 13 to 16: line 13, fence materials, panels, posts, gates and repair parts, as quoted on jobs and visits; line 14, hourly crew labor above any minimum crew, with payroll taxes and workers' compensation; line 15, card and financing fees; line 16, fuel, blades, bits, concrete, fasteners and removal disposal; and any sales line whose own shares differ, given for that line.
g. Sorted by lead source: site visits, quotes written and jobs signed last quarter, and days from site visit to proposal; the jobs signed when the quarter opened and how many were cancelled; and the number of new jobs I still need.
h. For one typical week: paid, on-site billable, drive, rework, and waiting, loading or admin hours per crew; 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 (the deposit share at contract, the completion balance, how many days after completion a withheld final payment lands, or by card on the day for repair visits), deposits I collect or pay and when, and when payroll and my fence 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, truck, tool and trailer 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 fencing company, drafted from my answers, with gaps marked [NEED: ...].
2. The sales build by fence-job line, repair 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 jobs (use cash break-even); yard 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. Job economics for each job type at true crew cost, ranked by contribution per crew hour, flagging any job type priced below its labor, materials, fees and fuel; quotes needed a month; and the collection pattern the cash forecast uses.
7. Pipeline by segment with site visits needed and monthly churn.
8. Crew 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 job 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 job counts by month, payment timing and crew 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 $34,983.

LINE ($)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
EXPECTED CASE												
Opening cash	**85,200**	**71,844**	**70,049**	**73,786**	**82,328**	**88,967**	**98,054**	**115,619**	**131,416**	**132,704**	**125,831**	**119,865**
In: sales receipts	48,382	74,247	86,621	97,373	93,113	98,590	117,557	113,602	81,144	62,887	64,915	75,058
In: owner money and loans received	0	0	0	0	0	0	0	0	0	0	0	0
Out: materials, parts, fees and fuel (lines 13, 15, 16)	26,755	41,059	47,901	53,848	51,491	54,520	65,009	62,822	44,873	34,777	35,898	41,507
Out: payroll, line 4 if drawn in cash (lines 3, 4, 14)	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Out: yard, shed and office rent (line 1)	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Out: other costs, with loan interest (lines 2, 5 to 12)	8,775	8,775	8,775	8,775	8,775	8,775	8,775	8,775	8,775	8,775	8,775	8,775
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	508	508	508	508	508	508	508	508	508	508	508	508
Out: startup bills still to pay	0	0	0	0	0	0	0	0	0	0	0	0
Net cash flow (in minus out)	**(13,356)**	**(1,795)**	**3,737**	**8,542**	**6,639**	**9,087**	**17,565**	**15,797**	**1,288**	**(6,873)**	**(5,966)**	**(1,432)**
Closing cash, expected	**71,844**	**70,049**	**73,786**	**82,328**	**88,967**	**98,054**	**115,619**	**131,416**	**132,704**	**125,831**	**119,865**	**118,433**
SLOW-START CASE (70 PERCENT OF EXPECTED SALES IN EVERY MONTH)												
Opening cash, slow start	**85,200**	**65,356**	**53,605**	**45,725**	**41,210**	**35,362**	**31,228**	**33,029**	**33,592**	**23,999**	**8,693**	**(5,978)**
Sales receipts, slow start	33,867	51,973	60,635	68,161	65,179	69,013	82,290	79,521	56,801	44,021	45,441	52,541
Out: variable costs, slow start (lines 13 to 16)	18,728	28,741	33,532	37,693	36,044	38,164	45,506	43,975	31,411	24,344	25,129	29,055
Out: fixed costs (lines 1 to 12), principal, bills, less funding	34,983	34,983	34,983	34,983	34,983	34,983	34,983	34,983	34,983	34,983	34,983	34,983
Net cash flow, slow start	**(19,844)**	**(11,751)**	**(7,880)**	**(4,515)**	**(5,848)**	**(4,134)**	**1,801**	**563**	**(9,593)**	**(15,306)**	**(14,671)**	**(11,497)**
Closing cash, slow start	**65,356**	**53,605**	**45,725**	**41,210**	**35,362**	**31,228**	**33,029**	**33,592**	**23,999**	**8,693**	**(5,978)**	**(17,475)**
STEADY-STATE YEAR FOR TEST 6 (RAMP DONE, SEASONS IN; NOT THE FORECAST YEAR)												
Net cash flow, steady-state year	**13,077**	**20,331**	**20,331**	**19,424**	**13,983**	**13,983**	**20,331**	**15,797**	**1,288**	**(6,873)**	**(5,966)**	**(1,432)**

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 $101,430 a month, against month 12's own $75,058): closing cash runs $131,510 in month 1 and $242,708 in month 12, lowest $131,510 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. In the slow-start case month 1 finishes under the expected case: receipts drop with sales by more than materials drop, while payroll, fixed cost and principal stay where they were.