



SCALABLE GROWTH BUSINESS MODEL

Here's what you need



The best way to use the Scalable Growth Business Model is walking through it with your Profit First Professional. Here's a list of what you'll need to complete the assessment, including the specific fields you'll be asked to enter.

Have your Profit First Professional walk through the items with you to get your numbers ready before you start the assessment.

You'll need the following:

- Your P&L for the last 12 months of business.
- The tax returns for each owner for your last full year of business' tax period.
- Your balance sheet for the last 12 months of business.
- Your cash-flow statement for the last 12 months of business.

Total Revenue *(Required)*

This should be your total annual revenue for your last full year. This is your company's Total Revenue from sales and should be the top-line revenue on your P&L statement. Other terms for "Total Revenue" are "total income" and "total sales."

Materials and Subcontractors Expense *(Required)*

This should be your total expenses for materials and subcontractors for your last full year. Do NOT include any prepaid materials OR costs associated with operations.

Field Labor Landscape *(Required)*

Total up all the Field Payroll related to landscape projects, making sure this number includes all labor burden details. If you don't offer landscape services, enter zero.

Field Labor Lawn care *(Required)*

Total up all the Field Payroll related to lawn care projects, making sure this number includes all labor burden details. If you don't offer lawn care services, enter zero here.

Field Labor Maintenance *(Required)*

Total up all the Field Payroll related to maintenance projects, making sure this number includes all labor burden details. If you don't offer maintenance services, enter zero here.

Field Labor Snow Removal *(Required)*

Total up all the Field Payroll related to snow removal, making sure this number includes all labor burden details. If you don't offer snow removal services, enter zero here.

Operations Payroll *(Required)*

Total up the Operations Payroll, including all benefits, workers' comp, and wages.

Equipment *(Required)*

This is the total amount of production equipment (leases, payments, and maintenance). Do not include operations equipment.

Flex Season Savings Account *(Required)*

This should include any savings you've put aside for years with any weather events. If you have not been saving for a down season, enter \$0 here.

Real Revenue

This is a calculation of your total revenue minus your materials and subcontractor expenses, Total Payroll, Equipment, and Season savings account. It's calculated for you!

Field Labor Irrigation *(Required)*

Total up all the Field Payroll related to irrigation, making sure this number includes all labor burden details. If you don't offer irrigation services, enter zero here.

Owner's Production Field Pay *(Required)*

Identify the total amount of field production that the owner produced and/or was paid in this field. Make sure you include taxes and benefits!

Total Payroll - Calculated for you!

This is a calculation of the Operations Payroll plus Total Field Payroll, minus the Owner's Production Field Pay.

Season Vulnerability Savings Account *(Required)*

This should include any savings you've put aside for years with less snow or any other weather events. If you have not been saving for a down season, enter \$0 here.

Winter Down Season Savings Account *(Required)*

This should include any savings you've put aside for years with less snow. If you have not been saving for a down season, enter \$0 here.

Net Profit *(Required)*

Enter any funds you may have allocated to a savings account. You can find this amount in the Assets section of the balance sheet. Do not include any distributions you have taken as a draw; these have already been counted under Owner's Comp.

Owner's Compensation *(Required)*

This account is designed to support the lifestyle of the owner. Add up all salaries, draws, and personal transactions run through the business. Salaries and wages can be found on your Profit & Loss Statement (or W2). You may also find personal transactions run through the business on the P&L (its ideal to keep personal spending off of the business book). Draws and Distributions are located on the Balance Sheet in the Equity section.

This includes: - Total wages from payroll (gross, including taxes) *Do not include payroll tax here if you have induced it in your taxes paid section. - Owner's draws/shareholder distributions (salary, distributions, bonuses) - Owner's health insurance - Company contributions to retirement - Owner's vehicle expenses: Loan or lease payment (estimated amount or % of personal use) Insurance (estimated amount or % of personal use) Fuel (estimated amount or % of personal use) Repairs & Maintenance (estimated amount or % of personal use) - Owner's Cell Phone (estimated amount or % of personal use) - Other personal expenses paid by business

Taxes *(Required)*

Locate the details of the total tax payments that have been made toward the owner's personal income taxes, as well as the taxes paid on the business' profit here.

Operating Expenses *(Required)*

Enter the total of all the operating expenses (OPEX). Avoid the expenses you already accounted for that were listed in the COGS, such as materials and subcontractors, field labor, and equipment. Do not include operations payroll, owner's comp, depreciation, and amortization. Do include fixed operating expenses such as rent, office supplies, and utilities. Don't forget about the liabilities, which are the debts that you owe. The balance sheet makes it easy to distinguish your liabilities from monthly payments on (for example) credit cards that you use to purchase goods and that may already be accounted for in expenses such as materials.