

BUSINESS PLAN / FINANCIAL FORECAST

Elmbridge Counsel

A proposed two-attorney general practice selling noncontingent legal work from a paid attorney-hour pool.

PLANNING EDITION / 2026-10-20

YEAR 1 REVENUE

403,955.20

USD

YEAR 1 NET INCOME

-124,574.00

USD

STARTUP USES

48,500.00

USD

Your guide to the plan

Detailed · Clear & Professional | Investor fundraising

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

01	Executive summary	2
02	Company & management	2
03	Products & business model	3
04	Market & competition	4
05	Marketing & sales	4
06	Operations & milestones	5
07	Funding request & use of funds	6
08	Financial plan	6
09	Risks & contingencies	7
10	Supporting documents	8
11	Annual financial appendix	9

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

01 Executive summary

Elmbridge Counsel proposes a two-attorney noncontingent general practice in Raleigh, North Carolina, USA. A proposed two-attorney general practice selling noncontingent legal work from a paid attorney-hour pool. The central launch decision is: Can a paid two-attorney practice cover support, occupancy and collection delays at the proposed sold-hour level?

Business overview

Individuals and owner-led businesses with a defined matter, an authorized decision maker and agreed fee/payment terms. Two attorneys, including the paid owner, share scheduled attorney hours. Business/contracts, litigation, estate, family and property advice allocate sold hours once. Paralegal and administration support do not generate separately billed attorney capacity. The business will accept assignments within this service boundary and quote separately or refer work that falls outside it.

Key priorities

Validate paid matters by logging attorney time, nonbillable intake, support effort, revisions, invoices and collection. An inquiry or consultation is not automatically a retained matter. The utilization assumption is not an existing referral pipeline. Test whether the selected mix can support the fixed practice before adding staff or a larger office. 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 \$300,000.00 in equity. Launch spending is \$48,500.00, leaving \$251,500.00 in opening cash. Year 1 revenue is \$403,955.20 and net income is -\$124,574.00. The first-year operating shortfall means sales do not yet cover the paid team and overhead. Funding provides time to establish demand; it does not remove that shortfall. The initial project outlay is not recovered within three operating years.

02 Company & management

Elmbridge Counsel will operate as an independent service business. The working owner will control scope, staffing, commercial terms and weekly cash decisions; legal formation and the ownership agreement must be completed before trading.

Company background

Elmbridge Counsel is a fictional Raleigh practice in a modest leased office. The chosen format is noncontingent general practice rather than a litigation-funding, settlement or volume-closing business. The actual entity, admissions, eligible ownership and practice structure require specialist verification. No real law office, client file, professional credential or completed matter is supplied.

Ownership & management

The proposed owner contribution is \$300,000.00 and covers all modeled equity. No external equity is included. The owner is also paid for an operating role. Legal ownership, professional eligibility and distribution terms must be verified before trading.

Team & responsibilities

Two paid attorneys include the owner once. Three-quarter-time paralegal and half-time administration coverage are separate aggregate salary budgets; they do not add attorney hours. The salary scenario includes an employee allowance on each paid row. Actual professional eligibility, supervision and support responsibilities must be established before client work, rather than inferred from these role labels. Attorneys: 2 × \$11,458.33 monthly, plus a 15% employer-cost allowance; Paralegal: 1 × \$4,062.50 monthly, plus a 15% employer-cost allowance; Administration: 1 × \$2,166.67 monthly, plus a 15% employer-cost allowance. A weekly roster must cover delivery, preparation, travel, administration, leave and absence. The owner's salary appears once in payroll; contributed time is not an additional cash contribution.

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

The five hourly categories are business/contracts, civil litigation, estate planning, family matters and property advice. Fees are expected collectible hourly equivalents; a second realization factor is not applied. Contingent fees, settlement proceeds, client court disbursements and trust advances are excluded from firm revenue. Scope, exclusions and any change in matter complexity require appropriate engagement terms.

Pricing & revenue streams

2 paid attorneys including the owner provide 320.000 scheduled hours per month (160.000 per person). Requested sold time starts at 38% of allocated capacity and follows a 3-month ramp. Five service shares total 100%; each hour is allocated once. Uniform monthly demand is assumed. Requested work grows 8% annually, subject to the available-hour ceiling; fees grow 2% annually. Staffing stays fixed. Business law: 25% of the shared capacity at \$300.00 per billable hour. Civil litigation: 25% of the shared capacity at \$340.00 per billable hour. Estate planning: 20% of the shared capacity at \$270.00 per billable hour. Family matters: 20% of the shared capacity at \$290.00 per billable hour. Property advice: 10% of the shared capacity at \$300.00 per billable hour. Fees exclude customer sales tax. Confirm scope and any exceptional materials before accepting a fixed price.

Customer value

The proposed value is a clear matter boundary, an accountable responsible attorney and understandable work and fee records. No legal result, favorable judgment or time-to-resolution is guaranteed. The useful evidence is work authorized, performed and collected within the team's competence. Client confidentiality and records access need appropriate arrangements, not a generic software promise.

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

Individuals and owner-led businesses with a defined matter, an authorized decision maker and agreed fee/payment terms. 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

Validate paid matters by logging attorney time, nonbillable intake, support effort, revisions, invoices and collection. An inquiry or consultation is not automatically a retained matter. The utilization assumption is not an existing referral pipeline. Test whether the selected mix can support the fixed practice before adding staff or a larger office.

Competition & positioning

Prospective clients may choose another appropriately qualified practice, an in-house resource or a different route for a suitable matter. Compare matter scope, responsible professional, fees and timing. No local firm ranking or performance advantage is asserted. A lower hourly fee is not a complete comparison if scope, support or the expected work budget differs.

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

The proposed approach uses accurate practice information, professional introductions and a controlled networking budget. Actual professional marketing and referral conditions need review for the chosen structure. Concept materials must be labeled and cannot become fictitious client testimonials. Track retained and collected matters rather than treating consultation requests as revenue.

Sales process

Confirm appropriate intake and professional checks, agree the authorized matter and fee terms, perform scoped work and invoice accepted billable time. The forecast uses a blended lag on collectible earned fees. No client advance or trust balance finances operating cash in this example. Matter-specific professional duties and client-fund handling require verified arrangements outside this simplified operating model.

Retention & measurement

Keep matter scope, time, communications, acceptance and billing records under suitable access and retention arrangements. Additional work requires appropriate authority and a new scope where necessary. A closed matter does not create a recurring subscription. Any referral or public account of a matter needs an appropriate professional review and permission.

06

Operations & milestones

Delivery must fit the paid team's hours, equipment and service window. Work should enter the calendar only after scope, competence, access and required resources are confirmed.

Facilities & resources

Launch assets cover computers, screens, secure storage, office equipment, network hardware and selected improvements. Research/practice tools, professional cover and support services remain recurring costs. Outside contract legal support is a purchased service rather than a third salaried attorney. The refundable lease deposit is excluded pending real premises terms. The launch asset budget is Computers: \$6,000.00; Monitors: \$2,000.00; Furniture and secure storage: \$10,000.00; Scanner and printer: \$2,500.00; Network equipment: \$2,000.00; Office improvements: \$8,000.00.

Service delivery

Qualify intake and the responsible professional, establish the engagement and records access, schedule attorney and support work, review deliverables and reconcile time before billing. This is a business process, not legal advice or an ethics procedure. Matter complexity and delayed information consume the same attorney capacity. Peak hearings or deadlines need a separate practical calendar test.

Launch & development milestones

Verify practice eligibility and ownership, professional arrangements, insurer terms, premises and client records systems. Use a controlled opening matter load and compare collected fees with paid hours and support. Confirm the owner's reserve before signing commitments. No admission, client engagement, paid pilot or funded office opening is represented as complete.

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 \$48,500.00: \$30,500.00 for assets, \$18,000.00 for expensed setup and \$0.00 for opening inventory. Setup covers an allowance for formation, professional preparation, training and launch work. Refundable premises deposits and additional site work are excluded until scoped quotes are available.

Sources of funding

Total proposed equity is \$300,000.00, 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 the availability and transfer date of the \$300,000.00 contribution. Salary pays for the owner's continuing operating work. The company still needs cash for payroll, equipment and supplier invoices, even when the owner contributes additional time.

Funding request

No external equity is requested. Receiving the proposed owner equity leaves \$251,500.00 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

2 paid attorneys including the owner provide 320.000 scheduled hours per month (160.000 per person). Requested sold time starts at 38% of allocated capacity and follows a 3-month ramp. Five service shares total 100%; each hour is allocated once. Uniform monthly demand is assumed. Requested work grows 8% annually, subject to the available-hour ceiling; fees grow 2% annually. Staffing stays fixed. Direct costs are 2% of net fees. No product resale or purchased inventory is included. Salaries are operating expenses, outside the direct-cost ratio. Salaries and fixed overhead grow 3% annually. Collections take 26 days, supplier payments 0 days and inventory coverage 0 days. The 21% flat income-tax provision and 15% employer-cost allowance are simplified planning inputs.

Financial outlook

Year 1: revenue \$403,955.20, EBITDA -\$117,015.66, net income -\$124,574.00 and closing cash \$102,657.57. Year 2: revenue \$485,451.36, EBITDA -\$53,923.32, net income -\$61,481.64 and closing cash \$45,500.64. Year 3: revenue \$534,773.16, EBITDA -\$22,173.60, net income -\$29,731.94 and closing cash \$19,764.91. The first-year operating shortfall means sales do not yet cover the paid team and overhead. Funding provides time to establish demand; it does not remove that shortfall. 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 \$19,764.91, and the funding gap is \$0.00. Positive monthly operating EBITDA is not reached within the three years. 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

The initial owner-only funding proposal failed the cash forecast test. An explicit later scenario increases proposed owner reserve, while fees, workload, salaries, all forecast losses and absence of payback remain unchanged. Collection delays, matter overruns and weak retention can deepen the shortfall. A larger reserve does not demonstrate investment attractiveness or professional readiness.

Contingency actions

Retain the initial funding inputs and forecast shortfall as the documented reason for revising the proposed reserve. Confirm actual owner cash and reassess commitments before opening. Test fewer sold hours and longer collection while keeping the paid team. Do not treat client trust funds as operating cash, remove owner salary or invent outside ownership finance to make the forecast appear viable.

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

Verified admissions and eligible practice/ownership arrangements, appropriate intake and client-fund processes, insurer and lease/deposit terms, client records controls, paid matter/time/collection evidence and committed owner reserve remain outstanding. Entity and personal tax treatment need actual advice. No secured funding, client outcome or professional approval 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	19,764.91
Unfunded cash gap	0.00
Operating-period net income	-215,787.58
Final closing cash	19,764.91

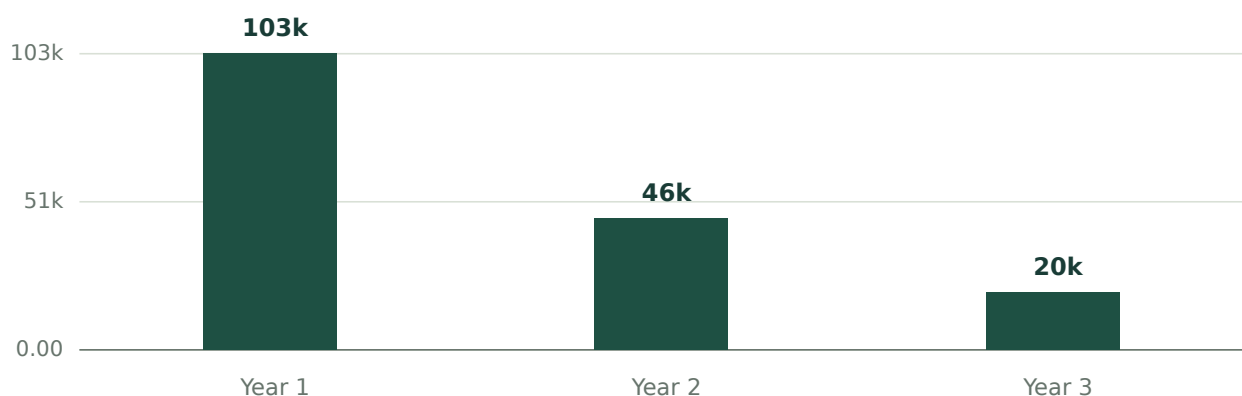
Profit and loss - USD

Item	Year 1	Year 2	Year 3
Revenue	403,955.20	485,451.36	534,773.16
Cost of goods sold	8,079.17	9,708.96	10,695.48
Gross profit	395,876.03	475,742.40	524,077.68
Operating expenses	512,891.69	529,665.72	546,251.28
EBITDA	-117,015.66	-53,923.32	-22,173.60
Depreciation	7,558.34	7,558.32	7,558.34
Interest expense	0.00	0.00	0.00
Income tax	0.00	0.00	0.00
Net income	-124,574.00	-61,481.64	-29,731.94

Cash flow - USD

Item	Year 1	Year 2	Year 3
Opening cash	251,500.00	102,657.57	45,500.64
Operating cash flow	-148,842.43	-57,156.93	-25,735.73
Investing cash flow	0.00	0.00	0.00
Financing cash flow	0.00	0.00	0.00
Net cash movement	-148,842.43	-57,156.93	-25,735.73
Closing cash	102,657.57	45,500.64	19,764.91

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	102,657.57	45,500.64	19,764.91
Receivables	31,826.77	35,060.38	38,622.51
Inventory	0.00	0.00	0.00
Fixed assets, net	22,941.66	15,383.34	7,825.00
Total assets	157,426.00	95,944.36	66,212.42
Payables	0.00	0.00	0.00
Loan balances	0.00	0.00	0.00
Total liabilities	0.00	0.00	0.00
Equity	157,426.00	95,944.36	66,212.42
Reconciliation difference	0.00	0.00	0.00

Launch budget & proposed funding

Item	USD
Setup expenses	18,000.00
Asset purchases	30,500.00
Opening stock purchases	0.00
Equity contributions	300,000.00
Loan proceeds	0.00
Cash at launch	251,500.00
Opening inventory balance	0.00
Opening loan balance	0.00

Operating break-even - USD

Measure	Year 1	Year 2	Year 3
Break-even revenue	525,846.55	541,621.47	557,870.66
Margin of safety	-121,891.35	-56,170.11	-23,097.50

Project payback

Measure	Forecast result
Initial project outlay (USD)	48,500.00
Payback	Not recovered within the forecast
Final cumulative project cash (USD)	-280,235.09

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 is invoiced as earned; monthly subscriptions only. Annual prepayments, refundable deposits, milestone invoices, unbilled contract assets, customer taxes, seller settlements, capitalized interest and tax-loss carryforwards are not modeled.

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.

Fictional editorial scenario. Prices, workload, wages, costs and financing are illustrative planning inputs, not current quotes, measured local averages or actual company results.

Source first-year two-attorney general practice narrowed to 36 months, with owner already in attorney payroll, three-quarter paralegal and half-time admin fixed. Original five shares and expected collectible hourly fees remain; no second realization haircut. Three-month ramp, 8% requested-hour growth, 2% fee and 3% salary/fixed-cost growth replace source annual staffing steps. Collection is 26 blended days; no client advances or trust money as revenue. Owner-only proposed equity; deposit excluded. Tax 21% and employee allowance 15% are simplified.

A 15% illustrative employer allowance is added to paid salaries. The flat 21% native tax provision is a simplified planning input, not an entity or personal tax opinion. Customer sales-tax receipts/remittances and owner distributions are outside this 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; refundable premises deposits and site-specific additional works are excluded.

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.