



Show Me the Money!

The Small Business Development Center at UNF
State Designated as Florida's Principal Provider
of Business Assistance [§ 288.001, Fla. Stat.]

**Helping Businesses
Grow & Succeed**

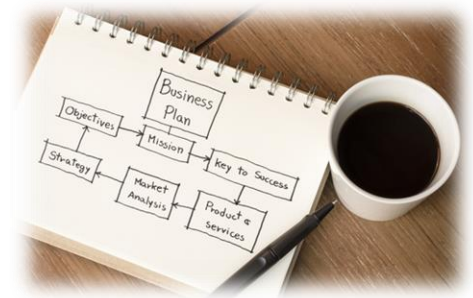
7 Documents Every (Aspiring) Business Owner Needs to Have

- Business Plan
- Profit and Loss (Income) Statement
- Balance Sheet
- Debt Schedule
- Personal Financial Statement
- Tax Returns
- Start-up/Expansion Budget ('The Ask')



Business Plan

- Tells the story of your business
 - What is the nature/history of your business?
 - What is your industry/market?
 - What is your experience in this field?
 - What is your product/service?
 - How you are going to sell your product/service?
 - To whom are you going to sell your product/service?



Business Plan

Profit and Loss (Income) Statement



Sales
- Cost of Goods
= Gross Profit
- Expenses
= Net Income



Profit and Loss (Income) Statement

- Shows profitability for a **specific period**
 - Past performance
 - Projected effect of project/expansion
- Shows historical **trends**
 - Sales, expenses, margins
- Allows internal and external comparison
 - Sales, expenses, margins



Profit and Loss (Income) Statement

Handouts

- 4-30 Worksheet (pg 220) – Annual Operating Expenses
 - Variable vs. Fixed Costs
 - No revenue on this form
- “Income Statement Spreadsheet”
- FSA 2002 – “Three-Year Financial History”
 - Historical
 - Does not consider COGS
- FSA 2038 – “Farm Business Plan Worksheet – Projected/Actual Income & Expense”



REVENUES/INCOME



COST OF GOODS SOLD



GROSS PROFIT



EXPENSES



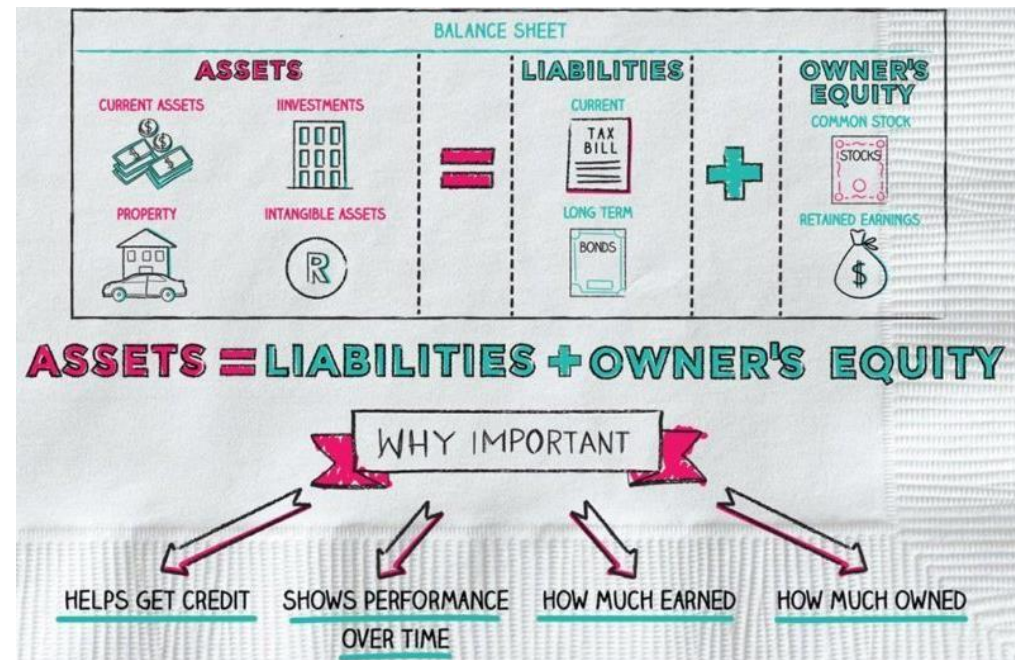
TAXES



NET INCOME/LOSS

Balance Sheet

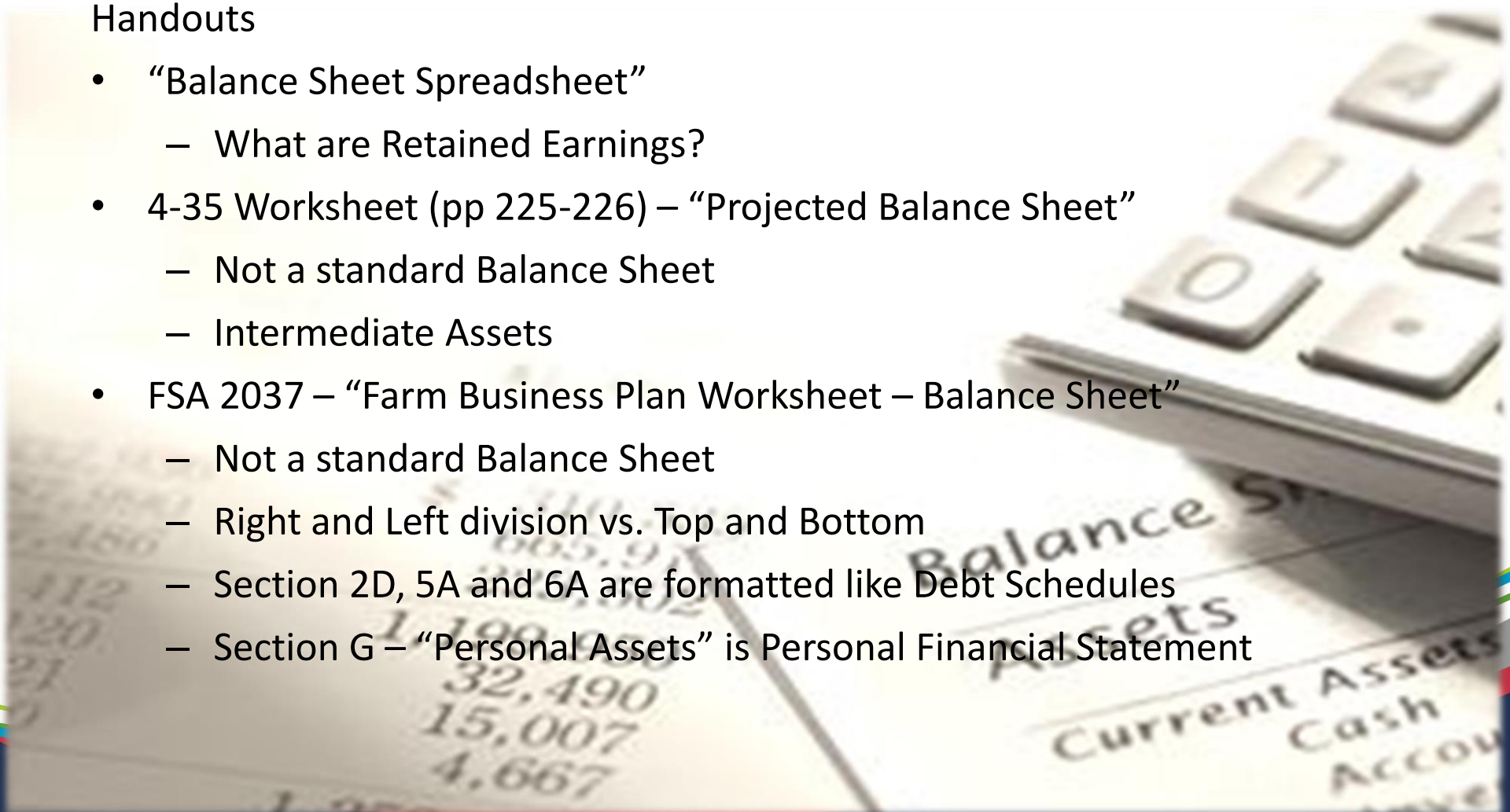
- Shows:
 - What you have
 - How you paid for it
- Total Liabilities
+ Owner Equity
= Total Assets
- Top to bottom – most liquid/current to least liquid/longer term



Balance Sheet

Handouts

- “Balance Sheet Spreadsheet”
 - What are Retained Earnings?
- 4-35 Worksheet (pp 225-226) – “Projected Balance Sheet”
 - Not a standard Balance Sheet
 - Intermediate Assets
- FSA 2037 – “Farm Business Plan Worksheet – Balance Sheet”
 - Not a standard Balance Sheet
 - Right and Left division vs. Top and Bottom
 - Section 2D, 5A and 6A are formatted like Debt Schedules
 - Section G – “Personal Assets” is Personal Financial Statement



Debt Schedule

- Up to date list of all debts.

- Should include:

- Origination Date
- Original Amount
- Balance
- Maturity Date
- Interest Rate
- Terms (duration)
- Payment Amount
- Down Payment
- Amortization
- Security/Collateral



Debt Schedule

Handouts

- SBA 2202 – “Schedule of Liabilities”
 - See note at bottom
- “Business Debt Schedule”
- Notes:
 - FSA 2005
 - FSA 2037 - Sections 2D, 5A and 6A
 - Date is important
 - Separate Principal and interest in bookkeeping
 - Interest is expense – goes on P-L
 - Principal pays down liability on Balance Sheet



Personal Financial Statement

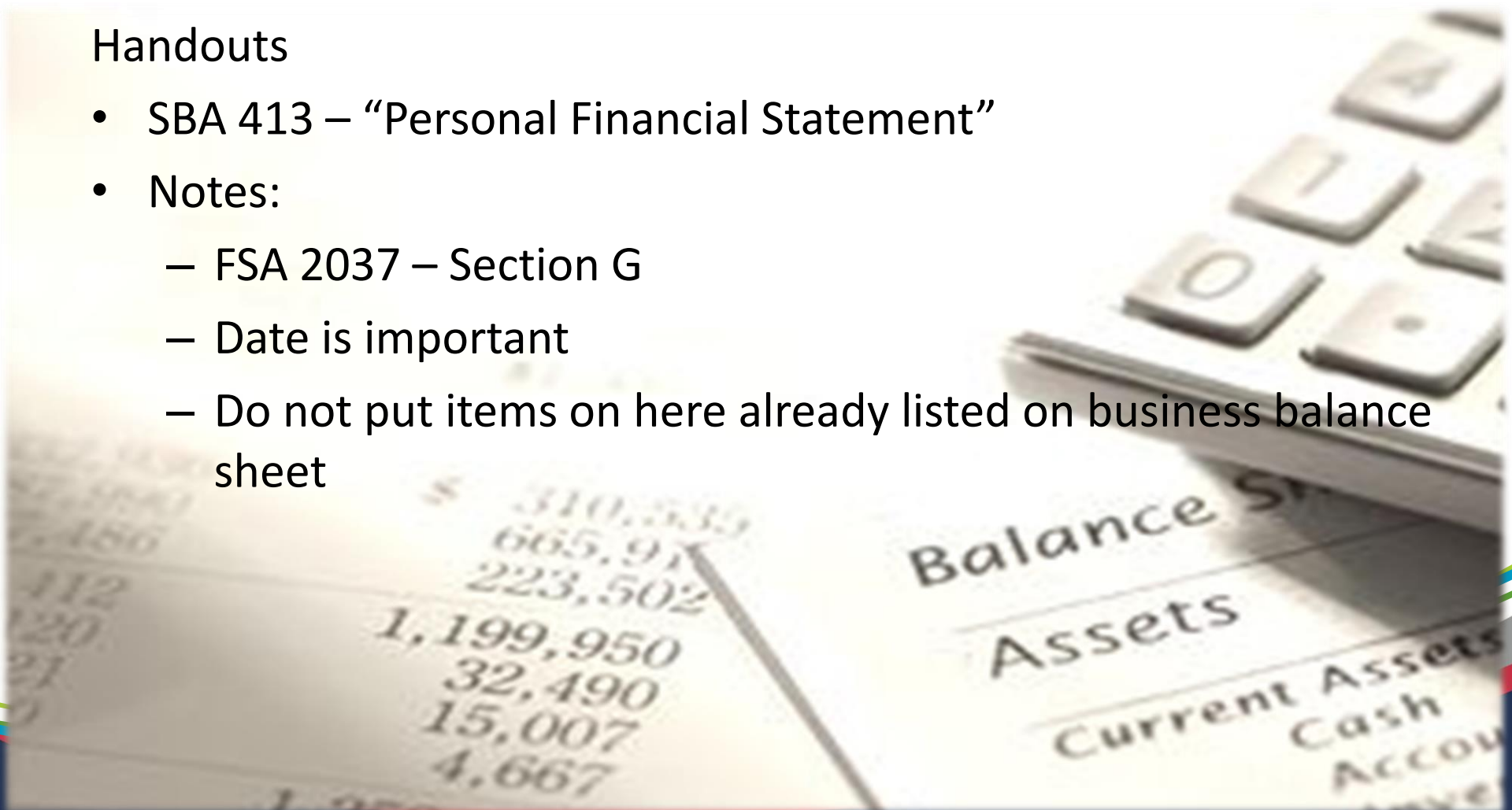
- This is the Balance Sheet for your household
 - Do not put items on here already listed on business balance sheet
- Left Side – Assets – “What you have”
- Right side – Liabilities – “How you paid for it”
- Sections – provide more detail
- FAQ
 - Insurance
 - Personal Property
 - Salary = Household Income – describe in Section 1



Personal Financial Statement

Handouts

- SBA 413 – “Personal Financial Statement”
- Notes:
 - FSA 2037 – Section G
 - Date is important
 - Do not put items on here already listed on business balance sheet



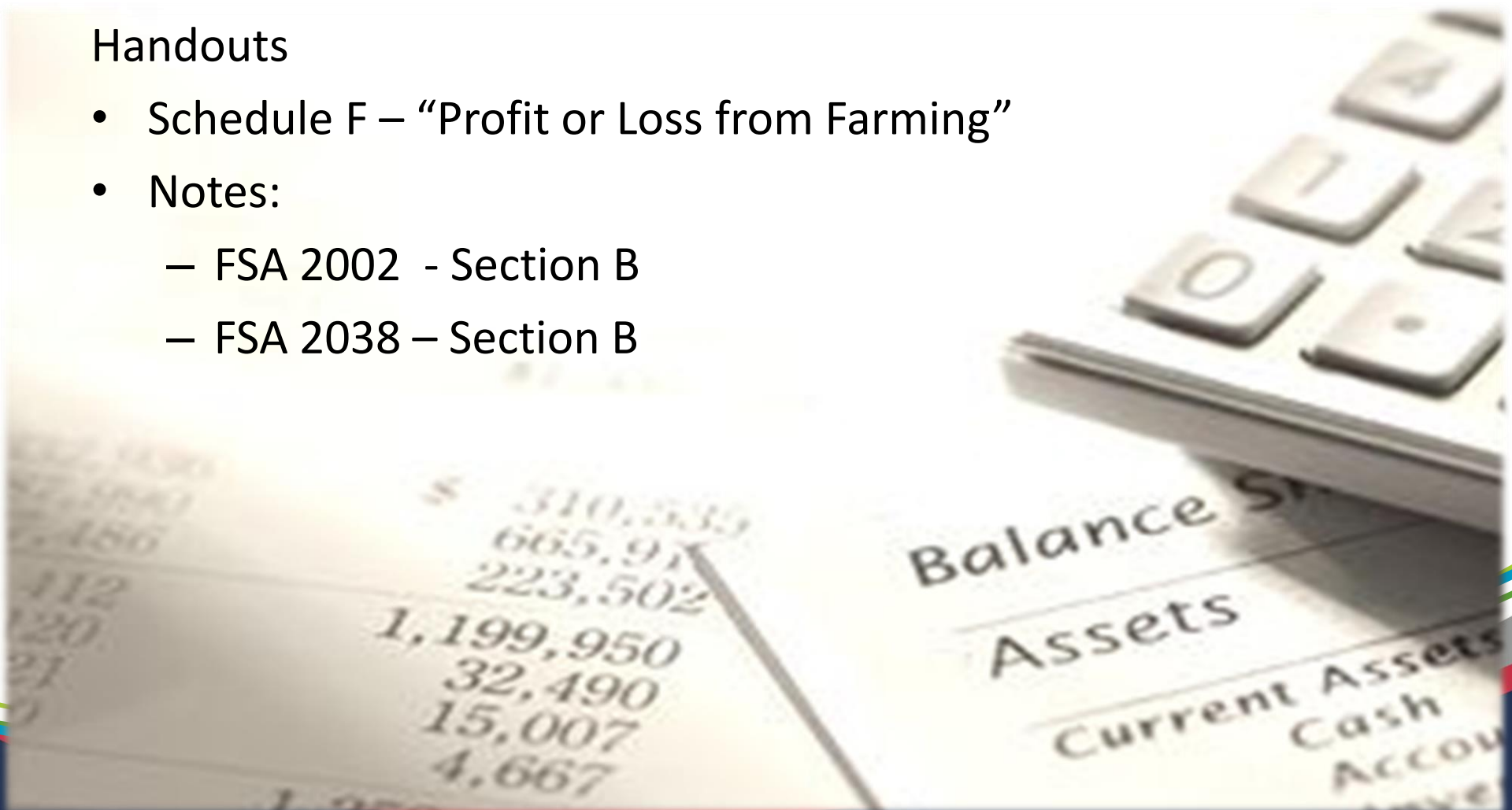
Tax Returns

- Most lenders ask for 3 years of personal and business tax returns
- Tax returns supersede all other financial information
- Proper tax **strategy** affects your:
 - The amount you owe
 - Your ability to borrow
 - The value of your business
 - Your ability to sell your business
- Tax strategy includes filing on time

Tax Returns

Handouts

- Schedule F – “Profit or Loss from Farming”
- Notes:
 - FSA 2002 - Section B
 - FSA 2038 – Section B



Start-up/Expansion Budget ('The Ask')

- List every cost/expense you will incur before the project begins to generate revenue
- This Total Project Cost will be financed by lenders, investors, partners and owners.
- This budget includes a working capital component. This is cash that will keep the operation solvent until it is profitable.
- Supported by quotes and invoices.

<u>Project Costs</u>	
Waterlines and misters	\$ 3,000
Sand Slinger	\$ 3,000
Freestall loops and Hardware	\$ 7,500
Flush Tanks and Valves	\$ 8,000
Site prep	\$ 10,000
Lights and Electric	\$ 10,000
Additional Labor	\$ 10,000
Fans	\$ 13,000
Concrete labor	\$ 20,600
Concrete materials	\$ 32,900
Building	\$ 132,000
Working Capital	\$ 40,000
Total Project Cost	\$ 290,000

Contact Info



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