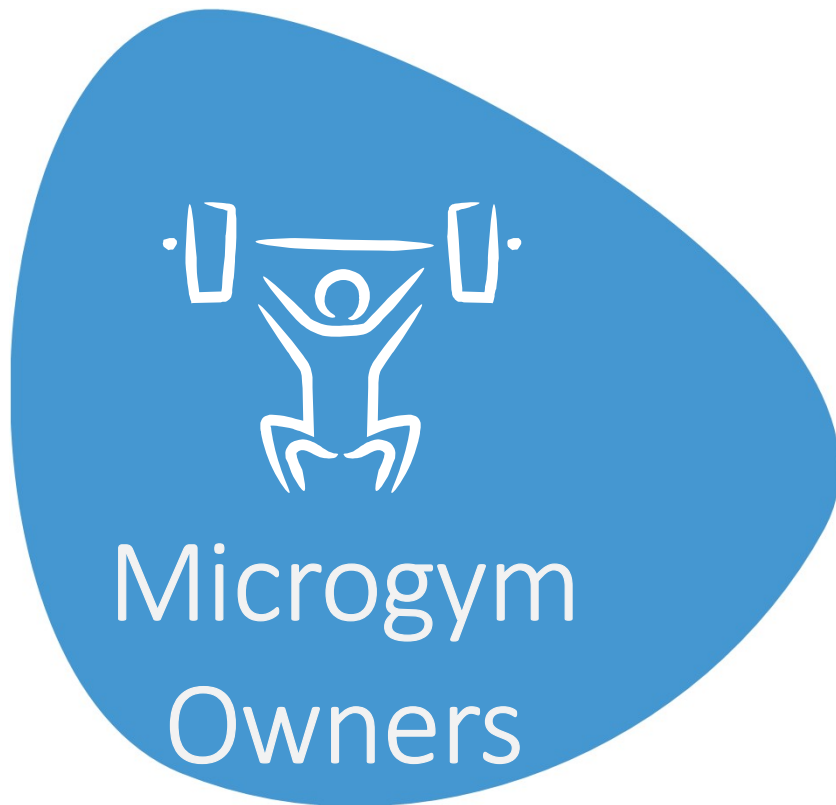


Operating Expenses



The 4 Key Numbers



Real Revenue

- Different than “Total Revenue”
- Makes all businesses comparable



Owner's Pay

- Take home pay
- The cost of your lifestyle



Profit

- What comes back to you because you are the owner of the business
- Also known as “Return on Investment”



Tax

- This can be minimized
- The business generates the burden of the tax so it should be the one that pays the tax
- You shouldn't have to pay the tax out of your lifestyle money.

Two Other Numbers



Team Members

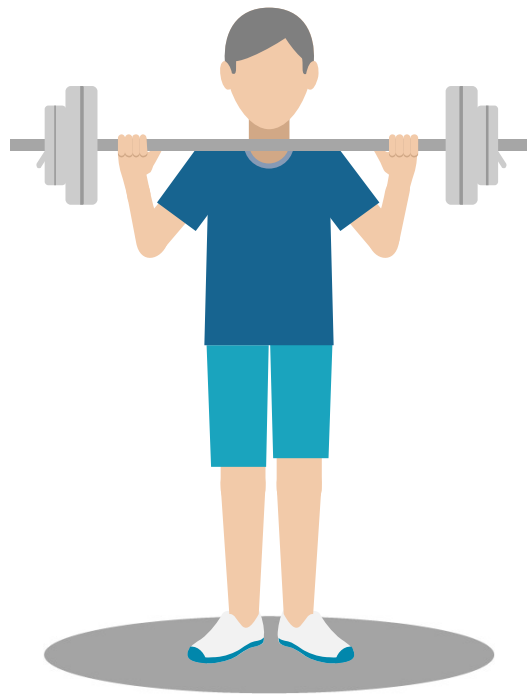
- Payment to coaches regardless of compensation model or tax status (w-2 or 1099)
- Includes payments to you if you coach classes
- Payments to all team members



Equipment

- Wear and tear is a given
- The timing is not a given
- Save small and consistently

EQUIPMENT



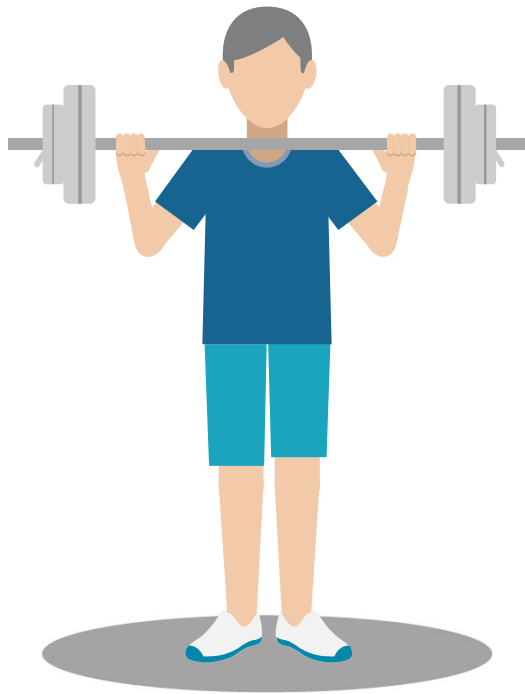
Equipment

If you have been putting money aside for future equipment needs then put that number here. If not, then put the amount of money you spent on new equipment and equipment repairs and maintenance.



OPERATING EXPENSES

The Leftovers



OPERATING EXPENSES

These are all your other expenses that we haven't talked about yet. And the reason it is not one of the 4 key numbers is because paying yourself first is the priority. Owner's pay, profit distributions, and taxes are all things that enhance the business owner's life. Operating expenses is what you have left after you've been taken care of.



Starting point is "total expenses" on a Profit and Loss Statement



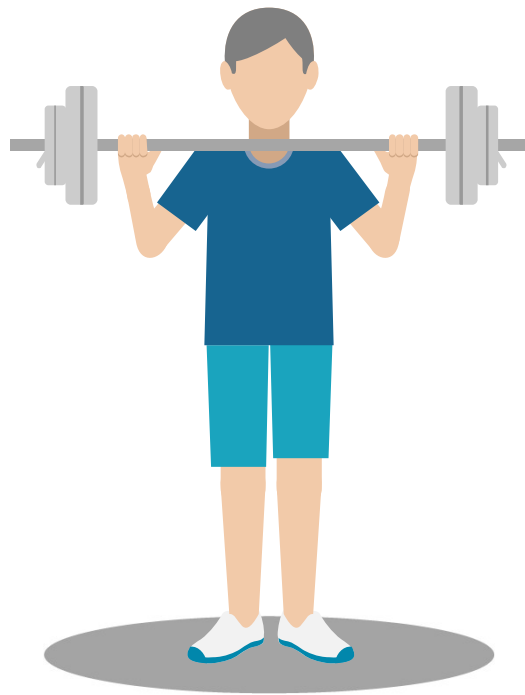
When inputting the operating expenses onto the worksheet, do not double count expenses.



You have now completed an "instant assessment" for your business. Check it out on your Know Your Numbers worksheet!

OPERATING EXPENSES

The Leftovers



Total Expenses	=	\$463,138
Coach Expense	=	-\$186,055
Equipment	=	-\$ 5,578
W-2 Amount	=	-\$ 32,000
Cell Phone	=	-\$ 1,200
Travel	=	-\$ 145
Car Payments & Gas	=	-\$ 6,520
Eating Out	=	-\$ 1,674
Health Insurance	=	-\$ 1,481
401k fees	=	-\$ 9,104
Corporate Rent Strategy	=	-\$ 15,000
OPERATING EXPENSES		\$204,381

FULL CASHFLOW ANALYSIS



PERCENTAGES

Adjust percentages from the instant assessment to be a manageable goal



ROLL OUT PLAN

The target percentages the owner can reasonable manage for the next 6 quarters.



DETAILED EXPENSE REVIEW

Nitty Gritty Review of ALL expenses to help the owner identify improvements

\$787 - 5 Day Challenge Offer