

Jack N' Jill's Lawn Care

1. Executive Summary

Jack N' Jill's Lawn Care, located in Flowersville, Ohio, is a full service lawn care company dedicated to exceptional customer satisfaction by providing experienced and certified lawn care professionals, premium quality environmentally safe lawn care materials, and outstanding lawn care customer service. Both owners were born and raised in Flowersville, Ohio and strive to instill a sense of community and pride in their work and surroundings.

According to the Homeowner's Association of America, a well-maintained lawn and landscape can add five to seven percent to a property's value¹. Furthermore, scientists have long recognized and advocated the importance of lawns to our environment. Growing a lush, green lawn, however, may not always seem easy. Lawn and landscape maintenance is the number one Green Industry service hired and new companies are needed to fill the demand. The Professional Lawn Care Association of America reports:

U. S. homeowners are turning to lawn, landscape, and tree care professionals in record numbers, spending an all-time high \$17.4 billion on outdoor home improvement in 1999. More than 26 million households hired a green professional, a 23 percent increase over the previous year, according to a 2000 Gallup survey. The number is expected to grow².

Given the number of households and lawns in the United States, the economic impact of such a large service industry is considerable. Grass is perennial, so lawns are very durable and environmentally conscious investments. Everyone who maintains a healthy lawn contributes to the quality of the earth's environment and our future. Lawns replenish our oxygen supply, cool our neighborhoods, prevent soil erosion, purify water, filter dust and pollen from the air, build topsoil and absorb noise pollution. Jack N Jill's cares about the community and its surroundings, and they strive to provide the greater Flowersville, Ohio region (city population 14,603, township population 3,444 and county population of 559,062) with exceptional lawn care service and beautiful lawns. Jack N' Jill's is a local company that understands the environmental rewards and the economic benefits that exceptional lawn care services provide a community.

¹ Homeowner's Association of America Property Value Report, April 1, 2001

² Spring report, 2001

Jack N' Jill's Lawn Care positions itself as a local, knowledgeable, customer-oriented business. Our prices are competitive with other local lawn care services, but we pride ourselves on value added customer service and support. Our lawn care service is unique in that it is customized and personalized, and this is our competitive edge. We provide free lawn inspection and estimates for services. All lawn care services include pre-job conferencing and client lawn portfolios that document lawn care services. Jack N' Jill's has also developed a client evaluation form to gather feedback from customers. In addition, we guarantee customer satisfaction.

In alignment with our vested interest in the community, Jack N' Jill's has taken a grassroots' approach to marketing. Our marketing plan focuses on being active members of the community and being involved in community-sponsored events such as youth recreation leagues, farmers markets, and charity events. Our target market is the greater Flowersville, Ohio region with a focus on Flowersville, Ohio. We spend a lot of time in the community, which allows us to continually assess the needs of our customers. By being active members in our community we learn a lot about what people need in a lawn care service.

Both founding owners have been members of the Professional Lawn Care Association of America (PLCAA) since 1997. Both owners are Certified Turfgrass Professionals (CTP) and Certified Ornamental Landscape Professionals (COLP) through the University of Georgia and PLCAA. Jack L. Renner, co-owner, specializes in pesticides, Integrated Pest Management, and Turfgrass education. He is a Certified Pesticide Operator in Ohio, Georgia, Kentucky, Pennsylvania, and West Virginia. Jill L. Renner, co-owner, has extensive experience and certifications in lawn care services, as well as a college background in marketing and public relations. Her approach to customer service is unsurpassed and has led to an extensive client base for Jack N' Jill's Lawn Care.

1.2 Statement of Purpose

Jack N' Jill's Lawn Care plans to develop into the leading lawn care service provider for the greater Flowersville, Ohio region. This means always having the best and most efficient processes and people. No funding is required for the company at this time as the owners intend to slowly grow the company using personal resources. The purpose of this plan is to provide the company with a directive for growth.

2. The Business

2.1 Mission Statement

Jack N' Jill's Lawn Care is dedicated to exceptional customer satisfaction by providing experienced and certified lawn care professionals, proven premium quality environmentally safe lawn care materials, and outstanding lawn care customer service. We are "hometown proud."

2.2 Description of Product or Service

Jack N' Jill's Lawn Care provides general agronomic services to the greater Flowersville, Ohio region. Specifically, we provide lawn fertilization both for pre-emergence (for crabgrass) and post-emergence (for broadleaf weeds), tree trimming, mowing, mulching, insect control, disease control, coring/aerification, dethatching, and soil testing. Furthermore, Jack N' Jill's Lawn Care is dedicated to exceptional customer satisfaction by providing experienced and certified lawn care professionals, premium quality and environmentally-safe lawn care materials, and outstanding lawn care customer service.

2.3 Location

Jack N' Jill's Lawn Care is located at 211 Zinnia Lane, Flowersville, Ohio. Our location has historical importance in that it was the site of a successful local fruit farm for many years. It consists of two 8,000 square foot barns, 50 acres, and a 2,000 square foot service area that is divided among office space as well as a traditional storefront. We anticipate that our location will have a broad appeal for longtime members of the community.

2.4 Features and Benefits

Jack N' Jill's Lawn Care appeals to the environmentally-conscious consumer by offering turf and grass recycling. Jack L. Renner is an expert in Integrated Pest Management (IPM), a program designed to create a healthy lawn with sufficient plant strength and density to survive weed, insect and disease attacks with minimum chemical use. We will also appeal to the environmentally-conscious consumer by providing literature and advice on such topics as sensible watering and fertilizing.

We recognize that the most successful lawn care program is dependent upon some cooperation from, and education of, the homeowner. Jack N' Jill's provides homeowners with pamphlets, brochures, and advice concerning the services necessary for maintaining a healthy lawn throughout the year. Jack N' Jill's also sponsors special lawn care educational programming during our annual "Flowersville Lawn and Grass Day." At the annual event we hold workshops on various lawn-related subjects. At our storefront we provide a free mower blade sharpening service for our customers.

Our unique customer service entails a lawn portfolio that includes dates and descriptions of lawn services and provides our customers with seasonal information on appropriate care for individual lawns. We spend time with our clients in a pre-job conference to ensure communication and understanding of job requirements and contract services. We make every effort to satisfy our customers and guarantee our work to customer satisfaction.

2.5 Legal Form

Jack N' Jill's Lawn Care is a general partnership between father and daughter that started out as a lawn mowing service for Jill's college education fund. Currently, both owners now have college degrees and lawn maintenance and care certifications. Both owners, Jack L. Renner and Jill L. Renner, have equal equity in Jack N' Jill's Lawn Care. We strive to hire laborers that have a vested interest in learning about agronomic services and furthering their experience and education.

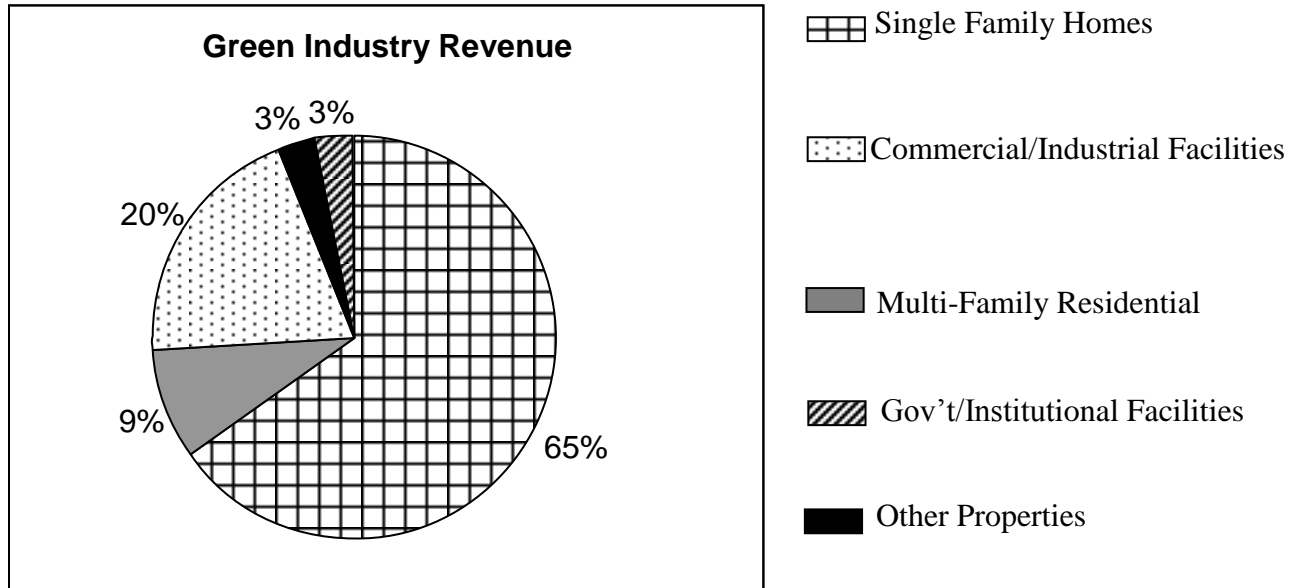
3. Market Analysis

Due to consumer demand fueled by a robust economy and an aging population, “Green Industry” statistics demonstrated a growth in the lawn, landscape, and tree industry sectors prior to September 11, 2001 (PLCAA 2002). According to a 2000 Gallup survey, consumers spent an all-time high of \$17.4 billion on outdoor home improvement in 1999. More than 26 million households hired a green professional, a 23 percent increase over the previous year. However, since September 11, 2001, all sectors of the U. S. economy have suffered – including the “Green Industry” along with its lawn and landscape sectors. Even though the U. S. economy is currently in a recession, there are some signs of recovery. There is growth in U. S. gross domestic product in the third quarter of 2002, and initial claims for jobless benefits are decreasing. Also, existing home sales are now starting to increase. These are all positive signs that the economy is rebounding (Reuters 2002). We will capitalize on this by providing our service to real estate brokers and agents and expanding into the “empty” house and their current listings maintenance market. We will assure the properties are always in top showing condition. We will also market to the absentee homeowner who may have more than one property to maintain. By maintaining the grounds we will be providing the security of an occupied house and will be able to monitor for obvious break-ins.

Statistics from the *U. S. Census Bureau* report that people are spending \$297, 725 billion dollars each year for “Building Material and Garden Equipment and Supplies Dealers.” This is the most accurate national data at this time on lawn and landscape services, since the *U. S. Census Bureau* recognizes no category for lawn and landscape businesses. However, the strength of the “Green Industry” is demonstrated by the U. S. Economic Census, which for the first time in 2002 will include industry service sectors for lawn and landscape businesses. The “Green Industry” is sweeping the nation as the top career field for people interested in making a good living at making the country more beautiful. *Lawn and Landscape* reports in its “2001 State of the Industry Report” that lawn maintenance work and design/build services remain at the heart of the industry, accounting for 59 percent of industry revenue together and each being offered by almost 70 percent of “Green Industry” firms. Jack N’ Jill’s Lawn Care is proud to be part of the “Green Industry.”

3.1 Market Segmentation

In 2001, nearly two-thirds of the industry's sales came from single-family residential homes.



3.2 Target Market

Customers are the foundation of any successful business, and Jack N' Jill focuses on residential clients of Flowersville, Ohio. Flowersville is located within Bouquet County. According to the U. S. Census Bureau website, Bouquet County has a population of 559,062, with 248,443 housing units consisting of 229,229 households. Of these 229,229 households, 142,371 are owner occupied. With an income per capita of \$29,410, only 11.3% of the residents of Bouquet live under the poverty level.

The largest age group in Bouquet County is the 35-44 year olds, with a population of 86,275. However, the target market of Jack N' Jill's is the "baby boomers." The "baby boomers" consist of three age groupings: 45-54, 55-59, and 60-64, with a total population of 129, 995. The "aging" of our population over time brings larger populations to the 35-64 age range, and potentially a larger target market.

In concluding our market analysis, we surveyed our customers in Flowersville and gleaned useful information. Survey data demonstrate that both males and females ages 45-64 in Flowersville are equally interested in lawn care services and willing to hire a lawn care service for a reasonable fee. Females account for 290,691 of the total population while males account for 268,371 of Bouquet County. Nine out of ten people surveyed responded that customer service is a major factor when deciding upon a lawn care service provider. 88% of the respondents claimed that they are interested in environmentally-safe lawn care practices such as Integrated Pest Management (IPM). The survey demonstrates the target market to be a knowledgeable, environmentally-conscious group who recognize value added service as a benefit for the customer. Our customer data shows calls from references to be coming in at a larger rate than previous years and housing starts are stable, so we feel that we have at least a 14- to 18-month window of potential positive growth. Bouquet County and Flowersville, Ohio prove to consist of the desired target market for Jack N' Jill's Lawn Care.

3.3 Competition Analysis

We are located near several similar lawn care businesses listed in the 2002 *Yellow Pages* for the Flowersville region. We called these businesses and explained to the managers that we were completing market research for our business. Most businesses provided us with useful information for our analysis. The charts below list our competitors and the information reported about their business.

Competitor #1	
Business Name	Life of Riley Lawn Care
Location	Poplar Wood, Ohio
Product Range/Services offered	Lawn mowing, landscape design
Prices	\$25 to \$50 per hour
Strengths	Has a large crew for volume mowing and landscaping
Weaknesses	No value added customer service, general laborers not certified lawn care specialists
How can we beat them?	Customer service, pricing, knowledge of lawn care

Competitor #2	
Business Name	Turf Smurfs
Location	Flowersville, Ohio
Product Range/Services offered	Mowing, mulching, landscape design and installation, fertilization
Prices	\$25 - \$40 per hour
Strengths	Pricing, solid customer base
Weaknesses	Grew into other green industry sectors. Not seen as a specialist in any area; poor location without a storefront
How can we beat them?	Value added customer service such as security checks and with certified lawn care professionals. Accessibility

Competitor #3	
Business Name	Season's Dreams
Location	Flowersville, Ohio
Product Range/Services offered	Landscape design and turf development
Prices	\$35 - \$100 per hour
Strengths	Known for landscape design - has both commercial customers as well as residential
Weaknesses	Location off beaten path. I left many messages before I contacted a person. Seems to be a very small operation
How can we beat them?	Value added customer service such as security checks

We also researched the internet for local competitors who may have websites. Our survey results show that 60 percent of all participants have online access and abilities to research online lawn care. We conducted a "Google" search for "Flowersville and Landcape" and found the following competitors, two of which were also found in the *Yellow Pages*:

Competitor #1	
Business Name	Life of Riley Lawn Care
URL: http://www.LifeRileylawnCare.com	
Product Range/Services offered	Lawn mowing, landscape design
Prices	Not stated but free estimates listed
Strengths	Beautiful web site but not informational
Weaknesses	Navigation is not user friendly. Difficult to find information
How can we beat them?	Make sure website is specific with relevant information. Keep navigation simple. State seasonal specials and seasonal lawn care information for customers. Develop resources section of website.

Competitor #2	
Business Name	Summer Dreams
URL – www.summerd.com	
Product Range/Services offered	Landscape design and turf development
Prices	Not listed – claims to be very cheap
Strengths	Claims to be able to service lawn cheaper than homeowners themselves. Eight years experience – guaranteed results
Weaknesses	No real data to back up claims on website
How can we beat them?	Promote business with stating facts on website. Expand our website

The web competitor analysis demonstrates the variety of websites readily available for lawn care services and products. Our online competitors are lacking in information organization and critical information such as pricing. This analysis has opened our eyes to the potential success of our website and how we may contend online with our competitors. Jack N’ Jill’s is committed to a useful website that assists customers and potential customers with researching and locating pertinent information.

Our survey results show that 60 percent of all participants have online access and abilities to research online lawn care. Our website is one facet of our company where we recognize that growth and development is crucial to our online success.

4. Marketing Strategy

4.1 Positioning

Jack N' Jill's Lawn Care positions itself as a local lawn care company who takes pride in our community. We provide general agronomic services to the greater Flowersville, Ohio region. Specifically, we provide lawn fertilization both for pre-emergence (for crabgrass) and post-emergence (for broadleaf weeds), tree trimming, mowing, mulching, insect control, disease control, coring/aerification, dethatching, and soil testing.

Jack N' Jill's target market is residents in Flowersville, Ohio who fit into the "baby-boomers" and "generation X" age ranges. Males and females in this region are equally interested in lawn care services and our research indicates that this market has an interest in environmentally-friendly products.

Our region has many lawn care businesses. However, Jack N' Jill's Lawn Care positions itself as a local, knowledgeable, customer-oriented business. Our prices are competitive with other local lawn care services but we pride our business on value added customer service and support. This is our competitive edge.

4.2 Pricing

Jack N' Jill's Lawn Care utilizes full cost pricing strategy with a 20% markup. Full cost pricing identifies every cost involved in the product along with adding the percentage markup. This methodology provides fair pricing with standard service mark up. We provide free lawn inspection and estimates for services and free mower blade sharpening. All lawn care services include pre-job conferencing and client lawn portfolios that document lawn care services. Jack N' Jill's has developed a client evaluation form to gather feedback from our customers and we guarantee customer satisfaction. Unlike many of our competitors, our lawn care service is customized and personalized.

4.3 Place

Jack N' Jill's is centrally located within the county at 211 Zinnia Lane, Flowersville, Ohio. Our property has been in the family for many years and started out as a fruit farm. The fruit farm was very popular in its day and known for the best apples in the Flowersville/Poplar Wood region. The family decided to quit the orchard business back in the 70's and the property was vacant until Jack bought out his brothers and sisters about twenty years ago. The location is directly off of Route 40 West, on the North side, between Flowersville and Poplar Wood. The site is very visible from Route 40 and has a nice billboard sign on the property for advertisement. The property itself consists of a house, Jack's residence, two 8,000 square foot barns and a small storefront building consisting of 2,000 square feet. The barns are used for storage of equipment and fertilizer. The property is a total of 50 acres and we're hoping to expand the use of the property to allow us to keep our own supply of mulch and mulching equipment on site. The storefront area is now divided among office space and a small storefront. The office is used for day-to-day operations where employees receive daily assignments. There is also an office site for Jill to contact customers and conduct billing. The storefront consists of a small meeting room that allows the opportunity for customers to meet on site for consultation. Customers may also make payments and purchase mulch at the storefront as well as drop off and pick up lawn mower blades for sharpening. Our location is an indispensable asset for Jack N' Jill's Lawn Care.

4.4 Packaging

4.4.1. Logo

Our logo is simplistic and is reminiscent of an old nursery rhyme that entails the name of both owners. It reflects teamwork and an environmental setting with both male and female representation. We have placed the logo with the business name on all marketing materials, business vehicles, and company uniforms. The simplicity of the logo and business name makes them easy to recognize and remember.



4.5 Promotion

In alignment with our vested interest in the community, we've taken a grassroots' approach to promotion. As a business and a family we participate in many community events such as the local Flowersville farmer's market and the Flowersville Octoberfest. Jack N' Jill's sponsors Flowersville youth league teams in various sports. In 1999 our 14-16 girls' softball team won the city league championship. We pride ourselves in being the founders of the annual "Flowersville Lawn and Grass Day," where we organize volunteers to clean up the main city block and provide free lawn care information. We provide our customers with seasonal mailings and utilize local resources such as grocery store bulletin boards and community bulletin boards for flyer placement.

From our survey, we concluded that many of our customers are internet savvy. We believe that our website is suitable. Our information is organized and user-friendly. However, we would like to develop our website to provide more seasonal lawn care information, seasonal promotions, online billing and customer lawn portfolios. We hope to expand our website to accommodate the trends of record keeping. We're currently researching the value of providing online client lawn care portfolios with future research focused on online bill payment options. Our website provides many opportunities for growth in Jack N' Jill's Lawn Care and we have a vested interest in developing our web presence for meeting customer needs.

5. Management Summary

Jack N' Jill's is a family-owned company operated by Jack L. Renner and Jill L. Renner, father and daughter. The business is a general partnership with both Jack and Jill sharing equal equity. Jack is responsible for decision making related to lawn care services, including scheduling, job management, and customer education initiatives. Jill L. Renner, co-owner, has extensive experience and certification in lawn care services as well as a college background in marketing and public relations. Jill is responsible for storefront operations, customer communication, marketing, and accounts receivable and payable. Her approach to customer service is unsurpassed and has led to an extensive client base for Jack N' Jill's Lawn Care. Both owners participate in long-term planning and business strategy.

The staff consists of two owner operators (Jack and Jill) and one additional employee.

6. Financial Reports

6.1 Capital Equipment List

Jack N' Jill's Lawn Care Capital Equipment List as of December 31, 2002

5 year depreciation: autos, trucks, computers & peripherals, office equip (60)

7 year depreciation: office furniture & fixtures, agricultural equip (84)

39 year depreciation: nonresidential real estate, including home offices - not including land value

Item	Purchase Date	Purchase Cost	Monthly Depreciation	Months Owned	Current Value
Craftsman 6.75hp Rear Bag Mower	July 31 2001	\$ 350.00	\$ 4.17	17	\$ 279.17
Craftsman 7.0hp Rear Bag Mower	July 31 1999	\$ 375.00	\$ 4.46	39	\$ 200.89
Craftsman 20 hp 40 in. Deck Lawn Tractor	December 31 2002	\$ 1,499.88	\$ 17.86	0	\$ 1,499.88
1991 Ford F150 Truck	December 31 2000	\$ 1,500.00	\$ 17.86	24	\$ 1,071.43
1998 Ford F150 Truck - Long Bed	December 31 2002	\$ 13,380.00	\$ 159.29	0	\$ 13,380.00
2002 Agri-Fab/Marshall 40" Coring Aerator	December 31 2002	\$ 195.99	\$ 2.33	0	\$ 195.99
Trailer	December 31 2000	\$ 2,000.00	\$ 23.81	24	\$ 1,428.57
Truck Ramp - Safe-T-Ramp 53 inches	December 31 2002	\$ 435.00	\$ 5.18	24	\$ 310.71
500 Gallon Fertilizer tank	June 30 2000	\$ 500.00	\$ 5.95	30	\$ 321.43
Craftsman Leaf Blower	June 30 1999	\$ 125.00	\$ 1.49	38	\$ 68.45
Craftsman Leaf Blower	December 31 2002	\$ 109.99	\$ 1.31	0	\$ 109.99
Craftsman 3.5 hp Edger	June 30 2001	\$ 250.00	\$ 2.98	18	\$ 196.43
Craftsman 3.5 hp Edger	December 31 2002	\$ 249.99	\$ 2.98	0	\$ 249.99
Craftsman 32cc gas Line Trimmer	July 31 1999	\$ 125.00	\$ 1.49	39	\$ 66.96
Craftsman 32cc gas Line Trimmer	December 31 2002	\$ 119.99	\$ 1.43	0	\$ 119.99
Capital Equipment Total		\$ 21,215.84			\$ 19,499.89

6.2 Balance Sheet

**Jack & Jill's Lawn Care
Balance Sheet
For Month Ended July 31, 2002**

Assets		Liabilities	
CURRENT ASSETS		CURRENT LIABILITIES	
Cash	\$ 78,313.49	Accounts Payable	\$ 35.00
Accounts Receivable	\$ 0.00	Current Portion Long-Term Debt	\$ 150.00
Inventory	\$ 0.00	Accrued Expenses	\$ 5,078.00
Prepaid Expenses	\$ 900.00	Notes Payable	
Total Current Assets	\$ 79,213.49	Total Current Liabilities	\$ 5,263.00
FIXED ASSETS	\$ 0.00	LONG TERM LIABILITIES	
Fixtures & Leasehold Improvements	\$ 0.00	Equipment Loan	\$ 1,950.00
Building	\$ 0.00	Total Long Term Liabilities	\$ 1,950.00
Trucks	\$ 14,880.00	Total Liabilities	\$ 7,213.00
Machinery & Equipment		EQUITY	
Depreciation	\$ (1,277.22)	Total Equity	\$ 85,603.27
Total Fixed Assets	\$ 13,602.78		
Total Assets	\$ 92,816.27	Total Liabilities and Equity	\$ 92,816.27

6.3 Income Statement

Jack & Jill's Lawn Care							
Income Statement							
For the Period January 1, 2009 through December 31, 2010							
	Jan	Feb	Mar	Apr	May	Jun	Jan-Jun
Sales							
Fertilization	\$ -	\$ -	\$ -	\$ 20,400.00	\$ 20,400.00	\$ 11,050.00	\$ 51,850.00
Tree Trimming	\$ 1,575.00	\$ 1,575.00	\$ 1,050.00	\$ 1,750.00	\$ 1,750.00	\$ 700.00	\$8,400.00
Mowing	\$ -	\$ -	-	\$ 2,800.00	\$ 5,950.00	\$ 10,500.00	\$ 19,250.00
Mulching	\$ -	\$ -	\$ -	\$ 4,050.00	\$ 9,000.00	\$ 6,750.00	\$ 19,800.00
Coring/aerification	\$ -	\$ -	\$ 150.00	\$ 750.00	\$ 360.00	\$ 360.00	\$ 1,620.00
Dethatching	\$ -	\$ -	\$ 300.00	\$ 750.00	\$ 480.00	\$ 480.00	\$ 2,010.00
Soil Testing	\$ -	\$ -	-	\$ 1,960.00	\$ 3,920.00	\$ 3,920.00	\$ 9,800.00
Total Sales	\$ 1,575.00	\$ 1,575.00	1,500.00	\$ 32,460.00	\$ 41,860.00	\$ 33,760.00	\$112,730.00
Operating Expenses							
Salaries	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 26,520.00
Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 600.00
Equipment Loan	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 900.00
Equipment Maintenance	\$ 50.00	\$ 50.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 500.00
Phone	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 210.00
Oil and Gas	\$ 80.86	\$ 80.86	\$ 80.86	\$ 323.43	\$ 445.61	\$ 625.29	\$1,636.91
Supplies:							
Mulch (cu ft)	\$ -	\$ -	\$ -	\$ 675.00	\$ 1,500.00	\$ 1,125.00	\$ 3,300.00
Fertilizer (sq ft)	\$ -	\$ -	\$ -	\$ 8,400.00	\$ 8,400.00	\$ 4,550.00	\$ 21,350.00
Soil Test Kits	\$ -	\$ -	\$ -	\$ 380.00	\$ 760.00	\$ 760.00	\$ 1,900.00
Rent	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 1,500.00
Utilities	\$ 21.33	\$ 21.33	\$ 21.33	\$ 203.79	\$ 307.11	\$ 304.74	\$ 879.63
Total Operating Expenses	\$ 5,787.18	\$ 4,767.18	\$ 4,817.18	\$ 15,717.22	\$ 16,127.72	\$ 12,080.03	\$ 59,296.50
Other Expenses							
Total Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0
Total Expenses	\$ 5,787.18	\$ 4,767.18	\$ 4,817.18	\$ 15,717.22	\$ 16,127.72	\$ 12,080.03	\$ 59,296.50
Profit (loss) Pretax	\$(4,212.18)	\$(3,192.18)	\$(3,317.18)	\$ 16,742.78	\$ 25,732.28	\$ 21,679.97	\$ 53,433.49

	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Sales							
Fertilization	\$ -	\$ -	\$ 6,120.00	\$ 6,120.00	\$ -	\$ -	\$ 64,090.00
Tree Trimming	\$ 700.00	\$ 1,050.00	\$ 700.00	\$ 1,925.00	\$ 1,750.00	\$ 2,100.00	\$ 16,625.00
Mowing	\$12,250.00	\$ 7,000.00	\$ 7,000.00	\$ 5,950.00	\$ -	\$ -	\$ 51,450.00
Mulching	\$ 6,750.00	\$ 4,500.00	\$ 4,500.00	\$ 3,600.00	\$ -	\$ -	\$ 39,150.00
Coring/aerification	\$ 360.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ -	\$ -	\$ 3,780.00
Dethatching	\$ 900.00	\$ 1,200.00	\$ 900.00	\$ 480.00	\$ -	\$ -	\$ 5,490.00
Soil Testing	\$ 3,920.00	\$ 588.00	\$ -	\$ 245.00	\$ -	\$ -	\$ 14,553.00
Total Sales	<u>\$24,880.00</u>	<u>\$14,938.00</u>	<u>\$19,820.00</u>	<u>\$18,920.00</u>	<u>\$ 1,750.00</u>	<u>\$ 2,100.00</u>	<u>\$ 195,138.00</u>
Operating Expenses							
Salaries	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 53,040.00
Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00
Equipment Loan	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 1,800.00
Equipment Maintenance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 50.00	\$ 50.00	\$ 1,000.00
Phone	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 50.00	\$ 35.00	\$ 435.00
Oil and Gas	\$ 740.28	\$ 521.07	\$ 485.14	\$ 468.97	\$ 89.84	\$ 107.81	\$ 4,050.00
Supplies:							
Mulch (cu ft)	\$ 1,125.00	\$ 750.00	\$ 750.00	\$ 600.00	\$ -	\$ -	\$ 6,525.00
Fertilizer (sq ft)	\$ -	\$ -	\$ 2,520.00	\$ 2,520.00	\$ -	\$ -	\$ 26,390.00
Soil Test Kits	\$ 760.00	\$ 114.00	\$ -	\$ 47.50	\$ -	\$ -	\$ 2,821.50
Rent	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,000.00
Utilities	\$ 304.27	\$ 190.52	\$ 192.42	\$ 181.04	\$ 23.70	\$ 28.44	\$ 1,800.00
Total Operating Expenses	<u>\$8,664.55</u>	<u>\$ 6,290.59</u>	<u>\$ 8,662.55</u>	<u>\$ 9,552.51</u>	<u>\$ 4,793.54</u>	<u>\$ 4,801.24</u>	<u>\$ 102,061.50</u>
Other Expenses							
Total Other Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0</u>
Total Expenses	<u>\$8,664.55</u>	<u>\$ 6,290.59</u>	<u>\$ 8,662.55</u>	<u>\$ 9,552.51</u>	<u>\$ 4,793.54</u>	<u>\$ 4,801.24</u>	<u>\$ 102,061.50</u>
Profit (loss) Pretax	\$16,215.45	\$ 8,647.41	\$11,157.45	\$ 9,367.49	\$(3,043.54)	\$(2,701.24)	\$ 93,076.50

6.4 Break-even Analysis

The break-even point is the amount of sales that is needed to make to recoup costs. For the month of July, 2009, the breakeven point is \$8,664.55 in sales.

$$\begin{array}{rclcl} \text{Break-even} & = & \text{Fixed Costs} & + & \text{Variable Costs} \\ & & \text{(operating)} & & \text{(COGS)} \\ \\ \$ & 8,664.55 & = & \$ 8,664.55 & + & \$ & - \end{array}$$

This is a seasonal business with the main activities during the months of April through October. An example of a typical break-even during the peak of our business activity is shown above.

6.5 Cash Flow

Jack N' Jill's Lawn Care Cash Flow Statement January 1, 2009 through December 31, 2010

	Jan	Feb	Mar	Apr	May	Jun	Jan-Jun Totals
Beginning Cash Balance	\$ -	\$ (4,212.18)	\$ (7,404.37)	\$ (10,721.55)	\$ 6,021.23	\$ 31,753.52	
Cash Receipts							
Sales	\$ 1,575.00	\$ 1,575.00	\$ 1,500.00	\$ 32,460.00	\$ 41,860.00	\$ 33,760.00	\$ 112,730.00
Receivables							
Interest Income							
Other							
Sale of Long-term Assets							
Total Cash Available	\$ 1,575.00	\$ (2,637.18)	\$ (5,904.37)	\$ 21,738.45	\$ 47,881.23	\$ 65,513.52	
Cash Payments							
Variable Expenses							
Fertilizer	\$ -	\$ -	\$ -	\$ 675.00	\$ 1,500.00	\$ 1,125.00	\$ 3,300.00
Mulch	\$ -	\$ -	\$ -	\$ 8,400.00	\$ 8,400.00	\$ 4,550.00	\$ 21,350.00
Soil Test Kits	\$ -	\$ -	\$ -	\$ 380.00	\$ 760.00	\$ 760.00	\$ 24,650.00
Total Variable Expenses	\$ -	\$ -	\$ -	\$ 9,455.00	\$ 10,660.00	\$ 6,435.00	\$ 26,550.00
Fixed Expenses							
Salaries	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 26,520.00
Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 600.00
Equipment Loan	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 27,120.00
Equipment Maintenance	\$ 50.00	\$ 50.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 500.00
Phone	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 210.00
Oil and Gas	\$ 80.86	\$ 80.86	\$ 80.86	\$ 323.43	\$ 445.61	\$ 625.29	\$ 710.00
Rent	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 1,500.00
Utilities	\$ 21.33	\$ 21.33	\$ 21.33	\$ 203.79	\$ 307.11	\$ 304.74	\$ 879.62
Total Fixed Expenses	\$ 5,787.18	\$ 4,767.18	\$ 4,817.18	\$ 6,262.22	\$ 5,467.72	\$ 5,645.03	\$ 2,379.62
Total Cash to be Paid Out	\$ 5,787.18	\$ 4,767.18	\$ 4,817.18	\$ 15,717.22	\$ 16,127.72	\$ 12,080.03	\$ 59,296.51
Cash Balance	\$ (4,212.18)	\$ (7,404.37)	\$ (10,721.55)	\$ 6,021.23	\$ 31,753.52	\$ 53,433.49	
Ending Cash Balance (Gross)*	\$ (4,212.18)	\$ (7,404.37)	\$ (10,721.55)	\$ 6,021.23	\$ 31,753.52	\$ 53,433.49	

*Pretax to be divided 50/50 between cash reserve and owner's equity

	Jul	Aug	Sep	Oct	Nov	Dec	YTD Totals
Beginning Cash Balance	\$53,433.49	\$69,648.94	\$ 78,296.34	\$ 89,453.79	\$ 98,821.28	\$ 95,777.74	
Cash Receipts							
Sales	\$24,880.00	\$14,938.00	\$ 19,820.00	\$ 18,920.00	\$ 1,750.00	\$ 2,100.00	\$307,868.00
Receivables							
Interest Income							
Other							
Sale of Long-term Assets							
Total Cash Available	\$78,313.49	\$84,586.94	\$ 98,116.34	\$108,373.79	\$100,571.28	\$ 97,877.74	
Cash Payments							
Variable Expenses							
Fertilizer	\$ 1,125.00	\$ 750.00	\$ 750.00	\$ 600.00	\$ -	\$ -	\$ 6,525.00
Mulch	\$ -	\$ -	\$ 2,520.00	\$ 2,520.00	\$ -	\$ -	\$ 26,390.00
Soil Test Kits	\$ 760.00	\$ 114.00	\$ -	\$ 47.50	\$ -	\$ -	\$ 2,821.50
Total Variable Expenses	\$ 1,885.00	\$ 864.00	\$ 3,270.00	\$ 3,167.50	\$ -	\$ -	\$ 35,736.50
Fixed Expenses							
Salaries	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 5,100.00	\$ 4,080.00	\$ 4,080.00	\$ 53,040.00
Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,800.00
Equipment Loan	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 28,920.00
Equipment Maintenance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 50.00	\$ 50.00	\$ 1,500.00
Phone	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 50.00	\$ 35.00	\$ 645.00
Oil and Gas	\$ 740.28	\$ 521.07	\$ 485.14	\$ 468.97	\$ 89.84	\$ 107.81	\$ 4,760.00
Rent	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 4,500.00
Utilities	\$ 304.27	\$ 190.52	\$ 192.42	\$ 181.04	\$ 23.70	\$ 28.44	\$ 2,679.62
Total Fixed Expenses	\$ 6,779.55	\$ 5,426.59	\$ 5,392.55	\$ 6,385.01	\$ 4,793.54	\$ 4,801.24	\$ 68,704.62
Total Cash to be Paid Out	\$ 8,664.55	\$ 6,290.59	\$ 8,662.55	\$ 9,552.51	\$ 4,793.54	\$ 4,801.24	\$161,358.01
Cash Balance	\$69,648.94	\$78,296.34	\$ 89,453.79	\$ 98,821.28	\$ 95,777.74	\$ 93,076.50	
Ending Cash Balance (Gross)*	\$69,648.94	\$78,296.34	\$ 89,453.79	\$ 98,821.28	\$ 95,777.74	\$ 93,076.50	

*Pretax to be divided 50/50 between cash reserve and owner's equity

