

BUSINESS PLAN / FINANCIAL FORECAST

Southline Recovery

A proposed daytime light-duty towing and roadside operation with two paid trucks and defined customer-authorized calls.

PLANNING EDITION / 2026-10-20

YEAR 1 REVENUE

229,250.00

USD

YEAR 1 NET INCOME

-89,461.19

USD

STARTUP USES

151,800.00

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

Southline Recovery proposes a two-truck customer-authorized daytime towing in Chicago south suburbs, Illinois, USA. A proposed daytime light-duty towing and roadside operation with two paid trucks and defined customer-authorized calls. The central launch decision is: Can the paid two-truck operation collect enough completed-call fees after travel, recovery support and idle time?

Business overview

Vehicle owners, authorized agents and dealers with a suitable vehicle movement or roadside task. Two trucks share a fixed completed-call slot pool. Local towing, longer towing, winch recovery, dealer moves and roadside help divide expected calls once; seasonal demand does not add trucks. The business will accept assignments within this service boundary and quote separately or refer work that falls outside it.

Key priorities

Test paid calls and record trip distance, operator time, waiting, fuel, purchased recovery help, damage concerns and payment. The source seasonal weights are illustrative, not actual dispatch history. Dealer transport and roadside work compete for the same trucks. Validate the all-in mix and peak-day calendar before relying on the proposed call-slot ceiling. 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 \$310,000.00 in equity. Launch spending is \$151,800.00, leaving \$158,200.00 in opening cash. Year 1 revenue is \$229,250.00 and net income is -\$89,461.19. 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

Southline Recovery 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

Southline Recovery is a fictional light-duty daytime operator in Chicago's southern suburbs with two used tow trucks and modest parking/office storage. Calls require a suitable authorized customer and vehicle. The selected business excludes impound, police rotation, storage fees and continuous coverage. No actual authority, dispatch agreement, fleet credential or vehicle purchase is supplied.

Ownership & management

The proposed owner contribution is \$310,000.00 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 operators work the two trucks. Half-time paid owner dispatch handles screening and coordination and creates no third truck or additional call slots. Salary budgets continue during weak call demand and downtime. Actual operator competence, leave and backup arrangements need evidence; the average monthly slot assumption does not resolve a daily dispatch schedule. Tow operators: $2 \times \$4,666.67$ monthly, plus a 15% employer-cost allowance; Owner dispatch: $1 \times \$2,500.00$ 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.

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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 completed-call categories are local light-duty towing, extended-distance towing, winch/recovery, dealer vehicle transport and roadside assistance. Selected fees are scenario amounts for defined average calls rather than a universal menu. Distance, waiting, access and recovery complexity need clear terms. No duplicate mileage, fuel surcharge, storage or impound revenue is added.

Pricing & revenue streams

$200 \text{ available completed job units per month} \times 50\% \text{ utilization} = 100 \text{ sold units before ramp and seasonality}$. This shared capacity pool allocates completed work. 5 mutually exclusive service shares allocate that pool once. Each price is per completed job. The 3-month ramp, 6% annual requested-volume growth, normalized monthly seasonality and 2% annual price growth are illustrative. Fractional units are expected monthly averages, not partial completed customer assignments. Actual scheduling, completed work and collections still need validation. Local towing: 40% of the shared capacity at \$205.00 per completed job. Extended tow: 15% of the shared capacity at \$365.00 per completed job. Winch recovery: 10% of the shared capacity at \$245.00 per completed job. Dealer transport: 20% of the shared capacity at \$150.00 per completed job. Roadside help: 15% of the shared capacity at \$125.00 per completed job. Fees exclude customer sales tax. Confirm scope and any exceptional materials before accepting a fixed price.

Customer value

The proposed value is a suitable truck dispatched for a clearly agreed movement or roadside task, with documented authorization and handover. The business cannot promise that every recovery fits an average call. Vehicle condition, site access and equipment suitability can require specialist referral. No guaranteed arrival time, damage-free result or accepted high-risk recovery capability is asserted.

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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

Vehicle owners, authorized agents and dealers with a suitable vehicle movement or roadside task. 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 calls and record trip distance, operator time, waiting, fuel, purchased recovery help, damage concerns and payment. The source seasonal weights are illustrative, not actual dispatch history. Dealer transport and roadside work compete for the same trucks. Validate the all-in mix and peak-day calendar before relying on the proposed call-slot ceiling.

Competition & positioning

Buyers may choose another towing firm, a roadside network or a suitable dealer transport option. Compare truck suitability, distance, waiting, authorization and acceptance terms. No local response-time ranking, insurer-network access or market tariff is claimed. A lower headline call fee may cover a shorter movement or shift recovery and waiting charges to the customer.

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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 owner would develop relevant dealer and fleet relationships and accurate local service information. Activity-linked digital marketing is separate from fixed fleet outreach and launch spending. Track completed paid calls and collected contribution by source. Do not advertise police rotation, network membership, continuous availability or actual recovery references without evidence.

Sales process

Confirm the customer's authority, vehicle, destination, access and included call scope before dispatch. Agree exceptional distance, waiting or recovery work before expanding the task. Collect under the blended immediate/fleet-invoice terms. No prepaid membership, insurance reimbursement promise, impound lien or storage account is modeled as revenue or finance.

Retention & measurement

Keep authorization, vehicle condition, movement, handover and payment records. Investigate callbacks or damage concerns without automatically treating them as new paid calls. A dealer relationship must still fit the same truck calendar. A repeat-work expectation is not a signed dispatch contract or proof of satisfactory outcomes.

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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 include the rollback and wheel-lift trucks, durable rigging/safety tools, dispatch hardware, GPS and furniture. Fuel and selected spares have physical stock coverage; repair services and purchased recovery assistance are not inventory. One-time formation/launch cost is removed from recurring overhead. Parking deposit and additional used-truck condition work remain unquoted and excluded. The launch asset budget is Used rollback and wheel-lift trucks: \$125,000.00; Durable rigging and safety tools: \$10,000.00; Dispatch computer and printer: \$2,000.00; GPS and telematics hardware: \$1,000.00; Office and storage furniture: \$2,000.00.

Service delivery

Screen authorization and vehicle/site suitability, agree task terms, confirm operator/truck readiness, dispatch, capture acceptance and reconcile the call before payment or invoice. This is a business sequence, not a recovery or road-safety procedure. A longer tow or difficult site displaces other calls. The fixed slot pool requires practical time and equipment validation.

Launch & development milestones

Verify applicable operating scope, insurance, operator and truck readiness, parking terms and customer authorization documents. Complete controlled paid calls across the selected mix and review full effort and collections. Confirm owner reserve before buying equipment. No official rotation, inspected fleet, paid trial or funded launch is presented as achieved.

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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 \$151,800.00: \$140,000.00 for assets, \$11,000.00 for expensed setup and \$800.00 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 \$310,000.00, 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 \$310,000.00 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 \$158,200.00 of opening cash and a forecast funding gap of \$0.00. Confirm the owner's available funds and transfer date before committing launch payments.

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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

200 available completed job units per month $\times$ 50% utilization = 100 sold units before ramp and seasonality. This shared capacity pool allocates completed work. 5 mutually exclusive service shares allocate that pool once. Each price is per completed job. The 3-month ramp, 6% annual requested-volume growth, normalized monthly seasonality and 2% annual price growth are illustrative. Fractional units are expected monthly averages, not partial completed customer assignments. Actual scheduling, completed work and collections still need validation. Direct costs are 23% of net fees. Only purchased materials enter inventory; outside services are not stocked. Salaries are operating expenses, outside the direct-cost ratio. Salaries and fixed overhead grow 3% annually. Collections take 9 days, supplier payments 0 days and inventory coverage 2 days. The 21% flat income-tax provision and 15% employer-cost allowance are simplified planning inputs.

Financial outlook

Year 1: revenue \$229,250.00, EBITDA -\$60,561.19, net income -\$89,461.19 and closing cash \$91,553.05. Year 2: revenue \$272,462.43, EBITDA -\$38,106.19, net income -\$67,006.19 and closing cash \$52,887.73. Year 3: revenue \$294,586.32, EBITDA -\$29,930.87, net income -\$58,830.87 and closing cash \$22,352.34. 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 \$22,352.34, 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.

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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 reserve produced a forecast cash shortfall. A separate revised owner proposal increases reserve while leaving call fees, demand, staffing, operating losses and lack of payback unchanged. Difficult recoveries, dead travel, breakdowns, claims and slow fleet invoices can worsen cash. Additional proposed capital does not prove investment merit or delivery readiness.

Contingency actions

Keep the original reserve inputs and shortfall with the explicit revised owner scenario. Confirm available cash and narrow call scope where equipment or time evidence is weak. Test fewer completed calls, longer trips and higher repairs with payroll retained. Do not repair the forecast by adding unapproved impound work or unpaid owner dispatch.

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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

Actual operating permissions, suitable truck/operator checks, insured tasks, authorization and handover terms, parking/deposit and maintenance quotes, paid call/time/collection logs and committed owner funding remain outstanding. No high-risk recovery procedure, guaranteed response time, approved rotation or secured finance 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	22,352.34
Unfunded cash gap	0.00
Operating-period net income	-215,298.25
Final closing cash	22,352.34

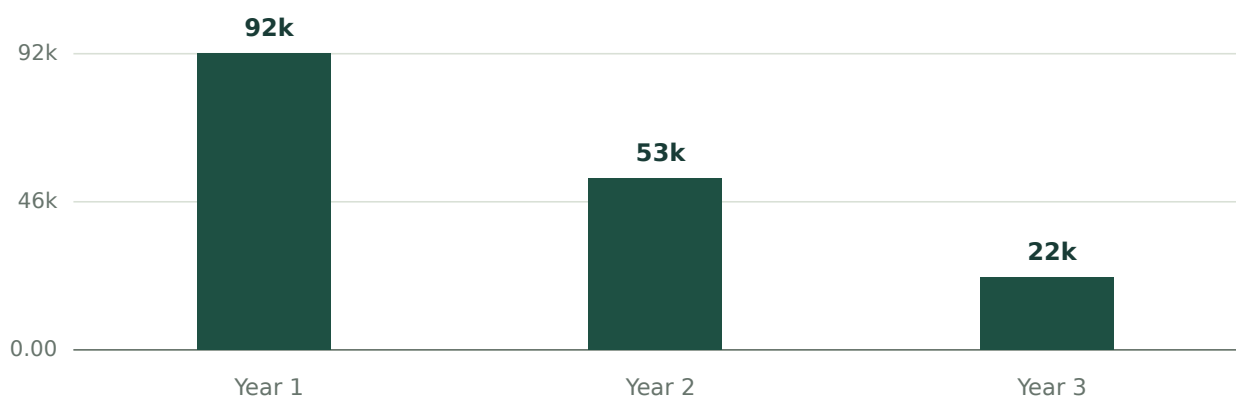
Profit and loss - USD

Item	Year 1	Year 2	Year 3
Revenue	229,250.00	272,462.43	294,586.32
Cost of goods sold	52,727.61	62,666.36	67,754.86
Gross profit	176,522.39	209,796.07	226,831.46
Operating expenses	237,083.58	247,902.26	256,762.33
EBITDA	-60,561.19	-38,106.19	-29,930.87
Depreciation	28,900.00	28,900.00	28,900.00
Interest expense	0.00	0.00	0.00
Income tax	0.00	0.00	0.00
Net income	-89,461.19	-67,006.19	-58,830.87

Cash flow - USD

Item	Year 1	Year 2	Year 3
Opening cash	158,200.00	91,553.05	52,887.73
Operating cash flow	-66,646.95	-38,665.32	-30,535.39
Investing cash flow	0.00	0.00	0.00
Financing cash flow	0.00	0.00	0.00
Net cash movement	-66,646.95	-38,665.32	-30,535.39
Closing cash	91,553.05	52,887.73	22,352.34

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	91,553.05	52,887.73	22,352.34
Receivables	6,678.00	7,220.26	7,806.54
Inventory	207.76	224.63	242.87
Fixed assets, net	111,100.00	82,200.00	53,300.00
Total assets	209,538.81	142,532.62	83,701.75
Payables	0.00	0.00	0.00
Loan balances	0.00	0.00	0.00
Total liabilities	0.00	0.00	0.00
Equity	209,538.81	142,532.62	83,701.75
Reconciliation difference	0.00	0.00	0.00

Launch budget & proposed funding

Item	USD
Setup expenses	11,000.00
Asset purchases	140,000.00
Opening stock purchases	800.00
Equity contributions	310,000.00
Loan proceeds	0.00
Cash at launch	158,200.00
Opening inventory balance	800.00
Opening loan balance	0.00

Operating break-even - USD

Measure	Year 1	Year 2	Year 3
Break-even revenue	319,910.53	329,507.63	339,393.01
Margin of safety	-90,660.53	-57,045.20	-44,806.69

Project payback

Measure	Forecast result
Initial project outlay (USD)	151,800.00
Payback	Not recovered within the forecast
Final cumulative project cash (USD)	-287,647.66

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-truck completed-call format retained for 36 months, with fixed operators and half-time owner dispatch, original five call shares/fees and seasonal pattern. Two hundred call slots are one pool; mix and trip duration still need field validation. Three-month ramp and 6% requested growth replace utilization steps. Two physical fuel/spares days replace one effective day. Setup moved from first-year monthly expense to launch once; deposit excluded. Simplified 21% tax, 15% employee allowance, 2% fees and 3% fixed costs.

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.