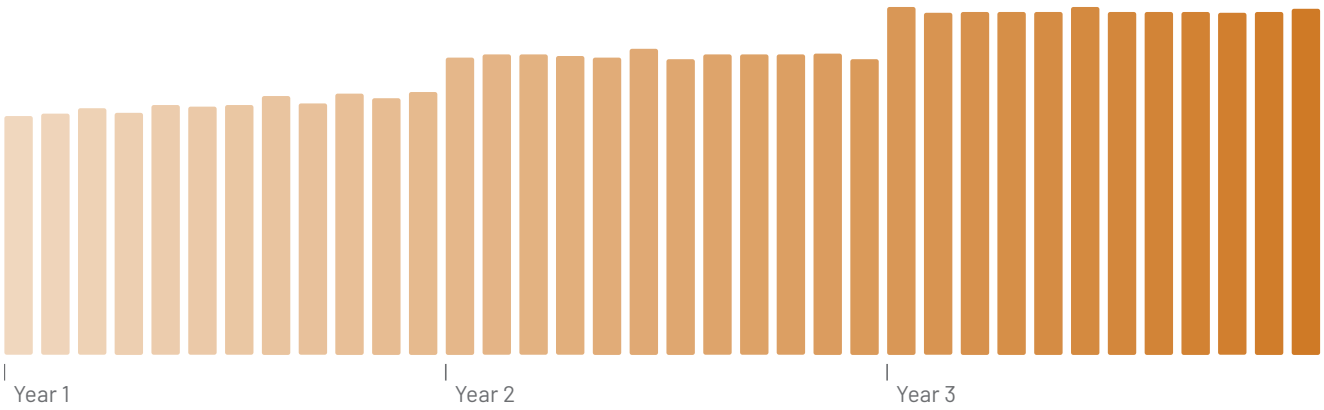
BUSINESS PLAN

Harbour Plumbing

Upfront fixed-price plumbing repairs
for homes and small businesses
on Sydney's Northern Beaches



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The plan in numbers

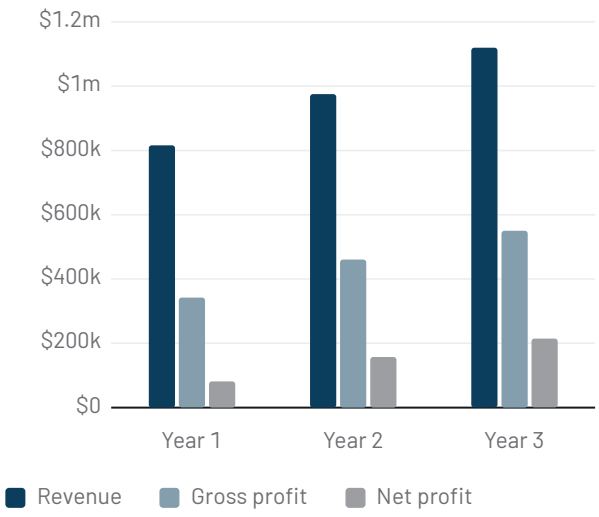
Revenue grows from $780K in the last 12 months to $816K in year 1 and $1.12M in year 3. EBITDA is positive in every month, and net profit is $214K in year 3, 19% of revenue.

$1.12M
REVENUE IN YEAR 3

$214K
NET PROFIT IN YEAR 3
19% of revenue

781
CUSTOMERS WON IN YEAR 3
and 597 repeat jobs

32%
MARGIN OF SAFETY
in year 1



	Year 1	Year 2	Year 3
Revenue	816,030	975,303	1,119,589
Gross profit	341,942	460,659	550,183
Gross margin	42%	47%	49%
EBITDA	117,958	218,899	294,963
Net profit	**81,625**	**157,330**	**214,378**
Net margin	10%	16%	19%
Customers won in the year	637	719	781
Repeat jobs in the year	471	543	597
Cash at year end	110,609	281,790	511,503

All figures in Australian dollars, before GST.

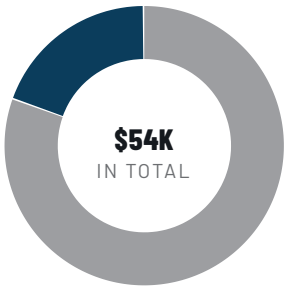
KEY MILESTONES

Month 6
May 2027
An apprentice plumber joins

Month 26
Jan 2029
Sales over the past 12 months pass $1,000,000

THE RAISE

We are raising $54,000 of equity. It pays for the one-off costs and the working capital the growth needs, and keeps a reserve of two months of the fixed costs the plan adds, and carries the cautious case too. This plan does not set a valuation: terms are agreed with each investor.



Equipment	**$43,500**
Working capital and a reserve of two months of the fixed costs the plan adds	**$10,500**

Executive summary

We deliver licensed emergency plumbing, gas fitting, and maintenance with upfront fixed pricing and same-day response across Sydney's Northern Beaches.

The opportunity

Uncertain plumbing bills with unexpected charges added after work begins, causing deep distrust. About 150,000 people and businesses in Australia are likely to reside on the Northern Beaches needing licensed trades each year. We need 781 of them as customers in year 3: about one in 190.

What we sell

Three services: Blocked Drain Clearing at $220; Hot Water System Replacement at $1,450; and General Plumbing & Gas Fitting at $650. Add-on: Same-Day Emergency Callout Fee at $99.

How we win

Upfront fixed prices in writing before any work starts.

- Pre-work cost approval locks in gross margins before vehicle dispatch.
- NSW plumbing and gasfitting licence 123456C backs compliance across all jobs.

Who we serve

Northern Beaches homeowners and local small business owners. Three kinds buy most: the Northern Beaches owner, the distressed household and the commercial manager.

The business and the team

The business

A proprietary limited company (Pty Ltd), already trading. This plan covers December 2026 to November 2029. Based at Shop 4, 12 Pittwater Road, Manly NSW 2095, and online at harbour-plumbing.sitepages.app.

The team

The owner runs the business and is its lead plumber. An apprentice plumber joins in month 6.

OUR MISSION

We deliver transparent fixed-price plumbing to Northern Beaches property owners with reliable same-day dispatch.

OUR VISION

We will build the most trusted and operationally efficient local plumbing operation across the Northern Beaches.

01 The business

Who we are

The business

Name	Harbour Plumbing
Legal form	A proprietary limited company (Pty Ltd)
Where	Shop 4, 12 Pittwater Road, Manly NSW 2095
Stage	Already trading
Website	harbour-plumbing.sitepages.app
Phone	02 9000 1234

Who runs it

Owner and Lead Plumber

Manages operations, delivers trade work, and provides upfront written quotes to customers.

The problem we solve

What goes wrong for the people and businesses we serve, and what we do about each.

THE PROBLEM	OUR ANSWER
01 Uncertain plumbing bills with unexpected charges added after work begins, causing deep distrust.	01 Upfront fixed pricing: We provide written fixed quotes before any plumbing work starts.
02 Unreliable arrival times during urgent water leak emergencies causing stress and property damage.	02 Same-day dispatch: We guarantee rapid callouts for emergency repairs, burst pipes, and hot water.
03 Unqualified trades delivering messy work without long-term labour warranties or clear compliance.	03 Guaranteed trade quality: We deliver licensed plumbing backed by an explicit 12-month work warranty.

02 The market

The market and its size

Northern Beaches homeowners and small businesses needing trade services.

Market	Number	How it is counted	A year at our prices
The market we can serve	150,000	Those likely to reside on the Northern Beaches needing licensed trades each year: about 0.5% of all people and businesses in Australia	$110M
Our share in year 3	**781**	**The customers won in year 3, about one in 190 of those we can serve; the revenue is the plan's for year 3**	**$1.12M**

A year at our prices is one purchase a year at the average price, weighted by the mix in the assumptions. All people and actively trading businesses in Australia: 30,714,778, from Australian Bureau of Statistics, National, state and territory population, 27,900,000 people (March 2026) and ABS, Counts of Australian Businesses, latest release, 2,814,778 actively trading businesses (2026).

Why now

Two changes in how property owners select licensed trade emergency services, each from a published source.

01

Trade counts continue growing.

31,380 businesses in Australia are in plumbing services, up 1.7% on 2024. Property owners favour established local operators with verified credentials.

Australian Bureau of Statistics, Counts of Australian Businesses, 2025

02

Interest peaks every December.

Interest peaks in December worldwide, where the busiest month has 1.44 times the views of the quietest. Callout volume surges during peak holiday periods.

Wikimedia, English Wikipedia page views

Who buys

Three kinds of Northern Beaches homeowners and local small business owners buy most: what each wants, what worries them, what starts a purchase and how we reach them.

01 The Northern Beaches owner

Local owner needing reliable burst pipe repairs with guaranteed upfront pricing.

WANTS
Guaranteed price transparency ahead of tool deployment.

WORRIES ABOUT
Unexpected charges added after work begins.

WHAT STARTS IT
A sudden burst pipe or leaking water line.

HOW WE REACH THEM
Local search ads and suburb letterbox drops.

02 The distressed household

Family facing a dead hot water unit needing urgent same-day trade dispatch.

WANTS
Rapid same-day replacement at a fixed price.

WORRIES ABOUT
Cold water for days and escalating hourly rates.

WHAT STARTS IT
A hot water system failure in the morning.

HOW WE REACH THEM
Immediate emergency callout phone searches.

03 The commercial manager

Small business operator requiring compliant gas fitting and pipe repairs.

WANTS
Licensed trade execution without operational delays.

WORRIES ABOUT
Uncertified work causing business downtime.

WHAT STARTS IT
Required gas fitting maintenance or renovations.

HOW WE REACH THEM
Direct return customer booking and trade referrals.

What each buys

Who	Usually buys	Price	Chosen by
01 The Northern Beaches owner	Blocked Drain Clearing	$220	45%
02 The distressed household	Hot Water System Replacement	$1,450	35%
03 The commercial manager	General Plumbing & Gas Fitting	$650	20%

Chosen by: the share of new customers who take each service.

The competition

Three kinds of competitor serve the same people and businesses. Each leaves a gap, and the business is built for it.

	Kind of competitor	What they charge	Their strength	Where they fall short
1	**Sole trader operatives**	AUD 100 callout fees with variable hourly rates.	Low overhead costs and direct owner contact.	Unpredictable response times during peak callout periods.
2	**Franchised trade chains**	AUD 3,000 fixed services with large overheads.	High brand visibility and booking call centres.	Impersonal service and aggressive sales add-ons.
3	**Unlicensed maintenance handymen**	AUD 100 to AUD 450 per standard task.	Cheap initial quotes for minor job requests.	Lacks gasfitting licences and formal 12-month work warranties.

Competing firms, counted

31,380

PLUMBING SERVICES

Australian Bureau of Statistics, Counts of Australian Businesses. Most are small firms: the work is won business by business.

Our edge

- Pre-work cost approval locks in gross margins before vehicle dispatch.
- NSW plumbing and gasfitting licence 123456C backs compliance across all jobs.
- A 15-year footprint across 15 Northern Beaches suburbs drives repeat jobs.
- Every job completed carries a 12-month warranty guaranteeing workmanship.

Strengths, weaknesses, opportunities and threats

Each weakness and threat is answered in the risks (page 16).

STRENGTHS

- 15 years operating history on the Northern Beaches.
- Upfront fixed quotes provided in writing for every job.
- Fully licensed plumber and gasfitter under licence 123456C.

WEAKNESSES

- Capacity restricted to current owner dispatch schedule.
- Reliance on single-vehicle operational transport.
- Administrative work performed alongside active site callouts.

OPPORTUNITIES

- Emergency callout demand from 15 Northern Beaches suburbs.
- Adding an apprentice plumber to double daily site output.
- High-margin hot water replacement demand during seasonal spikes.

THREATS

- Rising trade labour costs affecting margin calculations.
- Competing trade marketing across local search channels.
- Seasonal callout volume drops during quiet trade periods.

03 Services and pricing

Fixed written quotes replace variable hourly rates.

What we sell

Three services, each at a set price, paid on completion of the job.

Service	What it includes	Price	New customers
Blocked Drain Clearing Homeowners and small businesses needing fast clearing of blocked drains with fixed upfront pricing.	– On-site diagnostic inspection – High-pressure drain clearing – 12-month job guarantee – Upfront written quote	$220	45%
Hot Water System Replacement Property owners replacing dead or inefficient hot water units with guaranteed installed pricing.	– Removal of old hot water unit – Installation of new hot water system – Licensed plumbing and gas fitting connection – 12-month job guarantee	$1,450	35%
General Plumbing & Gas Fitting Northern Beaches customers requiring pipe repairs, gas fitting, or bathroom renovation works.	– Licensed gas fitting and pipe work – Same-day emergency callout service – Upfront fixed price in writing – 12-month job guarantee	$650	20%

Add-ons

Add-on	What it is	Price
Same-Day Emergency Callout Fee	Callout fee for immediate emergency dispatch, waived if the job proceeds.	$99

How the prices are set

- We waive the $99 callout fee when work proceeds.
- Upfront fixed prices lock in margins before work.

How the work is delivered

01
10 MINUTES

Initial enquiry call

Customer calls by midday to log details regarding a blocked drain or leak issue.

02
30 MINUTES

On-site assessment

The service van arrives on site to diagnose the fault.

03
10 MINUTES

Written quote sign-off

The written scope of work is handed to the customer for signature.

04
2 TO 4 HOURS

Execution and cleanup

Our licensed plumber completes the repair or hot water installation, tests the system, and clears the site.

Quality we hold to

- Lead plumber inspects every job site against strict Australian standards.
- All completed installations carry an explicit twelve month work guarantee.
- Site cleanup and pressure testing are verified before leaving the property.

04 Marketing and sales

Two channels bring 1,499 enquiries and 637 new customers in year 1, and past customers come back for 471 repeat jobs. Over the three years a customer costs $80 to win and is worth $198.

From enquiry to customer

Inbound call workflows push for immediate same-day site bookings.

How a sale is made

- Returning customers receive immediate priority booking for new system jobs.
- Search ad clicks convert via direct phone calls for rapid same-day quotes.
- Letterbox flyers drive phone bookings from homeowners wanting clear prices.

What a customer is worth

Enquiries won as customers, year 1	**42%**
What a job adds, with its hours at the contract rate	**$113**
Cost to win a customer, years 1 to 3	**$80**
A customer's value, with the repeat jobs they come back for	**$198**
Value against the cost to win	**2.5 : 1**
Jobs a month that cover the fixed costs	**64**

A customer's value is their first job and the repeat jobs that follow (0.8 for each new customer in the forecast), each less the direct costs of serving them, their delivery hours at the contract rate and card fees. The cost to win one is the marketing spent for each new customer. The jobs a month that cover the fixed costs are the break-even's count (page 25), at month 12's costs: there the owner and the team give every hour the work takes and their pay is a fixed cost, so a job's own costs count none of the hours.

How we find customers

Two channels. In year 1 they bring 1,499 enquiries and 637 customers, at $81 of marketing each.

Channel	A month, at full pace	Year-1 cost	Enquiries	Customers	Cost to win one
Local Search Ads	494 ad clicks	38,726	1,131	453	85
Suburbs Letterbox Drop	3,141 flyers	12,879	368	184	70
Returning Customers	41 repeat jobs	–	–	–	–
Year 1		**51,605**	**1,499**	**637**	**81**

Past customers also come back for 471 repeat jobs in year 1. That work wins no new customer, so the cost to win one leaves it out.

How each channel works

Returning Customers

Satisfied Northern Beaches customers rebooking service for hot water, gas fitting, or general plumbing.

Local Search Ads

Targeted search campaigns for emergency hot water and blocked drain queries across the Northern Beaches.

Suburbs Letterbox Drop

Direct flyer mailouts to homeowners across 15 Northern Beaches suburbs highlighting upfront pricing.

The marketing budget

Marketing costs $51,605 in year 1, 6% of revenue, and $62,351 in year 3, 6%.

	Marketing spend	Share of revenue	New customers	Cost to win one
Year 1	51,605	6%	637	81
Year 2	57,749	6%	719	80
Year 3	62,351	6%	781	80

Keeping customers, and growing with them

One-off work carries the business, so the plan is built on customers coming back, and on what more they buy when they do.

Keeping customers

- Every completed job is backed by a solid twelve month workmanship warranty.
- System maintenance reminders are sent to existing customers every twelve months.
- Repeat callers skip standard queues for priority emergency dispatch bookings.

Growing with them

- Cross-selling gas fitting to existing hot water replacement customers.
- Partnering with local builders to secure recurring bathroom renovation work.
- Scaling suburb coverage to capture broader local emergency trade demand.

05 Operations and team

How the business runs

Workshop location

Operations run out of our Manly workshop to serve the Northern Beaches area.

Operating hours

Standard work runs weekdays and Saturday morning, with 24/7 emergency calls.

Job Scheduling

Customers calling by midday receive guaranteed same-day afternoon visits logged directly through our phone team.

Payments

Customers pay on completion of the job.

Accounts and records

An outside accountant keeps the books monthly and files the GST return each quarter. The business is already registered for GST. The weekly statistics are kept every Thursday.

Running costs a month

Workshop Rent Manly	**$2,488**
Vehicle Costs and Fuel	**$1,357**
Business and Trade Insurance	**$509**
Licensing and Accounting	**$396**
Mobile Phone and Broadband	**$204**
Running costs a month	**$4,954**

People and marketing are costed in the team and marketing plans. In Australian dollars, before GST.

Terms, laws and insurance

The terms customers agree to

- Written customer signatures are mandatory before turning a wrench.
- The $99 callout fee is automatically waived if the job quote is accepted.
- Emergency callouts outside regular hours require telephone confirmation.

The laws we work under

- Plumbing operations must hold valid state trade licensing credentials.
- Gas fitting works must comply strictly with national safety standards.
- The Privacy Act 1988 and the Australian Privacy Principles.
- The Australian Consumer Law: no misleading claims in our advertising.

Insurance we hold

- Public liability policy protecting property during all trade operations.
- Third-party vehicle insurance covering mobile plumbing service vans.

The team

The owner runs the business and is its lead plumber. An apprentice plumber joins in month 6. Work beyond the team's own hours is contracted at $96 an hour, so a busy month never waits for a hire.

Role	What they do	From
Owner and Lead Plumber	Manages operations, delivers trade work, and provides upfront written quotes to customers.	In place
Apprentice Plumber	Assists the lead plumber on site with drain clearing, gas fitting, and installations.	Month 6

People costs	Year 1	Year 2	Year 3
Owner's salary	96,000	102,000	108,000
Delivery team	29,400	51,912	53,469
On-costs	16,929	20,778	21,798
Contracted delivery hours	38,553	–	8,874
People, in all	**180,882**	**174,690**	**192,141**

06 Risks and milestones

The six risks that could knock the plan off course, how likely each is and what we do about it; then the milestones that mark its 36 months.

Risks and how we answer them

Ranked by likelihood and impact, the highest first. The owner reviews every risk each quarter against the plan's figures, and the highest each month.

	Risk	Likelihood	Impact	Our response
1	**Owner injured or unable to work** Responsible: Lead Plumber, then the apprentice from month 6	■■□ Medium	■■■ High	Apprentice assists on site from month 6 and local sub-contractors back up emergency callouts.
2	**Labor cost inflation on jobs** Responsible: Lead Plumber	■■□ Medium	■■□ Medium	Upfront written quotes lock in profitable margins per job before a single van dispatches.
3	**Local search ad costs increase** Responsible: Lead Plumber	■■□ Medium	■■□ Medium	High-margin emergency jobs absorb higher pay-per-click costs across all 15 suburbs.
4	**Supplier materials price hike** Responsible: Lead Plumber, then the apprentice from month 6	■■□ Medium	■■□ Medium	We adjust upfront fixed services for hot water system replacement and pipe repairs as costs shift.
5	**Competitor copies pricing model** Responsible: Lead Plumber	■□□ Low	■■□ Medium	Our 15-year footprint, NSW licence 123456C, and hyper-local dispatch setup create strong trust barriers.
6	**Vehicle breakdown delays work** Responsible: Lead Plumber, then the apprentice from month 6	■□□ Low	■■□ Medium	We maintain regular servicing schedules and keep a backup trade vehicle arrangement active.

Milestones

What the plan expects to have done by when, and who is responsible for each, from the forecast's own months and figures.

When		Milestone	Responsible
Year 1: Dec 2026 to Nov 2027			
Month 1	Dec 2026	Workshop site set up	Lead Plumber
Month 2	Jan 2027	Letterbox run deployed	Lead Plumber
Month 3	Feb 2027	Supplier deals signed	Lead Plumber
Month 6	May 2027	An apprentice plumber joins	Lead Plumber
Month 12	Nov 2027	Annual service audited	Lead Plumber
Year 2: Dec 2027 to Nov 2028			
Month 24	Nov 2028	Van fleet upgraded	Apprentice
Year 3: Dec 2028 to Nov 2029			
Month 26	Jan 2029	Sales over the past 12 months pass $1,000,000	Lead Plumber

07 The financial plan

Revenue of $816K, $975K and $1.12M over the three years. EBITDA is positive in every month, and net profit is $214K in year 3. The funding keeps cash above a reserve of two months of the fixed costs the plan adds, even at its lowest point.

The last 12 months

In the 12 months to November 2026, the business sold $780,000 and made $86,000 before tax, 11% of its sales. The forecast starts from there, at today's prices and volumes: year 1 sells $816,030, 4.6% more, and makes $108,833 before tax.

	12 months to Nov 2026	Year 1	Change
Sales	780,000	816,030	+4.6%
Profit before tax	86,000	108,833	+27%
Profit, as a share of sales	11%	13%	
Sales a month, on average	65,000	68,003	

The business's own figures, in Australian dollars, before GST. Profit is after the owner's pay, as the forecast counts it.

One-off costs and funding

What is bought and paid before the first month, and where the money comes from. At its lowest point, on the plan's first day, cash still stands at $10,500: at least two months of the fixed costs the plan adds.

What	How it is counted	Amount
Plumbing Van and Equipment	Equipment, depreciated over 60 months	35,000
High-Pressure Drain Cleaner	Equipment, depreciated over 48 months	8,500
One-off costs in all		**43,500**

Sources and uses

	Amount	Share
Sources		
Investors put in	54,000	100%
Sources in all	**54,000**	**100%**
Uses		
Equipment	43,500	81%
Working capital and a reserve of two months of the fixed costs the plan adds	10,500	19%
Uses in all	**54,000**	**100%**

The reserve

Fixed costs a month, the year-1 average	**$21,115**
Less today's, which today's sales carry	**$18,174**
Months of the rest held in cash	**2**
The reserve	**$5,883**
Cash at its lowest, on the first day	**$10,500**

Fixed costs are the owner's pay, the team, marketing and overheads; today's sales carry today's, as they did in the last 12 months. The funding is sized on two tests: in the expected case cash never falls below a reserve of two months of the fixed costs the plan adds, and in the cautious case (page 27) it never goes below zero. The reserve carries what the plan adds through a slow quarter without new money.

The assumptions

Every figure in the plan comes from these.
Prices are Australian dollars, before GST.

Services

Service	Price	Share of customers	Hours each
Blocked Drain Clearing	220	45%	1.5 h
Hot Water System Replacement	1,450	35%	4 h
General Plumbing & Gas Fitting	650	20%	3 h

Finding customers

Channel	A month: start → full	Starts	Enquiries per unit	Become customers	Cost each
Returning Customers	37 → 41	month 1	100%	100%	–
Local Search Ads	449 → 494	month 1	20%	40%	$6
Suburbs Letterbox Drop	2,992 → 3,141	month 1	1.0%	50%	$0.35

Customers and prices

Price rise each year, from year 2	5%
Card and payment fees	1.5%
One-off sales paid	On completion of the job

Costs, tax and funding

The assumptions behind what the business spends: its people, its costs, the tax it pays, and how it is funded.

People

Owner's salary, years 1 to 3	8,000 · 8,500 · 9,000 a month
Delivery hours the owner gives a month	160
A contracted delivery hour	$96
On-costs on salaries	13.5% in all: 12% superannuation guarantee and 1.5% workers compensation
Wages and costs rise each year	3%

Costs

Overheads	$4,954 a month
One-off costs	$43,500

Tax

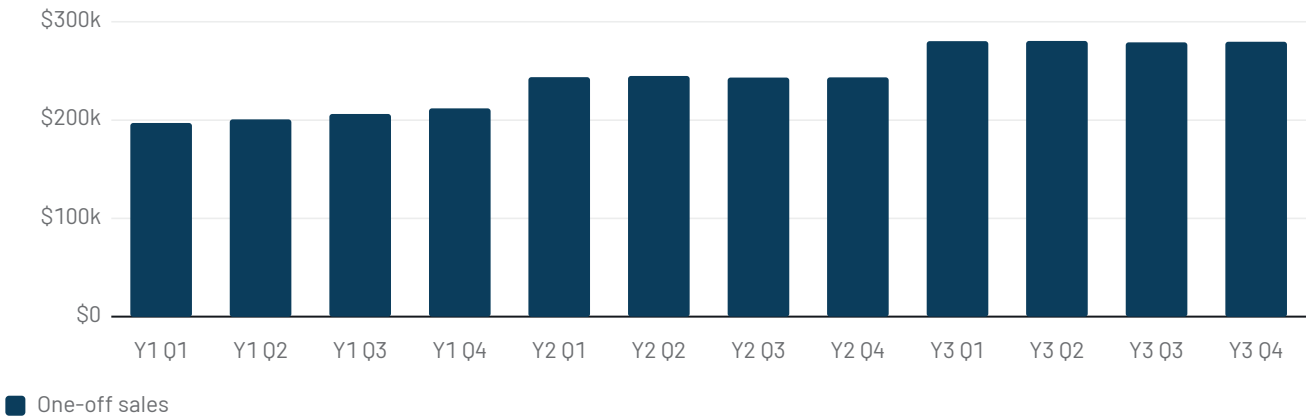
Tax on profit	25% company tax (the base rate entity rate)
When it is paid	PAYG instalments with each quarter's BAS, the rest by 28 February after each year to 30 June
GST	10%, registered already; paid each quarter, by the 28th of the month after it ends, or 28 February for the quarter to December

Funding

Investors put in	$54,000
Reserve kept at the lowest point	Two months of the fixed costs the plan adds

Sales forecast

Revenue grows from $780,000 in the last 12 months to $816,030 in year 1 and $1,119,589 in year 3, with 637 new customers in year 1 and 781 in year 3.



	Year 1	Year 2	Year 3
Enquiries	1,499	1,699	1,849
New customers	637	719	781
Repeat jobs	471	543	597
Revenue	**816,030**	**975,303**	**1,119,589**
Growth on the year before		20%	15%

Jobs by service

	Year 1	Year 2	Year 3
Blocked Drain Clearing	499	568	620
Hot Water System Replacement	388	441	483
General Plumbing & Gas Fitting	221	253	275
Jobs in all	**1,108**	**1,262**	**1,378**

Profit and loss: three years

Gross margin of 42%, 47% and 49%. Net margin reaches 19% in year 3.

	Year 1	Year 2	Year 3
Revenue	**816,030**	**975,303**	**1,119,589**
Cost of sales			
Direct costs: parts and materials	393,895	448,102	490,269
Contracted delivery hours	38,553	–	8,874
Delivery team	29,400	51,912	53,469
Card and payment fees	12,240	14,630	16,794
Total cost of sales	**474,088**	**514,644**	**569,406**
Gross profit	**341,942**	**460,659**	**550,183**
Gross margin	42%	47%	49%
Operating expenses			
Owner's salary	96,000	102,000	108,000
On-costs	16,929	20,778	21,798
Marketing	51,605	57,749	62,351
Overheads	59,450	61,233	63,071
Total operating expenses	**223,984**	**241,760**	**255,220**
EBITDA	**117,958**	**218,899**	**294,963**
Depreciation	9,125	9,125	9,125
Interest	–	–	–
Profit before tax	**108,833**	**209,774**	**285,838**
Tax on profit	27,208	52,444	71,460
Net profit	**81,625**	**157,330**	**214,378**
Net margin	10%	16%	19%

All figures in Australian dollars, before GST. Brackets are a loss. Tax is provided on each year's profit after losses carried forward.

Balance sheet and cash

On the plan's first day and at the end of each year, for what the plan puts in and earns. By the end of year 3, the owner's equity is $507,333. No profit is taken out of the business: the owner's salary is one of the costs.

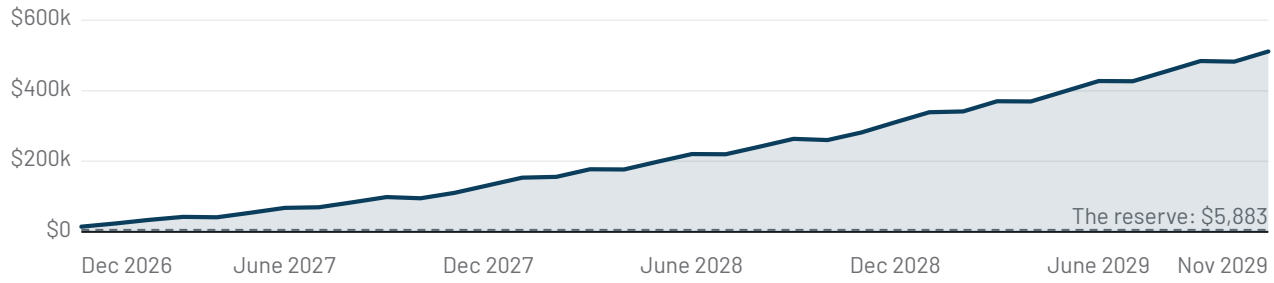
Opening balance sheet	
Cash	10,500
Equipment, at cost	43,500
Total assets	**54,000**
Capital put in	54,000
Total equity	**54,000**

The plan's first day, at the start of December 2026, before any sale in it. What the business already owns and owes, and any tax on profit made before then, is in its own accounts.

	Year 1	Year 2	Year 3
Assets			
Cash	110,609	281,790	511,503
Equipment, after depreciation	34,375	25,250	16,125
Total assets	**144,984**	**307,040**	**527,628**
Liabilities			
Loan	–	–	–
Tax owed on profit	3,840	7,193	11,934
GST owed to the ATO	5,519	6,892	8,361
Total liabilities	**9,359**	**14,085**	**20,295**
Owner's equity			
Capital put in	54,000	54,000	54,000
Retained profit	81,625	238,955	453,333
Total equity	**135,625**	**292,955**	**507,333**
Liabilities and equity	**144,984**	**307,040**	**527,628**

Cash, year by year	Year 1	Year 2	Year 3
Opening cash	–	110,609	281,790
Funding put in	54,000	–	–
Equipment bought	(43,500)	–	–
Cash from operations, after interest and tax	100,109	171,181	229,713
Loan repaid	–	–	–
Closing cash	**110,609**	**281,790**	**511,503**

BALANCE SHEET AND CASH, CONTINUED



Cash in the bank at each month's end, against the reserve the funding keeps

$507K
OWNER'S EQUITY, END OF YEAR 3

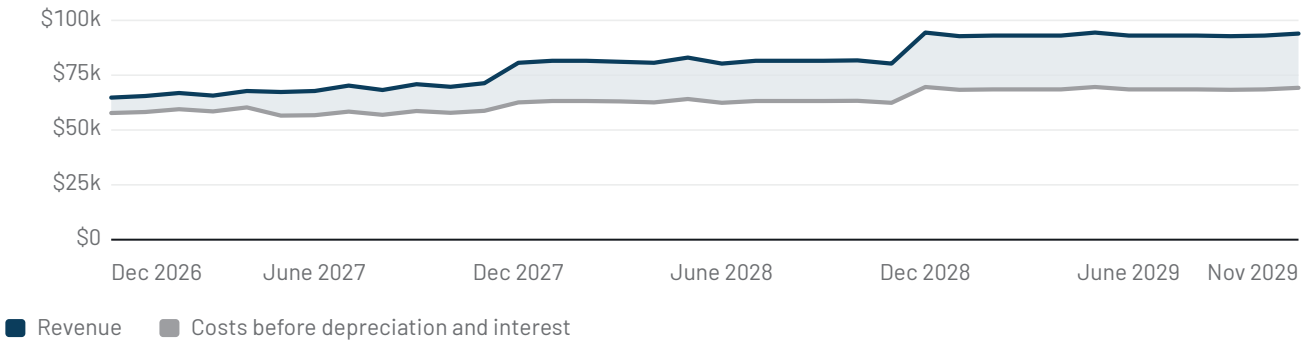
$453K
PROFIT KEPT IN THE BUSINESS BY YEAR 3

0.04
DEBT TO EQUITY
what it owes for each dollar the owner has in it

19.9
MONTHS OF FIXED COSTS HELD IN CASH

Break-even

Revenue is above the costs of running the business from the first month and stays above them: it already trades past break-even, and made $86,000 of profit before tax on $780,000 of sales in the last 12 months. In year 1, what customers pay could fall 32% and still cover the running costs.



BREAK-EVEN, CONTINUED

Fixed costs a month, at month 12	**$23,262**
What a job adds at month 12, over its own costs	**$369**
Jobs a month that cover the fixed costs	**64**
Jobs in month 12	**97**

Break-even here is EBITDA: revenue against the costs of running the business, before depreciation, interest and tax. What customers pay counts in the month it arrives, against all that is paid out that month, before tax on profit and GST. Fixed costs are the owner's pay, the team, marketing and overheads. A customer's own costs are the direct costs of serving them and card fees: at month 12 the owner and the team give every hour the work takes, and their pay is in the fixed costs.

	Year 1	Year 2	Year 3
What customers pay	816,030	975,303	1,119,589
What covers the running costs	556,815	558,789	572,523
Cash margin of safety	**32%**	**43%**	**49%**

How far what customers pay in a year could fall and still cover the running costs.

The raise

We are raising $54,000 of equity. It pays for the one-off costs and the working capital the growth needs, and keeps a reserve of two months of the fixed costs the plan adds, and carries the cautious case too. This plan does not set a valuation: terms are agreed with each investor.

$54,000
EQUITY RAISED

$10,500
CASH AT THE LOWEST POINT
the first day

32%
MARGIN OF SAFETY, YEAR 1

What it pays for

Equipment	**43,500**
Working capital and a reserve of two months of the fixed costs the plan adds	**10,500**
In all	**54,000**

What it reaches

Margin of safety, year 1	**32%**
Customers on monthly plans by month 36	**0**
Monthly plans billing by month 36	**$0**
Revenue in year 3	**$1,119,589**
Net profit in year 3	**$214,378**
Cash at the end of year 3	**$511,503**

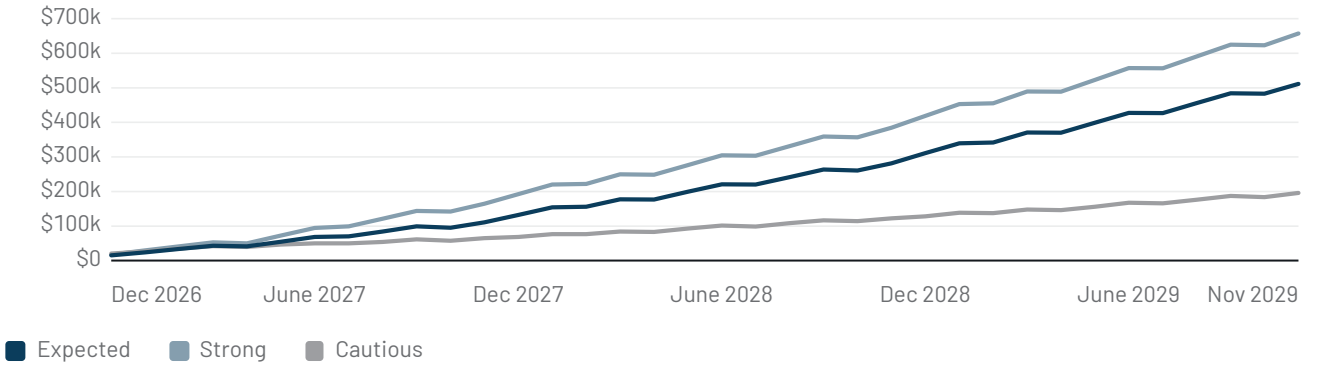
THE RAISE, CONTINUED

> Every figure is a projection on the assumptions in this section. The plan does not value the business or promise a return; an investor's terms are agreed with them.

Three scenarios

What happens if the business does worse than planned, or better. In the cautious case cash at its lowest is still $10,500: the funding carries it.

	Cautious	Expected	Strong
What changes	20% fewer customers won, no price rise, and paid 30 days after each bill	The plan as written	25% more customers won
Revenue, year 1	652,330	816,030	1,018,910
Revenue, year 2	744,480	975,303	1,220,940
Revenue, year 3	**812,470**	**1,119,589**	**1,399,183**
Net profit, year 1	37,275	81,625	129,312
Net profit, year 2	53,335	157,330	207,657
Net profit, year 3	**67,792**	**214,378**	**258,720**
Customers won in year 3	625	781	977
Cash at its lowest	**10,500**	**10,500**	**10,500**



Cash in the bank at each month's end, in each case

What would hurt most

Of the three changes in the cautious case, customers paying 30 days after each bill would take cash lowest on its own: to $8,737, against $10,500 in the plan.

Each change on its own, in order of how low it takes cash

	Revenue, year 3	Net profit, year 3	Cash at its lowest
The plan as written	**1,119,589**	**214,378**	**10,500**
Paid 30 days after each bill	1,119,589	214,379	8,737
20% fewer customers won	895,748	129,314	10,500
No price rise	1,015,500	137,483	10,500
All three: the cautious case	**812,470**	**67,792**	**10,500**

All three together leave more cash at its lowest than customers paying 30 days after each bill alone: with fewer customers won, less is spent serving them, while what customers owed before the plan still comes in.

What the owner watches, and what they do

When	What the owner does
New customers under the plan four weeks running	Move marketing money to the channels that win customers for the least, and review the offer and the follow-up.
Enquiries under the plan four weeks running	Put more into the channel that brings enquiries for the least, and answer every first contact the same day.
A customer paying after their terms	Call the day after a payment is missed, and hold the account until it is paid.
Cash heading under the reserve	Hold the next hire and any spend that is not bringing customers this quarter.
Delivery hours over the team's own two months running	Contract the overflow at $96 an hour and bring the next hire forward.

A Appendix

The forecast month by month: profit and loss and cash flow for the first 12 months. The three years' statements are in the financial plan (page 23).

Profit and loss by month	**30–31**
Cash flow by month	**32**

Profit and loss by month

Revenue of $816,030 in year 1, month by month: a month's revenue goes from $64.8K in Dec 2026 to $71.3K in Nov 2027.

Year 1	2026	2027				
$'000	Dec	Jan	Feb	Mar	Apr	May
Revenue	**64.8**	**65.4**	**66.9**	**65.7**	**67.8**	**67.4**
Cost of sales	39.5	40.0	41.3	40.2	42.0	37.7
Gross profit	**25.3**	**25.4**	**25.6**	**25.5**	**25.8**	**29.7**
Operating expenses						
Owner's salary	8.0	8.0	8.0	8.0	8.0	8.0
On-costs	1.1	1.1	1.1	1.1	1.1	1.6
Marketing	4.1	4.2	4.2	4.2	4.3	4.3
Overheads	5.0	4.9	4.9	5.0	4.9	5.0
Total operating expenses	**18.2**	**18.2**	**18.2**	**18.3**	**18.3**	**18.9**
EBITDA	**7.1**	**7.2**	**7.4**	**7.2**	**7.5**	**10.8**
Depreciation	0.8	0.7	0.8	0.8	0.7	0.8
Interest	–	–	–	–	–	–
Profit before tax	**6.3**	**6.5**	**6.6**	**6.4**	**6.8**	**10.0**
Tax on profit	1.6	1.6	1.6	1.6	1.7	2.5
Net profit	**4.7**	**4.9**	**5.0**	**4.8**	**5.1**	**7.5**

PROFIT AND LOSS BY MONTH, CONTINUED

Year 1	2027						
$'000	Jun	Jul	Aug	Sep	Oct	Nov	Total
Revenue	**67.8**	**70.2**	**68.2**	**70.9**	**69.6**	**71.3**	**816.0**
Cost of sales	37.9	39.4	37.9	39.7	38.8	39.7	**474.1**
Gross profit	**29.9**	**30.8**	**30.3**	**31.2**	**30.8**	**31.6**	**341.9**
Operating expenses							
Owner's salary	8.0	8.0	8.0	8.0	8.0	8.0	**96.0**
On-costs	1.7	1.6	1.6	1.7	1.6	1.6	**16.9**
Marketing	4.3	4.3	4.4	4.4	4.4	4.5	**51.6**
Overheads	4.9	5.0	5.0	4.9	5.0	5.0	**59.5**
Total operating expenses	**18.9**	**18.9**	**19.0**	**19.0**	**19.0**	**19.1**	**224.0**
EBITDA	**11.0**	**11.9**	**11.3**	**12.2**	**11.8**	**12.5**	**117.9**
Depreciation	0.8	0.8	0.8	0.7	0.7	0.7	**9.1**
Interest	–	–	–	–	–	–	**–**
Profit before tax	**10.2**	**11.1**	**10.5**	**11.5**	**11.1**	**11.8**	**108.8**
Tax on profit	2.5	2.8	2.6	2.9	2.8	3.0	**27.2**
Net profit	**7.7**	**8.3**	**7.9**	**8.6**	**8.3**	**8.8**	**81.6**

In thousands of Australian dollars, to one decimal place, rounded so that every row and column adds up. Brackets are a loss or money out; a dash is nil. Before GST.

Cash flow by month

The funding arrives before the first month: $54,000 from investors, less $43,500 of equipment, so month 1 opens with $10,500, its lowest point; month 12 closes with $110,609.

Year 1	2026	2027				
$'000	Dec	Jan	Feb	Mar	Apr	May
Opening cash	10.5	15.0	24.0	33.9	42.9	41.3
Received from customers	64.8	65.4	66.9	65.7	67.8	67.4
GST charged to customers	6.5	6.5	6.7	6.6	6.8	6.7
Cost of sales	(39.5)	(40.0)	(41.3)	(40.2)	(42.0)	(37.7)
Operating expenses	(18.2)	(18.2)	(18.2)	(18.3)	(18.3)	(18.9)
GST on what is bought	(9.1)	(4.7)	(4.9)	(4.8)	(5.0)	(4.1)
Interest	–	–	–	–	–	–
Loan repaid	–	–	–	–	–	–
Tax on profit paid	–	–	(1.9)	–	(5.6)	–
GST to or from the ATO	–	–	2.6	–	(5.3)	–
Net cash flow	**4.5**	**9.0**	**9.9**	**9.0**	**(1.6)**	**13.4**
Closing cash	**15.0**	**24.0**	**33.9**	**42.9**	**41.3**	**54.7**

Year 1	2027						
$'000	Jun	Jul	Aug	Sep	Oct	Nov	Total
Opening cash	54.7	68.3	70.1	84.0	99.0	95.3	**10.5**
Received from customers	67.8	70.2	68.2	70.9	69.6	71.3	**816.0**
GST charged to customers	6.8	7.0	6.8	7.1	7.0	7.1	**81.6**
Cost of sales	(37.9)	(39.4)	(37.9)	(39.7)	(38.8)	(39.7)	**(474.1)**
Operating expenses	(18.9)	(18.9)	(19.0)	(19.0)	(19.0)	(19.1)	**(224.0)**
GST on what is bought	(4.2)	(4.3)	(4.2)	(4.3)	(4.2)	(4.3)	**(58.1)**
Interest	–	–	–	–	–	–	**–**
Loan repaid	–	–	–	–	–	–	**–**
Tax on profit paid	–	(5.7)	–	–	(10.1)	–	**(23.3)**
GST to or from the ATO	–	(7.1)	–	–	(8.2)	–	**(18.0)**
Net cash flow	**13.6**	**1.8**	**13.9**	**15.0**	**(3.7)**	**15.3**	**100.1**
Closing cash	**68.3**	**70.1**	**84.0**	**99.0**	**95.3**	**110.6**	**110.6**

In thousands of Australian dollars, to one decimal place, rounded so that every row and column adds up. Brackets are a loss or money out; a dash is nil. Customers pay one-off prices on completion of the job, so revenue is received in the month it is earned. Company tax for each year to 30 June is paid by 28 February after it, through the tax agent, less the PAYG instalments already paid with each quarter's BAS: the quarter's income at the rate the last return set, its tax over its income. The business is registered for GST: it charges 10% on top of what customers pay, reclaims it on what it buys, insurance aside, and pays the ATO the difference each quarter, by the 28th of the month after it ends, or 28 February for the quarter to December.

How the forecast is built

The forecast is built from the bottom up, month by month, for 36 months from Dec 2026. The marketing done each month brings enquiries at each channel's rate; enquiries become customers at its close rate; customers choose services in the plan's mix and pay for each service on completion of the job.

The work's hours are delivered by the owner and the team first, and contracted at $96 an hour beyond them. Prices rise 5% a year from year 2, wages and costs 3%.

Equipment is depreciated over its life; other one-off costs fall in month 1. Tax is provided at 25% company tax on the profit of each tax year, the year to 30 June, after losses carried forward, and paid on the dates under the monthly cash flow. Every figure is in Australian dollars and before GST, which the cash flow and balance sheet carry on lines of their own.

The funding is sized on two tests: in the expected case cash never falls below a reserve of two months of the fixed costs the plan adds, and in the cautious case it never goes below zero.

Words used in this plan

EBITDA
Revenue less the costs of running the business: profit before interest, tax and depreciation.

Margin of safety
How far what customers pay in a year could fall and still cover the running costs.

Gross margin
Gross profit as a share of revenue: what is kept of each sale after the cost of delivering it.

Net margin
Net profit, after every cost, interest and tax, as a share of revenue.

Cost to win a customer
Marketing, divided by the new customers won.

A customer's value
What a customer's work brings in, less their direct costs, card fees and every hour of the work at the contract rate.

The reserve
Cash kept back to cover two months of the fixed costs the plan adds. The funding is sized so cash never falls below it.

Sources

1. Australian Bureau of Statistics, National, state and territory population
2. Australian Bureau of Statistics, Counts of Australian Businesses, latest release
3. Wikimedia, English Wikipedia page views
4. business.gov.au, Register for goods and services tax (GST), 2026
5. business.gov.au, Lodge and pay tax, 2026
6. Australian Taxation Office, Starting PAYG instalments, and Due dates for lodging and paying your BAS, 2026

BUSINESS PLAN

Harbour Plumbing

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Set in Barlow at 11 pt. Large print editions, at 14 and 18 pt, are available on request.