



SBDC

Wisconsin Small Business Development Center

Floral Shop Example Cash Flow Data/Assumptions

You own a retail store that sells flowers and gifts. You are starting with \$500 cash in your business checking account after making the initial inventory purchases necessary to open.

Income from store operations – monthly estimated cash coming into the business

You sell approximately \$10,000/month in flowers.

You sell approximately \$7,000/month in gifts.

You receive approximately \$2,000/month in delivery fees charged.

The flowers you sold cost you \$3,000 to purchase.

The gifts you sold cost you \$4,900 to purchase.

Income from non-operational sources – loan proceeds, owner cash, proceeds from the sale of equipment or other assets, etc.

You received a PPP loan of \$13,000. Assume that all funds will be used for forgiveness eligible expenses, so the total amount will be forgiven at the end of the performance period.

Expenses – cash going out of the business

You have 3 employees who you pay \$10/hour and they work full time.

You have an operating line of credit with a limit of \$30,000 and you currently have a balance of \$20,000. The minimum monthly payment on average is \$120/month. You pay the principal down on the line when you have cash to do so.

You have a term loan that is currently \$25,000 and the rate is 4% with payments of \$750/month.

Payroll taxes are approximately 7.65% of your payroll expenses. Worker's compensation insurance is approximately 2% of your payroll expenses.

You rent the space for your shop and are responsible for all utilities.

Monthly expenses – cash going out of the business

Advertising - \$50	Supplies - \$100
Rent - \$1,600	Repairs/Maintenance - \$25
Business Insurance - \$150	Other - \$60
Water/Sewer - \$25	Payroll - \$5,200
Gas/Heat - \$45	Payroll Taxes - \$398
Electric - \$120	Workers Comp - \$104
Phone - \$75	Payment on LOC - \$120
Internet - \$75	Payment on term loan - \$750

SBDC Contact information

Luke Kempen, Center Director

kempenls@uwec.edu

716-836-5902 (office)

Beth Crowell

crowelea@uwec.edu

715-864-4147 (cell)