

POSITIONING YOUR BUSINESS FOR PROFIT & GROWTH



Our Services

- Monthly Bookkeeping
- Comprehensive Financial Analysis
- Year-end tax planning and preparation
- Sales Tax Filing
- Full Service Payroll, including payroll tax filing and W2
- Entity creation
- S Corp Election and Reasonable Compensation report
- Bank Loan Package preparation
- Quality of Earnings

Monthly Bookkeeping and Analysis



Bookkeeping Service including Full Financial Analysis with Benchmarking

Monthly Bookkeeping package includes:

- P&L Balance Sheet, and Statement of Cash Flow
- * *BY REQUEST*
- Profit & Loss Analysis
- KPI Ratios
- Accurate break-even and incremental profit



Build custom reports to analyze your company's performance

Peer Benchmarking allows you to do the following;

- Identify revenue and expenses that are 'out-of-range' before they become major issues
- Find inefficiency that create increased expenses and reduced revenue
- Verify that changes made are resulting in improvements to operations



Analyze strengths & weaknesses

Set goals and budget to achieve objectives within specified timeframe

Use the most current data to more accurately achieve successful results

Projections can be used to acquire funding, revise current operations and procedures, and establish company value



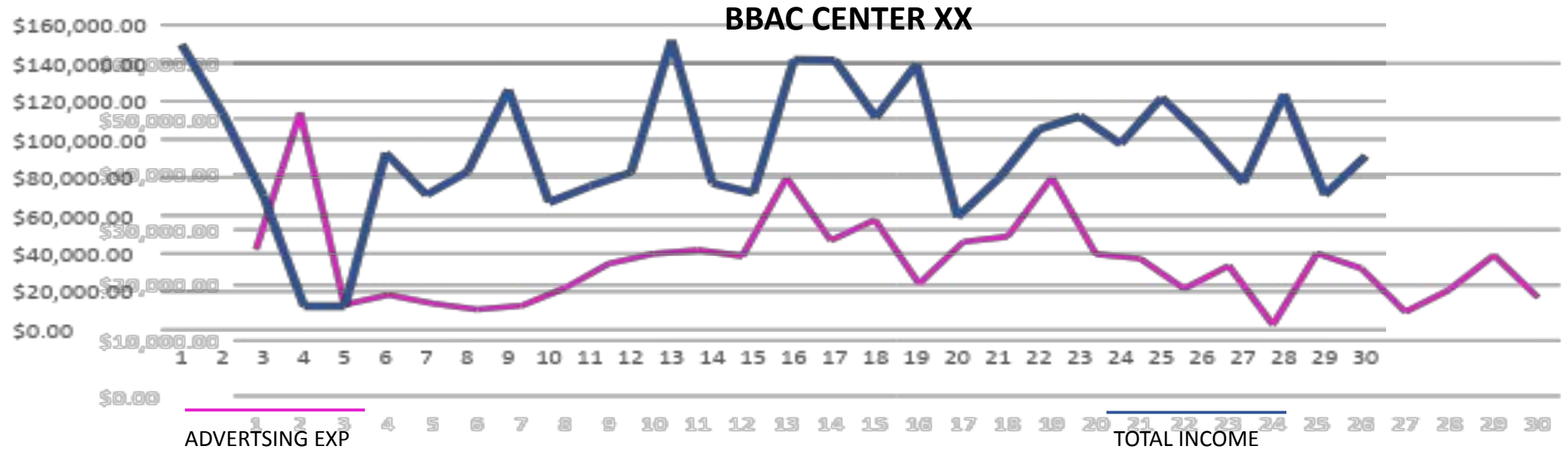
Project future growth and view predictive analysis

Plan for and develop budget for expansion, acquisition

Better anticipate pending and future issues, challenges or opportunities

***Good data relies on using the Corporate Standard Chart of Accounts!**

THINK MARKETING ISN'T IMPORTANT?



- Gross revenue and marketing expense lines mirror each other
- Increased spending on marketing & advertising correlates to a higher gross revenue
- In months with declined revenue, worthwhile to increase advertising, sign more clients, cut down other expenses and try to focus on marketing efforts for a bit

Sample Reports we can provide

Top Ten Expenses report highlights changes from period to period without reading the entire P&L

Advisory Portal

[Instructions For Using The Advisory Portal](#)

Reporting Month vs Prior Month

Export to Excel

Reporting Entity Data					Profit & Loss						Balance Sheet			
Company (select below)	Reporting Entity (select below)	File Type	Last Sync	Reporting Month	Total Income	COGS	Gross Profit Margin	Top 10 Expenses	Net Income	Net Profit Margin	Months of Cash	Cash	A/R	A/P
Advisory Analysis							87%	87%	(96)%	(93)%	0%	0%	N/A	N/A

Top 10 Expenses

Reporting Month Jun 2022		Prior Month May 2022	
Coaches/PT Staff - Wages	21.43 %	Coaches/PT Staff - Wages	9.41 %
AD - Wages	15.67 %	AD - Wages	8.65 %
PD - Wages	14.59 %	PD - Wages	8.06 %
BBAC Royalty Fee	13.89 %	BBAC Software Licenses & Fees	4.30 %
Broadcast Ads	6.49 %	Travel Expenses	4.16 %
Enrollment Kits	4.86 %	Broadcast Ads	3.58 %
Payroll Taxes	4.08 %	Enrollment Kits	3.45 %
National Ad Fund	3.47 %	BBAC Royalty Fee	3.03 %
Digital Ads	2.86 %	Payroll Taxes	2.05 %
Legal & Accounting Fees	1.76 %	Legal & Accounting Fees	0.97 %
Top 10 Expenses	89.11 %	Top 10 Expenses	47.65 %

1 - 1 of 1 items

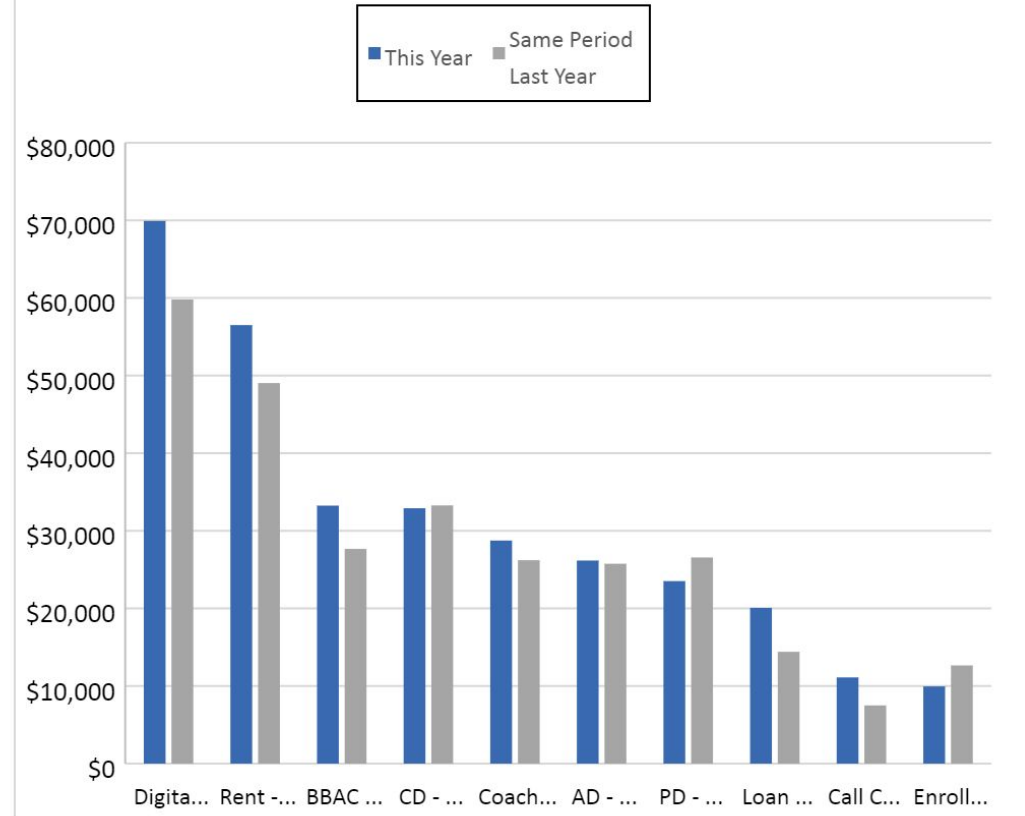
A Percent Change of the top ten expenses as a percent of income



Top 10 Expenses for Center BBAC XX

Top 10 Expenses

Accounts	This Year	Same Period Last Year	% Diff
Digital Ads	\$69,930	\$59,803	14%
Rent - Other	\$56,505	\$49,034	13%
BBAC Royalty Fee	\$33,245	\$27,666	17%
CD - Wages	\$32,906	\$33,272	-1%
Coaches/PT Staff - Wages	\$28,742	\$26,209	9%
AD - Wages	\$26,168	\$25,753	2%
PD - Wages	\$23,518	\$26,561	-13%
Loan Provider Fees	\$20,072	\$14,408	28%
Call Center Fees	\$11,109	\$7,500	32%
Enrollment Kits	\$9,950	\$12,650	-27%



This is what you will see when viewing your business in Qvinci – all other centers remain anonymous

Benchmark Comparison of Center Performance Compared to AVERAGE OF ALL FRANCHISES

Account Name	Average (of 27 locations)	BBAC Subject Center
Ordinary Income/Expense		
Income		
Unmapped	7,693	0
Assessments	17,781	9,771
Loan interest payment	6.31	0
Noncompliant COA Revenue	8,300	9,563
Other Revenue	1,190	0
Program/Enrollment Fees	271,945	216,389
Refunds	(4,555)	(862.50)
Total Income	302,360	234,861
Cost of Goods Sold		
Unmapped	144.96	0
COGS General	6,337	0
Total COGS	6,482	0
Gross Profit	295,879	234,861



Continued onward with full P&L comparison

This is what you will see when viewing your business in Qvinci – all other centers remain anonymous

**Benchmark
Comparison of
Center
Performance
Compared to
TOP 20%**

Account Name	Top 20% (6 of 27 locations)	BBAC Subject Center
Ordinary Income/Expense		
Income		
Assessments	51,517	9,771
Loan interest payment	1.05	0
Noncompliant COA Revenue	2,142	9,563
Other Revenue	2,314	0
Program/Enrollment Fees	520,624	216,389
Refunds	(4,301)	(862.50)
Total Income	572,297	234,861
Cost of Goods Sold		
Unmapped	(53.50)	0
COGS General	4,982	0
Total COGS	4,929	0
Gross Profit	567,369	234,861

↓ Continued onward with full P&L comparison

BBAC CENTER XX

KPI IDEAL RANGES:

	Current Month			Year-To-Date		
Revenue Analysis	Ideal Low	Ideal High	Center Results	Ideal Low	Ideal High	Center Results
Total Revenue	\$62,500	\$75,000	↑ \$79,020	\$375,000	\$450,000	↑ \$452,639
Assessment Revenue	\$99	\$295	↓ \$0	\$594	\$1,770	↑ \$21,280
Enrollment Revenue	\$2,800	\$12,888	↓ \$0	\$16,800	\$77,328	↑ \$352,339
Net Income	\$40,000	\$100,000	↓ \$21,810	\$240,000	\$600,000	↓ \$70,040
Expense Analysis (% of Revenue)	Ideal Low	Ideal High	Center Results	Ideal Low	Ideal High	Center Results
Payroll + Benefits - (FT/PT)	25%	30%	↑ 26%	25%	30%	↑ 25%
Advertising	10%	20%	↑ 16%	10%	20%	↑ 18%
Rent	10%	12%	↑ 12%	10%	12%	↓ 13%
Total COGS	10%	15%	↑ 0%	10%	15%	↑ 0%
Total Expenses	60%	70%	↓ 72%	60%	70%	↓ 83%

Employee Retention Credit

New news:

- Payout is 3-6 months
- The IRS is increasing the number of auditors

ERC Qualification Parameters *OTHER THAN* Drop in Revenue Calcs

EXISTING SHUTDOWN ORDERS FOR STATE, COUNTY, OR LOCALE, in conjunction with **one** of these criteria:

- 10% reduction in Gross Receipts
- 10% reduction in Total Hours worked
- 10% reduction in Net Income AS A PERCENTAGE OF TOTAL REVENUE
- 10% INCREASE in Cancelled Jobs / Lost Projected Revenue
- Supply Chain Issues

Most of the ERC claims done by other firms that we review are incomplete, and there is money left to claim, sometimes substantial amounts

Drop in Revenue vs. Shutdown Orders

Qualified Quarters by Revenue

Year	Q1	Q2	Q3	Q4
2019	\$ 56,509.18	\$ 109,298.40	\$ 81,438.54	\$ 64,113.40
2020	\$ 69,285.80	\$ 6,879.00	\$ 36,283.53	\$ 47,893.61
2021	\$ 38,934.69	\$ 109,913.81	\$ 121,351.97	\$ 140,698.18
2020/2019	122.61%	6.29%	44.55%	74.70%
2021/2019	68.90%	100.56%	149.01%	219.45%

Qualified Quarters by Revenue & Shutdown Orders

Year	Q1	Q2	Q3	Q4
2019	\$ 89,842.79	\$ 88,687.20	\$ 89,231.93	\$ 92,384.44
2020	\$ 76,888.51	\$ 8,750.35	\$ 152,486.74	\$ 82,350.94
2021	\$ 129,480.95	\$ 110,297.15	\$ 129,559.47	\$ 98,084.73
2020/2019	85.58%	9.87%	170.89%	89.14%
2021/2019	144.12%	124.37%	145.19%	106.17%

*Green cell indicates qualifying quarter due to sales drop

*Yellow cells indicate qualifying quarter due to closures

Thank you for listening!

Robert Volpe, COO

Email: rvolpe@volpeconsulting-accounting.com

Phone: 314-300-4699

