

BUSINESS PLAN / FINANCIAL FORECAST

Willow Chair

Willow Chair proposes hair services delivered by salaried stylists from a shared chair and stylist-hour budget, without booth rental or product-retail receipts.

PLANNING EDITION / 2026-10-24

YEAR 1 REVENUE

305,664.00

USD

YEAR 1 NET INCOME

-10,789.32

USD

STARTUP USES

81,087.92

USD

Your guide to the plan

Detailed · Clear & Professional | Investor fundraising

Forecast from 2027-01-01 | 3 operating years | USD | base

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Planning forecast. Assumptions require review; proposed funding is not secured.

01 Executive summary

Willow Chair proposes a salaried hair-service salon in illustrative midsize US metro; no selected site. Willow Chair proposes hair services delivered by salaried stylists from a shared chair and stylist-hour budget, without booth rental or product-retail receipts. The central launch decision is: Can sold stylist time support the salaried roster after color stock, reception, premises and unsold appointment time?

Business overview

Local clients booking a defined haircut, color, styling or treatment service with an agreed time and price. Four paid stylists provide one 640-hour scheduled monthly pool, initially 50% billable. Four stations and two wash units support the work; five service shares allocate sold stylist time once. Prices are revenue per productive stylist hour, not appointment tickets or parallel chemical-processing time. The scenario is limited to this operating format; activity outside it needs its own inputs.

Key priorities

Test paid appointments with start/finish time, active stylist effort, products used, cancellation status and cash received. Compare collected hourly realization with the retained salary cost. Appointment requests and social follows are not billable hours, and an overbooked chair does not create another stylist. The proposed first operating month is January 2027. The owner should confirm service readiness, paid staffing and available cash before opening the calendar.

Financial highlights

The proposal requires \$155,822.29 in equity. Launch spending is \$81,087.92, leaving \$74,734.37 in opening cash. Year 1 revenue is \$305,664.00 and net income is -\$10,789.32. Depreciation and any interest charges bring the first-year net result below zero. Income taxes are excluded from this scenario, so the loss remains before those omitted taxes. The initial project outlay is not recovered within three operating years.

02 Company & management

Willow Chair proposes the operating format described in this example. The responsible management team must confirm legal formation, scope, paid staffing, commercial terms and cash controls before opening.

Company background

Willow Chair is a fictional employer salon with a compact leased-site concept. It has four styling stations and two wash units in the planning scope. No premises, professional qualification, license or client book is supplied. The business must establish suitable premises and qualified service coverage before trading.

Ownership & management

The proposed owner contribution is \$155,822.29 and covers all modeled equity. No external equity is included. Contributions and operating remuneration are separate; the listed paid roles do not establish the owner's employment or tax status.

Team & responsibilities

Four salaried stylists supply all modeled service hours. The combined manager/reception budget covers commercial management and appointments, with working-owner management inside that paid allowance where appropriate. It is prorated coverage, not an additional full-time stylist or a second owner salary. Salaried stylists: 4 × \$3,500.00 monthly, with no employer-cost allowance; Manager/reception: 1 × \$2,933.33 monthly, with no employer-cost allowance. Paid roles are counted once in operating expenses. A zero employer allowance excludes burden from the forecast; it does not prove that no statutory charge or benefit is owed. Confirm the actual roster and fully loaded pay before launch.

03

Products & business model

The offer is limited to work the team can define, price and deliver consistently. Each agreement should identify the buyer, included tasks, access requirements, deliverables, acceptance and payment terms.

Products & services

Haircuts, single-process color, highlights, blowouts and treatments divide sold stylist time. Prices are hourly revenue equivalents, so an actual appointment price needs its actual duration and included products. Chemical processing cannot create two simultaneous sold hours for the same stylist.

Pricing & revenue streams

4 paid stylists provide 640.000 scheduled hours per month (160.000 per person). Requested sold time starts at 50% of allocated capacity and follows a 1-month ramp. Five service shares total 100%; each hour is allocated once. Uniform monthly demand is assumed. Requested work grows 0% annually, subject to the available-hour ceiling; fees grow 2% annually. Staffing stays fixed. Cuts and style: 35% of the shared capacity at \$65.00 per billable hour. Color: 25% of the shared capacity at \$85.00 per billable hour. Highlights: 20% of the shared capacity at \$100.00 per billable hour. Blowouts: 12% of the shared capacity at \$70.00 per billable hour. Treatments: 8% of the shared capacity at \$90.00 per billable hour. Fees exclude customer sales tax. Confirm scope and any exceptional materials before accepting a fixed price. Displayed shares are rounded to two decimals; calculations retain the full-precision mix.

Customer value

The proposed benefit is a clearly scoped service, reliable appointment handling and a documented consultation. A client should know which color or treatment work is included and when a revised price is needed. No client outcome, certification or local price advantage is presented as established.

04

Market & competition

The initial market is the specific buyer and buying occasion described below. The launch should be justified by paid work in a practical service area, rather than by applying a market-share percentage to a broad industry estimate.

Target customers

Local clients booking a defined haircut, color, styling or treatment service with an agreed time and price. Confirm who commissions the work, who supplies access or records and who authorizes payment. Keep the initial territory small enough to support the promised response and delivery time.

Demand & validation

Test paid appointments with start/finish time, active stylist effort, products used, cancellation status and cash received. Compare collected hourly realization with the retained salary cost. Appointment requests and social follows are not billable hours, and an overbooked chair does not create another stylist.

Competition & positioning

Clients may choose independent stylists, other employee salons, home care or postpone discretionary color. Compare the full service and product scope, duration, qualification and appointment convenience. This case has no competitor ranking or demonstrated repeat-booking rate.

05

Marketing & sales

The acquisition process should bring in work that fits the team and produces collected contribution after delivery costs. Track qualified opportunities, accepted quotes, completed work and cash received as separate steps.

Customer acquisition

Proposed channels are truthful service listings, clearly labeled portfolio samples and neighborhood referrals. The local marketing allowance is separate from payroll and launch promotion. Track new paid clients and their total service effort, avoiding unsupported before-and-after or invented client testimonials.

Sales process

Consult, confirm the service and timing, agree the price, perform the work and collect at checkout. Customer trade credit is zero and tips are excluded from modeled revenue. Deposits and cancellation charges are not additional forecast income; actual prepayment rules require a cash-liability review.

Retention & measurement

Offer rebooking only into the real roster and monitor service satisfaction, cancellations and remedial work. An uncharged corrective appointment consumes paid time rather than creating new sales. Keep notes and product use sufficiently clear to quote the next service honestly.

06

Operations & milestones

Operating delivery must fit the actual premises, equipment, paid roster and service window. Confirm required resources and permissions before accepting customer or participant commitments.

Facilities & resources

Opening assets cover chairs, wash units, durable tools, plumbing fit-out, POS hardware, laundry/sanitation equipment and signage. Backbar color and disposable supplies remain purchased stock; external laundry and cleaning remain overhead. Site-specific plumbing, professional cover and permitted service scope need verification. Nonrefundable opening payments are prelaunch registration permits USD1200.00; prelaunch website setup USD1800.00; prelaunch launch marketing USD2500.00; prelaunch preopening training pay USD4200.00; prelaunch rent USD2800.00; prelaunch utilities connection USD350.00. These are preopening payments, distinct from ongoing payroll and overhead. The launch asset budget is Styling chairs and stations: \$9,000.00; Wash units: \$6,500.00; Hair tools and durable appliances: \$3,000.00; Leasehold plumbing and fitout: \$35,000.00; POS and computer hardware: \$1,800.00; Laundry and sanitation equipment: \$2,500.00; Durable signage: \$2,200.00; Prelaunch refundable lease deposit: \$5,600.00.

Service delivery

Book against qualified stylist availability, consult, prepare materials, perform the service, clean the station and reconcile payment. Wash-unit availability and different service skills can constrain the aggregate hour forecast. Track active service time separately from passive processing and client waiting.

Launch & development milestones

Verify professional and premises eligibility, installed plumbing/equipment quotes, insurance and a coverage roster. Complete paid service trials across the selected mix and review actual realization. Revise sold utilization only after cancellation, cleanup, leave and rework have been observed.

07

Funding request & use of funds

All proposed equity must be available before launch payments. The funding plan separates equipment and setup spending from the cash reserve needed to support operations.

Use of funds

Launch spending totals \$81,087.92: \$65,600.00 for assets and refundable deposits, \$12,850.00 for expensed setup and \$2,637.92 for opening inventory. Refundable deposits (Prelaunch refundable lease deposit: \$5,600.00) are paid once before opening and held at cost without depreciation in the planning asset ledger. This aggregates their carrying value with other assets as a planning proxy; refund timing, impairment and formal accounting classification are not modeled. Deposit cash is unavailable for operations. Additional site work needs scoped quotes.

Sources of funding

Total proposed equity is \$155,822.29, entirely from the owner. This contribution is uncommitted. No external investors or borrowing are included, and financing receipts are separate from earned revenue.

Owner contribution

The owner must confirm availability and transfer of the proposed \$155,822.29 contribution. The saved payroll rows fund continuing operating work separately from contributed capital. Equipment, setup, supplier and payroll obligations require cash even when additional time is contributed.

Funding request

No external equity is requested. Receiving the proposed owner equity leaves \$74,734.37 of opening cash and a forecast funding gap of \$0.00. Confirm the owner's available funds and transfer date before committing launch payments.

08

Financial plan

The forecast covers January 2027-December 2029 in USD, with launch spending reported separately. Its usefulness depends on the service mix, fee, staffing cost and collection terms below.

Forecast assumptions

4 paid stylists provide 640.000 scheduled hours per month (160.000 per person). Requested sold time starts at 50% of allocated capacity and follows a 1-month ramp. Five service shares total 100%; each hour is allocated once. Uniform monthly demand is assumed. Requested work grows 0% annually, subject to the available-hour ceiling; fees grow 2% annually. Staffing stays fixed.

Named direct costs total 10.5% of operating receipts. Backbar color and treatment products: 9% of operating receipts, 100% allocated to tangible stock; Disposable service supplies: 1.5% of operating receipts, 100% allocated to tangible stock. Only tangible material shares enter purchased stock; purchased services, assistance and paid employee costs do not. All paid-role rows remain separate operating expenses. Fixed salary and overhead assumptions grow 3% annually. Collections use 0 days. Inventory uses 30 physical material days applied once to each material share. Supplier payments use 15 effective total-direct-cost days across material

purchases and outside services, a blended timing approximation rather than a material-only credit schedule. Displayed rates and stock days are rounded to two decimals; calculations retain full input precision. The 0% income-tax provision is a scenario input. Entity income taxes are excluded; the resulting net figure is before those omitted taxes. This establishes no exempt status. Personal taxes and customer sales-tax remittances are outside this scenario. Role-specific employer allowances follow the saved payroll rows.

Financial outlook

Year 1: revenue \$305,664.00, EBITDA \$1,450.68, net income -\$10,789.32 and closing cash \$77,485.69. Year 2: revenue \$311,777.28, EBITDA -\$1,155.84, net income -\$13,395.84 and closing cash \$76,303.11. Year 3: revenue \$318,012.84, EBITDA -\$3,893.88, net income -\$16,133.88 and closing cash \$72,381.94. Depreciation and any interest charges bring the first-year net result below zero. Income taxes are excluded from this scenario, so the loss remains before those omitted taxes. EBITDA excludes depreciation, interest and income tax; net income includes depreciation and the tax provision.

Cash needs & financial resilience

The lowest forecast cash balance is \$72,381.94, and the funding gap is \$0.00. Positive monthly operating EBITDA is first reached in month 1. The initial project outlay is not recovered within three operating years. Cash differs from profit because of equipment spending, depreciation, collection delays and financing. Review the monthly low point before committing the reserve.

Debt & repayment

No debt or investor distributions are included. Any borrowing option needs an amount, draw date, interest rate and repayment schedule before its affordability can be assessed. Pre-tax project payback measures recovery of the operating investment; it is not a promised dividend, investor return or financing approval.

09 Risks & contingencies

The main exposure is committing paid resources before collected sales justify them. The owner should use the service-specific risks below to decide when to narrow the offer, defer spending or stop.

Key risks

A more color-intensive mix may consume products or elapsed chair time faster than planned. Cancellations and absences leave base salaries and rent in place. The hour-equivalent forecast cannot prove that every booking fits the station and wash-unit schedule.

Contingency actions

Use timed service records and product consumption to revise appointment lengths and prices. Test fewer sold hours and higher backbar cost with the salaried roster retained. Limit bookings or narrow the offer when skills or cash do not support delivery; do not reclassify salary as unpaid owner work.

10

Supporting documents

The launch decision needs commercial evidence as well as a forecast. Maintain an organized working file so that costs, commitments and delivery capacity can be reviewed before money is spent.

Available supporting information

The operating proposal defines the customer, service boundary, paid roles, launch assets and collection terms. The accompanying annual financial statements set out earnings, cash flow and the balance sheet for the three-year period. All funding remains a proposal; the business is at the prelaunch stage.

Documents to obtain

Professional eligibility and establishment requirements, a selected lease, plumbing and equipment quotes, insurer and product terms, a chair/wash-unit roster, paid appointment records and proposed owner funds remain unverified. No existing client book or completed staff hiring is supplied. Record the actual fee, total delivery effort and date of payment for each trial assignment. Update the forecast and funding decision when quotes, commitments or measured results change a material assumption.

THE FINANCIAL FORECAST

Annual financial appendix

All amounts are USD and cover the forecast period. Operating years exclude pre-opening expenses; closing balances are never added together.

Cash & operating summary

Indicator	USD
Minimum cash, including prelaunch	72,381.94
Unfunded cash gap	0.00
Operating-period net income	-40,319.04
Final closing cash	72,381.94

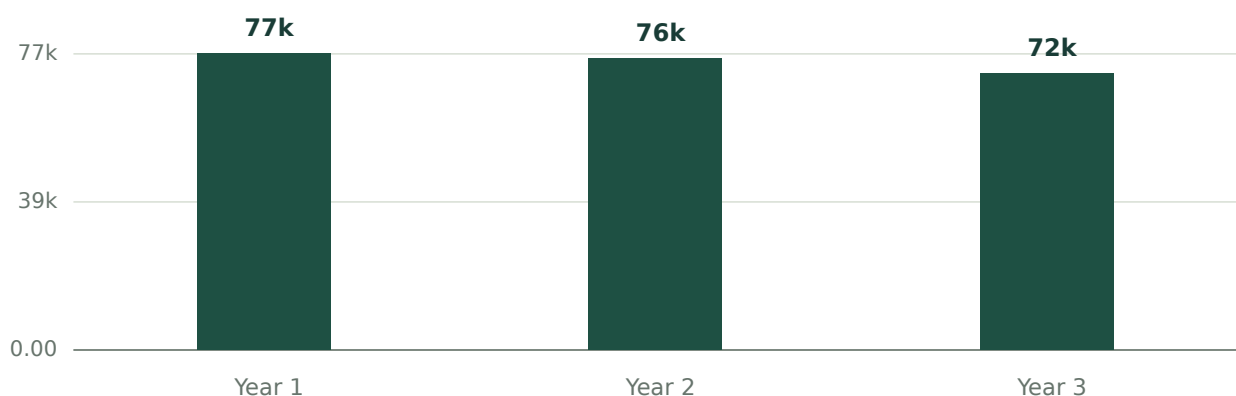
Profit and loss - USD

Item	Year 1	Year 2	Year 3
Revenue	305,664.00	311,777.28	318,012.84
Cost of goods sold	32,094.72	32,736.60	33,391.44
Gross profit	273,569.28	279,040.68	284,621.40
Operating expenses	272,118.60	280,196.52	288,515.28
EBITDA	1,450.68	-1,155.84	-3,893.88
Depreciation	12,240.00	12,240.00	12,240.00
Interest expense	0.00	0.00	0.00
Income tax	0.00	0.00	0.00
Net income	-10,789.32	-13,395.84	-16,133.88

Cash flow - USD

Item	Year 1	Year 2	Year 3
Opening cash	74,734.37	77,485.69	76,303.11
Operating cash flow	2,751.32	-1,182.58	-3,921.17
Investing cash flow	0.00	0.00	0.00
Financing cash flow	0.00	0.00	0.00
Net cash movement	2,751.32	-1,182.58	-3,921.17
Closing cash	77,485.69	76,303.11	72,381.94

Closing cash, year by year



Year-end cash balances. Exact figures appear in the cash-flow table above.

Balance sheet - USD

Item	Year 1	Year 2	Year 3
Cash	77,485.69	76,303.11	72,381.94
Receivables	0.00	0.00	0.00
Inventory	2,674.56	2,728.05	2,782.62
Assets and deposits	53,360.00	41,120.00	28,880.00
Total assets	133,520.25	120,151.16	104,044.56
Payables	1,337.28	1,364.03	1,391.31
Loan balances	0.00	0.00	0.00
Total liabilities	1,337.28	1,364.03	1,391.31
Equity	132,182.97	118,787.13	102,653.25
Reconciliation difference	0.00	0.00	0.00

Launch budget & proposed funding

Item	USD
Setup expenses	12,850.00
Asset purchases	65,600.00
Opening stock purchases	2,637.92
Equity contributions	155,822.29
Loan proceeds	0.00
Cash at launch	74,734.37
Opening inventory balance	2,637.92
Opening loan balance	0.00

Operating break-even - USD

Measure	Year 1	Year 2	Year 3
Break-even revenue	303,990.78	313,110.43	322,504.05
Margin of safety	1,673.22	-1,333.15	-4,491.21

Project payback

Measure	Forecast result
Initial project outlay (USD)	81,087.92
Payback	Not recovered within the forecast
Final cumulative project cash (USD)	-83,440.35

Review before committing

11 financial checks passed; 0 require attention. The forecast is a planning scenario, not an audit, financing approval or promised return.

Planning model, not audited accounts or tax advice. Revenue follows the selected sales or service activity. Any modeled subscriptions use monthly billing. Annual prepayments, milestone invoices, unbilled contract assets, customer taxes, seller settlements, capitalized interest and tax-loss carryforwards are not modeled. Refundable launch deposits are included at cost; refund timing, impairment and formal classification are outside scope.

Collection and supplier terms use 30-day monthly interpolation. Inventory purchases and non-stock direct costs use supplier terms; operating costs, setup costs, taxes and opening stock are paid immediately. Stock coverage applies only to linked goods costs. Production stock is tracked separately at unit cost.

Entity-level income tax is set to zero. No jurisdictional tax rules or owner personal taxes have been inferred.

Fictional editorial scenario. Prices, workload, base pay, expenses and owner funding are illustrative inputs. They are not current quotes, market averages, verified demand or actual company results. Employer taxes, benefits and income taxes are excluded; resulting net income is before omitted taxes.

Source initial scale, mix, base prices and paid roles are retained for Jan2027-Dec2029; later expansion is omitted. Volume is flat, prices grow 2% and base/fixed costs 3%. Income taxes and employer burden are excluded, not exempt. Named material COGS use physical stock days once; payable days retain the source effective mixed-cost input. Refundable deposits are paid once as nondepreciating asset-ledger proxies; refund timing is not modeled. Native depreciation is added. Full scope/timing changes are explained in the operating prose.

Role-specific employer-cost allowances follow the saved paid-role rows; zero excludes employer burden rather than proving no obligation. The 0% income-tax provision is an explicit scenario input. A zero input excludes entity income taxes from these results and establishes no exemption; personal taxes, customer sales-tax receipts/remittances and distributions are outside the scenario.

All equity is proposed, uncommitted month-0 cash. No debt is modeled. Opening cash is a reserve, not an extra startup expense. Asset/setup/insurance/premises allowances need scoped quotes; the listed refundable deposits are included, while unquoted additional site works are excluded.

Inventory days are physical material coverage applied once to each named COGS row's inventory share. Payment days are the effective blended delay across all direct-cost purchases and services, not a physical material supplier term. The shared payment schedule is a simplified timing proxy; material-specific supplier schedules are not modeled.

Refundable deposits are paid once before opening and retained at cost without depreciation in the planning asset ledger. Assets and deposits are aggregated as a planning proxy; their formal accounting classification, impairment, refund timing and recovery are not modeled. Deposit cash is not available operating cash.

Calculation basis: operating and pre-opening periods remain separate. Stock, supplier terms, depreciation and debt terms affect profit and cash differently. Payback is project cash before financing, not an investor distribution. Review the assumptions and accounting policies alongside these statements.