

BUSINESS PLAN / FINANCIAL FORECAST

Arcstead Welding

A proposed repair and light-fabrication welding shop combining workshop jobs and scoped mobile work through one paid welder roster.

PLANNING EDITION / 2026-10-20

YEAR 1 REVENUE

308,286.00

USD

YEAR 1 NET INCOME

-77,450.99

USD

STARTUP USES

110,206.54

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

Arcstead Welding proposes a repair and light-fabrication welding workshop in Lower-cost industrial US metro; jurisdiction unselected. A proposed repair and light-fabrication welding shop combining workshop jobs and scoped mobile work through one paid welder roster. The central launch decision is: Can the shop fund its paid welding roster, materials and mobile commitments without multiplying station count into labor capacity?

Business overview

Authorized industrial, equipment and small commercial buyers commissioning assessed repair or fabrication within verified technical capability. Three paid welders, including the working owner, provide one 480-hour available pool monthly. Five services allocate sold individual welder hours once. Four installed stations are equipment, not a fourth paid welder; a mobile assignment uses the same paid calendar. Ordinary material reimbursement is included in realized hourly-equivalent fees. The business will accept assignments within this service boundary and quote separately or refer work that falls outside it.

Key priorities

Complete a suitable paid limited job and record preparation, welding, finishing, material use, travel and collection. An available station or an equipment breakdown is not a ready paid assignment. Repeatable demand must support the whole roster and workshop at collected fees, without relying on the later source increase in welders or assuming every technician has every specialty. 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 \$290,000.00 in equity. Launch spending is \$110,206.54, leaving \$179,793.46 in opening cash. Year 1 revenue is \$308,286.00 and net income is -\$77,450.99. 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

Arcstead Welding 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

Arcstead Welding is a fictional independent workshop in an unselected lower-cost industrial US metro. It combines ordinary repair/light fabrication with a single mobile rig. Actual technical scope, site permissions, materials and qualification requirements must be checked before a job is accepted. The plan does not establish a certified fabrication business or tested repair procedure.

Ownership & management

The proposed owner contribution is \$214,978.64; the remaining \$75,021.36 is sought from external equity investors. The owner is also paid for an operating role. Investment valuation, ownership percentages, voting rights and distribution terms remain to be agreed.

Team & responsibilities

Three compensated welders include the working owner, whose pay is counted once within that row. Half-time office/scheduling coverage is a prorated budget rather than another full-time employee. The owner must complete management within unsold time. Four installed stations provide equipment flexibility; they do not add a fourth welder or a separate mobile labor pool. Welders incl owner: 3 × \$4,833.33 monthly, plus a 15% employer-cost allowance; Office support: 1 × \$1,875.00 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.

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

Equipment/trailer repairs, custom steel fabrication, mobile welding, aluminum/stainless TIG and pipe/structural repairs divide the same sold welder hours. Each job needs an assessed material, procedure and acceptance scope. Ordinary metal/parts reimbursement is included in the realized fee. Specialist finishing/testing is purchased separately; safety-critical or certified work requires verified qualified responsibility.

Pricing & revenue streams

3 paid welders including the working owner provide 480.000 scheduled hours per month (160.000 per person). Requested sold time starts at 45% 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 0% annually, subject to the available-hour ceiling; fees grow 2% annually. Staffing stays fixed. Repairs: 30% of the shared capacity at \$110.00 per billable hour. Steel work: 25% of the shared capacity at \$125.00 per billable hour. Mobile welding: 25% of the shared capacity at \$145.00 per billable hour. TIG work: 15% of the shared capacity at \$140.00 per billable hour. Pipe repairs: 5% of the shared capacity at \$165.00 per

billable hour. Fees exclude customer sales tax. Confirm scope and any exceptional materials before accepting a fixed price.

Customer value

The proposed benefit is a defined repair or fabricated item with clear material, preparation and acceptance requirements. The customer needs to know what inspection, loading or design responsibility remains outside the quoted work. The company does not guarantee structural suitability or certified performance from a forecast category; technical acceptance must fit the actual job and competence.

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

Authorized industrial, equipment and small commercial buyers commissioning assessed repair or fabrication within verified technical capability. 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

Complete a suitable paid limited job and record preparation, welding, finishing, material use, travel and collection. An available station or an equipment breakdown is not a ready paid assignment. Repeatable demand must support the whole roster and workshop at collected fees, without relying on the later source increase in welders or assuming every technician has every specialty.

Competition & positioning

Alternatives include suitable repair shops, independent mobile welders, fabrication firms and replacing the item where appropriate. Compare preparation, materials, method, testing, transport and acceptance. A metal-stock price is not a completed repair quote. No national-average shop rate, certified capability ranking or claim of safe repair for an unassessed item is supplied.

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 appropriate equipment/business introductions and accurately described samples or authorized work. Promotion expense is separate from paid owner welding. Qualify the item, technical boundary, site and payment before reserving time. Do not advertise a qualification, design approval or completed safety-critical job that has not actually been established.

Sales process

Agree material/condition assumptions, work method responsibility, included finishing/testing, transport, changes, acceptance and payment before starting. The forecast blends trade-credit and completion receipts. A deposited item or material purchase does not itself earn the complete job fee. Unexpected damage or a new technical requirement needs a revised scope before more work is performed.

Retention & measurement

Record the accepted scope, inspection and any agreed rectification, then quote future work separately. Track return repairs, scrap, preparation overruns, mobile travel and overdue invoices. Customer equipment failure after a job needs an actual technical assessment rather than an assumed warranty conclusion. The scenario supplies no achieved repeat-work rate or certified performance history.

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 include four welding stations, a mobile welding rig and used truck, plasma/air equipment, cutting/drilling tools, tables/clamps, ventilation/fitout and office devices. Metal/parts and wire/gas/abrasives form the tangible goods share; external finishing/testing is not stock. Confirm configured power, ventilation, material handling, insurance and workshop suitability before commitments. The launch asset budget is Four welding stations: \$12,000.00; Engine-driven mobile welding rig: \$16,000.00; Used service truck: \$35,000.00; Plasma cutting and air system: \$6,500.00; Saw drilling and grinding equipment: \$4,500.00; Welding tables and clamps: \$4,500.00; Ventilation and shop fit-out: \$10,000.00; Office computer and furniture: \$2,000.00.

Service delivery

Assess the item and technical boundary, agree preparation/material responsibility, plan the qualified worker and equipment, perform the scoped work and document agreed checking/acceptance. Mobile jobs draw from the same three-welder calendar and single rig. Travel, setup and management consume unsold time, so available stations cannot eliminate a shortage of qualified paid hours.

Launch & development milestones

Verify technical competence, applicable permissions, workshop/site conditions, insurance and configured equipment before launch. Complete a paid suitable job through collection and compare total effort and materials with the fee. The original funding proposal leaves a cash gap; revised uncommitted external equity covers that gap without reducing the retained roster or hiding operating losses.

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 \$110,206.54: \$90,500.00 for assets, \$16,250.00 for expensed setup and \$3,456.54 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 \$290,000.00, comprising \$214,978.64 from the owner and \$75,021.36 from external investors. Neither contribution is committed. No borrowing is included, and financing receipts are separate from earned revenue.

Owner contribution

The owner must confirm the availability and transfer date of the \$214,978.64 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

The external equity request is \$75,021.36. Receiving all proposed equity leaves \$179,793.46 of opening cash and a forecast funding gap of \$0.00. The gap measures a cash shortfall after assumed funding; it is not a substitute for the investment request. Agree investor rights and reporting before accepting funds.

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

3 paid welders including the working owner provide 480.000 scheduled hours per month (160.000 per person). Requested sold time starts at 45% 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 0% annually, subject to the available-hour ceiling; fees grow 2% annually. Staffing stays fixed. Direct costs are 21% 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 18 days, supplier payments 13 days and inventory coverage 20 days. The 21% flat income-tax provision and 15% employer-cost allowance are simplified planning inputs.

Financial outlook

Year 1: revenue \$308,286.00, EBITDA -\$59,084.32, net income -\$77,450.99 and closing cash \$106,443.91. Year 2: revenue \$343,038.24, EBITDA -\$41,372.28, net income -\$59,738.94 and closing cash \$64,717.19. Year 3: revenue \$349,898.88, EBITDA -\$45,234.36, net income -\$63,601.03 and closing cash \$19,121.32. 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 \$19,121.32, 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

Unexpected contamination/damage, wrong materials, preparation overruns, defects, mobile access and late trade payment can consume wages and stock before collection. One absent specialty can stop a job despite free stations. The shared-hour forecast cannot establish technical feasibility, and the extra reserve does not prove sustainable shop contribution at the selected launch utilization.

Contingency actions

Use technical/readiness gates, agreed acceptance criteria, traceable materials and written change decisions. Track full workshop/mobile effort, purchased testing and collected fees. Test fewer sold hours, material waste and later payment while retaining wages. Decline or refer jobs when competence, equipment configuration or cash cannot support the actual responsibility.

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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

Verified skills and applicable procedure/qualification requirements, actual item/design and acceptance responsibility, workshop/power/ventilation and equipment terms, materials/testing quotes, configured insurance, paid job records and equity commitments remain outstanding. No certified procedure, design approval, safety-critical test result or committed customer backlog 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	19,121.32
Unfunded cash gap	0.00
Operating-period net income	-200,790.96
Final closing cash	19,121.32

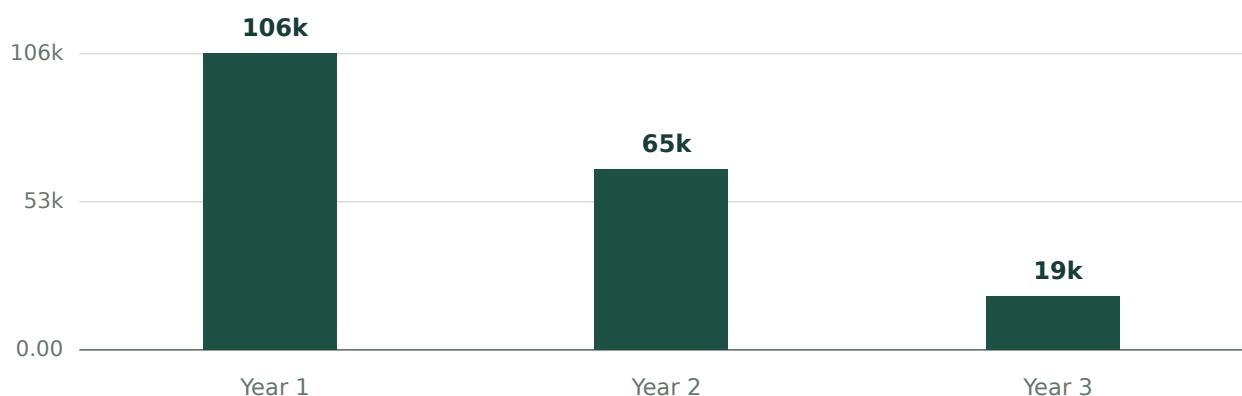
Profit and loss - USD

Item	Year 1	Year 2	Year 3
Revenue	308,286.00	343,038.24	349,898.88
Cost of goods sold	64,740.06	72,038.04	73,478.76
Gross profit	243,545.94	271,000.20	276,420.12
Operating expenses	302,630.26	312,372.48	321,654.48
EBITDA	-59,084.32	-41,372.28	-45,234.36
Depreciation	18,366.67	18,366.66	18,366.67
Interest expense	0.00	0.00	0.00
Income tax	0.00	0.00	0.00
Net income	-77,450.99	-59,738.94	-63,601.03

Cash flow - USD

Item	Year 1	Year 2	Year 3
Opening cash	179,793.46	106,443.91	64,717.19
Operating cash flow	-73,349.55	-41,726.72	-45,595.87
Investing cash flow	0.00	0.00	0.00
Financing cash flow	0.00	0.00	0.00
Net cash movement	-73,349.55	-41,726.72	-45,595.87
Closing cash	106,443.91	64,717.19	19,121.32

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	106,443.91	64,717.19	19,121.32
Receivables	16,815.60	17,151.91	17,494.94
Inventory	3,456.54	3,525.67	3,596.18
Fixed assets, net	72,133.33	53,766.67	35,400.00
Total assets	198,849.38	139,161.44	75,612.44
Payables	2,550.37	2,601.37	2,653.40
Loan balances	0.00	0.00	0.00
Total liabilities	2,550.37	2,601.37	2,653.40
Equity	196,299.01	136,560.07	72,959.04
Reconciliation difference	0.00	0.00	0.00

Launch budget & proposed funding

Item	USD
Setup expenses	16,250.00
Asset purchases	90,500.00
Opening stock purchases	3,456.54
Equity contributions	290,000.00
Loan proceeds	0.00
Cash at launch	179,793.46
Opening inventory balance	3,456.54
Opening loan balance	0.00

Operating break-even - USD

Measure	Year 1	Year 2	Year 3
Break-even revenue	385,621.48	397,190.47	409,106.15
Margin of safety	-77,335.48	-54,152.23	-59,207.27

Project payback

Measure	Forecast result
Initial project outlay (USD)	110,206.54
Payback	Not recovered within the forecast
Final cumulative project cash (USD)	-270,878.68

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.

Five-year source narrowed to Jan 2027-Dec 2029; initial paid roster, mix and base fees retained. Later expansion omitted. Fixed utilization and three-month ramp; fees grow 2%, paid/fixed costs 3%. Fractional rows are prorated budgets. Owner pay counted once. Stock uses physical goods days; supplier lag is blended. Deposits/prepayments excluded; setup paid once. Source noncash loss allowances become conservative cash buffers. Tax/employer allowances illustrative. Initial funding gap 55900.04; only uncommitted equity increased, retaining operating losses.

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.