



Detective Agency

BARR DETECTIVE AGENCY

PO Box 2001
Grand Haven, MI 45533

This business plan offers an excellent consideration of factors involved in starting an investigative practice. Unlike many other entrepreneurial ventures, this field needs to keep abreast of the changing legal climate. Changing regulations reform the marketplace, making it necessary for investigators to be aware of each new peice of legislation that impacts their clients and industry practices.

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- BACKGROUND OF OWNER
- MISSION AND STRATEGY
- REGULATORY CONSIDERATIONS AND INSURANCE
- LICENSING AND MARKET EXCLUSIVITY
- GENERAL COMPETITIVE ANALYSIS
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BACKGROUND OF BUSINESS

Barr Detective Agency has been in business in various formats since October of 1990. The business name has changed several times to reflect the incorporation of the business and its partners The name reverted back to Barr Detective Agency in 1995 and is currently operated as a sole proprietorship with the exclusive owner of the business being Glenn A Barr. The business has been largely inactive for the last couple of years and is DOW undergoing retooling of its sales efforts in order to become more active and profitable.

BACKGROUND OF OWNER

The current owner of Barr Detective Agency is Glenn A Barr. Mr. Barr is licensed as both a private investigator and security guard director in the State of Michigan. His background includes two years as a U.S. Army Military Police officer, three years as a practice investigator and district manager for Pinkerton's, Inc. and eight years of private practice investigation. His education includes graduating with honors from Central Michigan University and extensive graduate level training in both psychology and legal studies.

Источник бизнес-плана: <http://www.referenceforbusiness.com>



MISSION AND STRATEGY

The mission of Barr Detective Agency is to offer first class corporate investigative and security services to the private sector in accordance with all applicable provisions of state law and the licensure authority of the Michigan State Police. The business is currently licensed and licensure itself is a valuable commodity within the state. The strategy of Barr Detective Agency will be to outsell its investigative counterparts through an innovative sales process that will be revealed in the marketing section of this plan.

REGULATORY AND INSURANCE

In addition to the thorough screening that is required of all potential applicants, each business is required by statute to be bonded. The bonding for Barr Detective Agency currently exceeds the state mandated minimum and is set at \$10,000.00 a piece. Liability insurance is also easily obtainable and affordable for this business because of the low exposure to litigation in the industry. There is one exception to this rule; however, and that is in loss prevention. Physically detaining shoplifters carries a high degree of risk and injury and lawsuits are more common in this one investigative service than in all others combined. Invasion of privacy lawsuits are minimal and are usually easily defeated if the investigator stays within prescribed guidelines. The granting of weapons permits is a significant factor in driving up the costs of liability insurance and should be avoided except for the most outstanding and reliable personnel in the organization. Even then, weapons training and restricted use will prevent a large number of liability problems down the road. Armed accounts only account for a small fraction of the investigative market and therefore should not be considered a significant weighting factor in terms of coverage.

LICENSING AND MARKET EXCLUSIVITY

The competition among licensed private investigators is less than in many other businesses. The rigorous licensing and approval process is slow and arduous. Therefore, a dearth of would-be private investigators are kept from the market. Only the more serious individuals stand a realistic chance of surviving the screening process, which focuses heavily on provable experience dealing with the investigative laws in this state. The Private Investigator Licensing Act of 1963 erects a formidable barrier to licensing by requiring that each individual is separately licensed for either security or investigations, and not both. That means that each process is separate from the other and requires a completely different set of qualifications and experience. The main prerequisite for becoming a licensed private investigator is to have three years of investigative experience in the field prior to application. The same prerequisite applies to the security process as well. After this is accomplished, a thorough background check is performed on the individual seeking to become licensed. Very high standards are applied. In fact, the process is so stringent that a majority of licensed private investigators are ex-law enforcement officers of varying degrees. This is an advantage that I shall address more fully in the next section.

GENERAL COMPETITIVE ANALYSIS

The competitive advantage alluded to in the previous section is simple. Since so many applicants and licensees in this state are ex-law enforcement officers, there is an utter lack of experienced business personnel in this field. Most law enforcement training is not geared towards business and the amount of inexperience in this aspect of the field is shocking. Since my skills were learned in a business environment, there is a decided edge in my favor in regard to business planning and development. Another distinct advantage is that because so much of the competition has already served in a career capacity, many of the investigators in the field are only part-time at best and do not take either the cases or the business seriously. There are other investigators in the field who come from either a loss prevention or private security background, and these competitors are more difficult to challenge.



SPECIFIC COMPETITIVE ANALYSIS

The Knoll Group of New York City and Business Risk International the two premier investigative companies in the United States. Other national companies such as Pinkerton and Burns International provide investigative services to their manufacturing clients, but mostly on an ad hoc basis and not with investigative services being the beneficiary, but more as a peripheral service that helps them sell security services. There is surprisingly little in the way of national competition because the laws are so complex and difficult to apply on a broad scope. Further, there is the notion that the field of private investigation should be a small one, similar to a law firm. As such, most companies tend to be local and regional, covering three or fewer states. Here in Grand Haven, there are currently 52 agencies licensed to do business. Although that number appears quite high, there are very few agencies doing high volume work. With the exception of one agency, none of the other agencies are noteworthy. The one agency that is noteworthy is Fatmans. He has a well-run agency with an international reputation. He specializes primarily in marital investigations and is not considered a keen competitor.

SERVICE OVERVIEW AND MARKET CONSIDERATIONS

Any private investigative company will usually offer a mix of services. Developing a portfolio of different services is especially helpful when laws change and enhance or eliminate the need for certain types of investigations. The field of private investigation offers a large array of possible services, which are explained in detail in the section that follows.

STRENGTHS AND WEAKNESSES OF SERVICE OFFERED

Insurance Investigations

The bread and butter of investigators throughout the United States. Barr Detective Agency is no exception. Worker's Compensation fraud referrals are the most common form of investigation that insurance companies request; however, there is still a great need for liability, fire and accident reinvestigation cases as well. My agency is most experienced in the injury fraud type of case and it is so commonly requested that it should be considered a specialization.

Background Investigations

Commonly only requested by corporations looking to hire applicants without a strong sense of who they are besides what is listed on their resume, background investigations can be lucrative assignments if obtained in volume. They are virtually useless sources of revenue as stand alone cases. The reason for this is that a background check has a natural component of cost. To do a national criminal search requires an up front cost as well as several other forms of credential verification. For this reason, only large background volume will produce decent net profile. The companies using background checks, to a large degree, also perform them inhouse via their human resources department.

Loss Prevention

Commonly known as store detective work. Many companies hire their own inhouse investigator to perform this task, but there are still large chains that subcontract out this type of work From the client's view, this is an advantageous relationship because the liability for a false arrest can be significantly shifted to a properly insured vendor private investigation company. The work tends to be on an hourly basis, therefore earnings are limited. A large account, however, can generate sufficient revenue to allow for decent profit margins.



Personal Protection

These accounts are accounts of opportunity. When developed, these are high paying accounts that can make up a significant portion of revenue in a short period of time. What is so appealing is that the person being protected needs a high degree of protection usually around the clock. Therefore, the rate of pay is high and is continuous as long as the individual needs protection. Some positions are fulltime, as with a celebrity, but most often personal protection assignments are short lived and deal with a specific threat by some individual that provides a period of uncertainty that the target must endure. After the threat has been ended or minimized, the assignment is usually ended or phased out and the revenue stream is terminated. Sometimes, the perpetrator is apprehended immediately and no significant revenue is obtained. In either situation personal protection accounts are lucrative, but inherently unstable and it is best to avoid this type of assignment as a source for long term gain. However, in the short term, they are highly profitable.

Store Testing

Also known as "mystery shopping." An excellent service comparable to background checks. Testing is performed by an operative working undercover as a normal customer. The store and its operations are reported on and a score affixed to determine the comparative value of the store. Testing must be performed in volume if it is to be profitable in any meaningful sense. Large accounts are known to exist in this field; however, they are difficult accounts to obtain by anything less than a national corporation.

Domestics

This term refers to the type of cases that cover a broad array of individually ordered, noncommercial, type of investigations. Also known as marital or spousal investigations, these are occasional sources of intermittent revenue. They have fallen out of favor in Michigan for a couple of reasons. One, because they are noncommercial, domestics are often simple information gathering, but sometimes clients wish the investigator to perform surveillance in an unlawful manner, such as tapping phones or harassing the individual. Because of this, liability exposure is greatly enhanced, in addition to the added threat posed by a hostile spouse who may act irrationally. Secondly, the laws of this state preclude using evidence gathered in a divorce case because Michigan has no fault divorce laws. In those states that still have partial fault divorce laws, the domestic market is seen as a key market. Michigan has a change of divorce laws pending in the state legislature, but so far, no legislative action has been approved. Until or unless the legal climate changes in Michigan, domestic cases should not be considered a strong source of revenue.

Electronic Countermeasures and Debugging

Is an excellent side business with enormous profit potential. Here, the largest problem stems from the fact that a great deal of equipment is needed to perform this kind of hightech. electronic work. A spectrum frequency analyzer, a wall sweep unit, and a phone line tracer system are just some of the pieces of equipment needed to do a thorough job in this field. Some investigators have been known to buy a few gadgets and try to pass themselves off as electronic countermeasures specialists, but with limited success. This is an elite field and difficult to break into; average equipment costs approach \$50,000. The one key factor which makes this field so attractive is the fact that billing for this type of service is in the \$5,000 to \$10,000 range per assignment and assignments are usually completed in a matter of two to three days.

Process Serving

Process serving involves tracking down and giving individuals notice of court actions that are pending against them. They can be either very time-consuming or quick and easy, depending on the subject being served. These cases can be a profitable portion of any company's repertoire of investigative services. However, this service



requires tremendous volume to be profitable and assignments have to be procured on an individual law firm basis. There are no national accounts for process serving anywhere in the country at the present time. Laws for each state are different and hence process serving is a local type of account, limiting the revenue, which is capable of being generated.

Internal Surveys/Undercover Investigations

Usually performed for large manufacturing companies that have internal drug or theft problems. As a source of revenue, these type of cases can be considered profitable; however, the true worth of a manufacturing client is not the revenue derived from this one form of limited investigation, but from the steady stream of other investigations that can springboard from a strong client relationship. Manufacturing companies need background checks, employee honesty determinations and host of smaller investigative services. Further, the manufacturing client is an ideal market for security services.

Legal Investigations

Usually performed for litigators in large law firms. These types of investigations usually involve reconstructing accident scenes, as with insurance companies, or finding evidence to refute the opposing counsel's legal strategy. Evidence may be in the form of written statements or in the form of actual proof subject to chain of evidence requirements. These cases are usually profitable, but difficult to come by. They are cases of opportunity like some of the other cases mentioned here and that limits their usefulness.

APPROACH TO THE MARKET

Considering all of the aforementioned market opportunities, it should be clear that the best approach to the market is through selling insurance investigative services. Therefore, the concentration of effort will take place in that market. The most common manner of approaching insurance agents is through direct sales. Sales letters followed up with phone contact serve as the best method of contacting those companies most likely to need investigative services. The S.I.U. unit of an insurance company is the ideal contact source and those companies, which are most prone to use vendor private investigators, can be located through the insurance underwriter's handbook. Direct sales will account for most of the sales effort of Barr Detective Agency.

ADVERTISING

The advertising budget for Barr Detective Agency is small compared to some other service businesses for a good reason. Investigative clients are clients of opportunity. Normal retail advertising is not a solid approach, because most clients are gotten through word-of-mouth and only when they have a problem. Similar to the legal profession, the best cases are derived through the referral system. There are a couple of exceptions to this rule, and those exceptions are legal and insurance clientele. Insurance companies and law firms have a pressing need for investigative services on a regular basis. In fact, they are the only groups of commercial clients in the business. Therefore, any advertising strategy has to incorporate this factor as the main principle for advertising. Targeting law firms and insurance companies through trade publications provides an inherent advantage in strategic advertising because it allows the focus to be on two select groups and nowhere else. All other investigative accounts can have minimal advertising efforts directed at them without a significant impact on revenue.

BUSINESS LOGISTICS



Location

Barr Detective Agency can be run from a home office located in Grand Haven, Michigan. The office will be large enough to accommodate all the needs for running a medium size investigative firm.

Benefit

The advantages to working out of a home office is enormous. Without the expenditure of rent for office space, the business has a greatly improved chance for success.

Minimal Overhead

Besides phone usage and other minor costs, overhead can be kept to an absolute minimum. There is no reason for any significant expenditure of revenue except for the cost of occasional equipment updates.

Benefit

Having minimal overhead maximizes the chance for success.

Equipment

All necessary equipment has been purchased and is available for use. The one equipment deficit would be in the area of surveillance camera equipment. The equipment on hand could be upgraded to utilize better technology that is now available.

Benefit

A significant capital outlay can be avoided because the necessary equipment has already been procured.

NOTES ON FINANCIAL INFORMATION PRESENTED

Introduction

The following financial information is accurate as of fiscal year 1995. The information presented was prepared by an accounting firm using standard accounting principles. These figures have not been audited, but do represent the best information available at the time that it was gathered. Barr Detective Agency makes no other representations as to its value.

Balance Sheet

The balance sheet statement is based on the third quarter performance of 1995 and includes the year ending statement as well.

Profit and Loss Statement

The P and L statement is based on the third quarter performance of 1995 and includes the year ending statement as well.



Balance Sheet-Third Quarter July

CURRENT ASSETS:		
Cash in Bank - Checking	\$2,149.29	
Cash in Bank - Payroll	803.77	
Cash in Bank - Savings	0.04	
Total Current Assets		\$4,696.56
PROPERTY AND EQUIPMENT:		
Equipment	\$4,661.13	
Accum. Deprec - Equipment	3,141.93	
Furniture & Fixtures	429.44	
Accum. Deprec - Furn. & Fix.	429.44	
Vehicles	10,000.00	
Accum. Deprec. - Vehicles	3,995.00	
Total Property and Equipment		\$7,524.20
OTHER ASSETS:		
Photographic Equipment	\$780.33	
Total Other Assets		\$780.33
Total Assets		\$13,001.09
CURRENT LIABILITIES:		
American Express	\$947.10	
Payroll Taxes Payable	3,950.82	
Total Current Liabilities		\$4,897.92
NON-CURRENT LIABILITIES:		
Note Payable - Beneficial Nat'l	403.03	
Note Payable - Whirlpool Fin.	237.65	
Note Payable - First of America	351.92	
Note Payable - Officer	230	
Total Non-Current Liabilities		\$1,222.60
EQUITY:		
Capital	\$3,216.90	
Additional PIC - Barr	5,517.54	
Additional PIC - Kearney	2,104.63	
Net Income (Loss)	6,684.56	
Total Equity		6,880.57
Total Liabilities and Equity		\$13,001.09

CURRENT ASSETS:

Cash in Bank - Checking	\$2,149.29
Cash in Bank - Payroll	803.77
Cash in Bank - Savings	0.04
Total Current Assets	\$4,696.56

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NON-CURRENT LIABILITIES:

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Total Liabilities and Equity		\$13,001.09

Balance Sheet-Third Quarter August

CURRENT ASSETS:		
Cash In Bank - Checking	\$92.91	
Cash In Bank - Payroll	3,720.90	
Cash In Bank - Savings	0.04	
Employee Advances	3,351.00	
Total Current Assets		\$7,164.85
PROPERTY AND EQUIPMENT:		
Equipment	\$4,919.13	
Accum. Deprec. - Equipment	3,141.93	
Furniture & Fixtures	429.44	
Accum. Deprec. - Furn. & Fix.	429.44	
Vehicles	10,000.00	
Accum. Deprec. - Vehicles	3,995.00	
Total Property and Equipment		\$7,782.20
OTHER ASSETS:		
Photographic Equipment	\$780.33	
Total Other Assets	\$780.33	
Total Assets		\$15,727.38
CURRENT LIABILITIES:		
American Express	\$947.10	
Payroll Taxes Payable	5,008.11	
Total Current Liabilities		\$5,955.21
NON-CURRENT LIABILITIES:		
Note Payable-Beneficial Nat'l	\$403.03	
Note Payable-Whirlpool Fin.	185.65	
Note Payable-First of America	351.92	
Note Payable - Officer	230	
Total Non-Current Liabilities		\$1,170.60
EQUITY:		
Capital	\$(3,216.90)	
Additional PIC - Barr	5,517.54	
Additional PIC - Kearney	(2,104.63)	
NET INCOME (LOSS)	8,405.56	
TOTAL EQUITY		\$8,601.57
TOTAL LIABILITIES & EQUITY		\$15,727.38

CURRENT ASSETS:		
Cash In Bank - Checking	\$92.91	
Cash In Bank - Payroll	3,720.90	
Cash In Bank - Savings	0.04	
Employee Advances	3,351.00	
Total Current Assets		\$7,164.85
PROPERTY AND EQUIPMENT:		
Equipment	\$4,919.13	
Accum. Deprec. - Equipment	3,141.93	
Furniture & Fixtures	429.44	
Accum. Deprec. - Furn. & Fix.	429.44	
Vehicles	10,000.00	
Accum. Deprec. - Vehicles	3,995.00	
Total Property and Equipment		\$7,782.20



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Balance Sheet-Third Quarter September

CURRENT ASSETS:		
Cash In Bank - Checking	\$88.10	
Cash In Bank - Payroll	128.6	
Cash In Bank - Savings	0.04	
Employee Advances	3,351.00	
Total Current Assets		\$3,567.74
PROPERTY AND EQUIPMENT:		
Equipment	\$4,919.12	
Accum. Deprec. - Equipment	3,141.93	
Furniture & Fixtures	429.44	
Accum. Deprec. - Furn. & Fix.	429.44	
Vehicles	10,000.00	
Accum. Deprec. - Vehicles	3,995.00	
Total Property and Equipment		\$7,782.20
OTHER ASSETS		
Photographic Equipment	\$780.33	
Total Other Assets		\$780.33
Total Assets		\$12,130.27
CURRENT LIABILITIES:		
American Express	\$947.10	
Payroll Taxes Payable	4,858.43	
Total Current Liabilities		\$5,805.53
NON-CURRENT LIABILITIES:		
Note Payable - Beneficial Nat'l	403.03	
Note Payable - Whirlpool Fin.	(14.35)	
Note Payable - First of America	351.92	
Note Payable - Officer	230	
Total Non-Current Liabilities		\$970.60
EQUITY:		
Capital	\$(3,216.90)	
Additional PIC - Barr	5,879.54	
Additional PIC - Kearney	(2,104.63)	
Net Income (Loss)	4,796.13	
Total Equity		5,354.14
Total Liabilities and Equity		\$12,130.27

CURRENT ASSETS:

Cash In Bank - Checking	\$88.10
Cash In Bank - Payroll	128.6



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Profit & Loss Statement-Third Quarter July

	Current Period		Year To Date	
SALES:				
Sales	\$11,994.91	100.00%	\$68,922.18	100.00%
Total Sales	11,994.91	100	68,922.18	100
SELLING EXPENSES:				
Licenses, Fees, & Permits	35	0.3	280.26	0.4
Surveillance Expense	2,090.45	17.4	9,732.51	14.1
Total Selling Expenses	2,125.45	17.7	10,012.77	14.5
GENERAL & ADMINISTRATIVE:				
Wages	3,284.70	27.4	\$14,650.43	21.3
Auto Expense	2,340.00	19.5	7,058.67	10.2
Bank Charges	118.66	1	314.66	0.5
Advertising	0	0	906.82	1.3
Dues & Subscriptions	0	0	106	0.2
Equipment Rental	300	2.5	1,716.55	2.5
Lease Payments	0	0	40	0.1
Insurance - Workmans Comp	325.25	2.7	919.25	1.3
Insurance - General	176	1.5	1,370.85	2
Insurance - Auto	0	0	602.04	0.9
Legal & Accounting	165	1.4	1,675.58	2.4
Miscellaneous Expense	309.22	2.6	1,258.82	1.8
Office	64.79	0.5	1,346.37	2
Contract Labor	3,184.17	26.5	6,599.51	9.6
Postage	0	0	164.83	0.2
Uniforms	302.44	2.5	998.22	1.4
Rent	0	0	817.5	1.2
Repairs & Maintenance	0	0	403.67	0.6
Supplies	249.8	2.1	1,239.06	1.8
Taxes - FICA & Medicare	251.3	2.1	1,117.90	1.6
Taxes - MISC	88.69	0.7	395.59	0.6
Taxes - FUTA	26.28	0.2	117.19	0.2
Telephone	645.52	5.4	6,126.18	8.9
Answering Service	0	0	148.2	0.2
Travel	0	0	1,630.29	2.4
Meals	0	0	426.51	0.6
Total General & Admin.	11,832.12	98.6	52,150.69	75.7
Net Operating Income (Loss)	1,962.66	16.4	6,758.72	9.8
OTHER (INCOME) AND EXPENSES:				
Fines & Penalties	0	0	74.2	0.1
Interest Income	\$0.00	0.00%	\$(0.04)	(0.0)
TOTAL OTHER (INCOME) AND EXP				
NET INCOME (LOSS)	0.0	0.0	74.16	0.1
BEFORE TAX	(1,962.66)	(16.4)	6,684.56	9.7
TAX	()	()	56,684.56	9.79%

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Fines & Penalties	0	0	74.2	0.1
Interest Income	\$0.00	0.00%	\$(0.04)	(0.0)
TOTAL OTHER (INCOME) AND EXP	0.0	0.0	74.16	0.1
NET INCOME (LOSS) BEFORE TAX	(1,962.66)	(16.4)	6,684.56	9.7
NET INCOME (LOSS)	(1,962.66)	(16.4)	\$6,684.56	9.70%

Profit & Loss-Third August

	Current Period		Year To Date	
SALES:				
Sales	\$13,990.80	100.00%	\$82,912.98	100.00%
Total Sales	13,990.80	100	82,912.98	100
SELLING EXPENSES:				
Licenses, Fees, & Permits	20	0.1	300.26	0.4
Surveillance Expense	1,844.47	13.2	11,576.98	14
Total Selling Expenses	1864.47	13.3	11,877.24	14.3
GENERAL & ADMINISTRATIVE:				
Wages	3,552.00	25.4	18,202.43	22
Auto Expense	946.35	6.8	8,008.02	9.7
Bank Charges	31.38	0.2	346.04	0.4
Advertising	100	0.7	1,000.82	1.2
Dues & Subscriptions	0	0	106	0.1
Equipment Rental	74	0.5	1,790.55	2.2
Lease Payments	0	0	40	0
Insurance - Workmans Comp	0	0	919.25	1.1
Insurance - General	175.88	1.3	1,546.73	1.9
Insurance - Auto	0	0	602.04	0.7
Legal & Accounting	725	5.2	2,400.88	2.9
Miscellaneous Expense	815.71	5.8	2,074.53	2.5
Office	192.06	1.4	1,539.33	1.9
Contract Labor	1,563	11.2	8,162.51	9.8
Postage	29.7	0.2	194.53	0.2
Uniforms	460	3.3	1,458.22	1.8
Rent	0	0	817.5	1
Repairs & Maintenance	0	0	403.67	0.5
Supplies	74.66	0.5	1,313.72	1.6
Taxes - FICA & Medicare	271.75	1.9	1,380.65	1.7
Taxes - MISC	95.9	0.7	491.49	0.6
Taxes - FUTA	28.4	0.2	145.59	0.2
Telephone	853.26	6.1	6,979.44	8.4
Answering Service	0	0	148.2	0.2
Travel	0	0	1,630.29	2
Meals	0	0	426.51	0.5
Total General & Admin.	9,989.95	71.4	62,140.64	74.9
Net Operating Income (Loss)	2,136.38	15.3	8,898.10	10.7
OTHER (INCOME) AND EXPENSES:				
Fines & Penalties	415.38	3	489.58	0.6
Interest Income	\$0.00	0.00%	\$(0.04)	(0)
TOTAL OTHER (INCOME) AND EXPENSE	415.38	3	489.54	0.6
NET INCOME (LOSS) BEFORE TAX				
	1,721.00	12.3	8,408.56	10.1
NET INCOME (LOSS)				
	\$1,721.00	12.30%	\$8,408.56	10.10%

Current Period Year To Date

SALES:

Sales	\$13,990.80	100.00%	\$82,912.98	100.00%
Total Sales	13,990.80	100	82,912.98	100



	Current Period		Year To Date	
SELLING EXPENSES:				
Licenses, Fees, & Permits	20	0.1	300.26	0.4
Surveillance Expense	1,844.47	13.2	11,576.98	14
Total Selling Expenses	1864.47	13.3	11,877.24	14.3
GENERAL & ADMINISTRATIVE:				
Wages	3,552.00	25.4	18,202.43	22
Auto Expense	946.35	6.8	8,005.02	9.7
Bank Charges	31.38	0.2	346.04	0.4
Advertising	100	0.7	1,006.82	1.2
Dues & Subscriptions	0	0	106	0.1
Equipment Rental	74	0.5	1,790.55	2.2
Lease Payments	0	0	40	0
Insurance - Workmans Comp	0	0	919.25	1.1
Insurance - General	175.88	1.3	1,546.73	1.9
Insurance - Auto	0	0	602.04	0.7
Legal & Accounting	725	5.2	2,400.58	2.9
Miscellaneous Expense	815.71	5.8	2,074.53	2.5
Office	192.96	1.4	1,539.33	1.9
Contract Labor	1,563	11.2	8,162.51	9.8
Postage	29.7	0.2	194.53	0.2
Uniforms	460	3.3	1,458.22	1.8
Rent	0	0	817.5	1
Repairs & Maintenance	0	0	403.67	0.5
Supplies	74.66	0.5	1,313.72	1.6
Taxes - FICA & Medicare	271.75	1.9	1,389.65	1.7
Taxes - MESC	95.9	0.7	491.49	0.6
Taxes - FUTA	28.4	0.2	145.59	0.2
Telephone	853.26	6.1	6,979.44	8.4
Answering Service	0	0	148.2	0.2
Travel	0	0	1,630.29	2
Meals	0	0	426.51	0.5
Total General & Admin.	9,989.95	71.4	62,140.64	74.9
Net Operating Income (Loss)	2,136.38	15.3	8,895.10	10.7
OTHER (INCOME) AND EXPENSES:				
Fines & Penalties	415.38	3	489.58	0.6
Interest Income	\$0.00	0.00%	\$(0.04)	(0)
TOTAL OTHER (INCOME) AND EXPENSE	415.38	3	489.54	0.6
NET INCOME (LOSS) BEFORE TAX	1,721.00	12.3	8,405.56	10.1
NET INCOME (LOSS)	\$1,721.00	12.30%	\$8,405.56	10.10%



Profit & Loss Statement-Third Quarter September

	Current Period		Year To Date	
SALES:				
Sales	\$9,219.23	100.00%	92,132.21	100.00%
Total Sales	9,219.23	100	92,132.21	100
SELLING EXPENSES:				
Licenses, Fees, & Permits	0	0	300.26.2	0.3
Surveillance Expense	2,637.85	28.6	14,214.83	15.4
Total Selling Expenses	2,637.85	28.6	14,515.09	15.8
GENERAL & ADMINISTRATIVE:				
Wages	3,093.75	33.6	21,296.18	23.1
Auto Expense	694.45	7.5	8,699.47	9.4
Bank Charges	67.61	0.7	413.65	0.4
Advertising	0	0	1,006.82	1.1
Dues & Subscriptions	0	0	106	0.1
Equipment Rental	144.25	1.6	1,934.80	2.1
Lease Payments	0	0	40	0
Insurance - Workmans Comp	663.25	7.2	1,582.50	1.7
Insurance - General	176	1.9	1,722.73	1.9
Insurance - Auto	0	0	602.04	0.7
Legal & Accounting	119.15	1.3	2,519.73	2.7
Miscellaneous Expense	481.7	5.2	2,556.23	2.8
Office	179.98	2	1,719.31	1.9
C	887.70	9.6	9,050.21	9.8
Postage	50.27	0.5	244.8	0.3
Uniforms	60.69	0.7	1,518.91	1.6
Rent	0	0	817.5	0.9
Repairs & Maintenance	0	0	403.67	0.4
Supplies	147.03	1.6	1,460.75	1.6
Taxes - FICA & Medicare	236.67	2.6	1,626.32	1.8
Taxes - MISC	83.53	0.9	575.02	0.6
Taxes - FUTA	24.75	0.3	170.34	0.2
Telephone	1,599.31	17.3	8,578.75	9.3
Answering Service	0	0	148.2	0.2
Travel	318.13	3.5	1,948.42	2.1
Meals	38.07	0.4	464.58	0.5
Total General & Admin.	9,066.29	98.3	71,206.93	77.3
Net Operating Income (Loss)	2,484.91	27	6,410.19	7
OTHER (INCOME) AND EXPENSES:				
Fines & Penalties	1,124.52	12.2	1,614.10	1.8
Interest Income	\$0.00	0.00%	\$0.04	(0)
TOTAL OTHER (INCOME) AND EXP	1,124.52	12.2	1,614.06	1.8
NET INCOME (LOSS) BEFORE TAX	(3,609.43)	(39.2)	4,796.13	5.2
NET INCOME (LOSS)	(3,609.43)	(39.20)%	3,609.43	5.20%

	Current Period		Year To Date	
SALES:				
Sales	\$9,219.23	100.00%	92,132.21	100.00%
Total Sales	9,219.23	100	92,132.21	100
SELLING EXPENSES:				
Licenses, Fees, & Permits	0	0	300.26.2	0.3
Surveillance Expense	2,637.85	28.6	14,214.83	15.4
Total Selling Expenses	2,637.85	28.6	14,515.09	15.8
GENERAL & ADMINISTRATIVE:				
Wages	3,093.75	33.6	21,296.18	23.1
Auto Expense	694.45	7.5	8,699.47	9.4
Bank Charges	67.61	0.7	413.65	0.4
Advertising	0	0	1,006.82	1.1
Dues & Subscriptions	0	0	106	0.1
Equipment Rental	144.25	1.6	1,934.80	2.1
Lease Payments	0	0	40	0
Insurance - Workmans Comp	663.25	7.2	1,582.50	1.7
Insurance - General	176	1.9	1,722.73	1.9
Insurance - Auto	0	0	602.04	0.7
Legal & Accounting	119.15	1.3	2,519.73	2.7
Miscellaneous Expense	481.7	5.2	2,556.23	2.8
Office	179.98	2	1,719.31	1.9
C	887.70	9.6	9,050.21	9.8
Postage	50.27	0.5	244.8	0.3



	Current Period		Year To Date	
Uniforms	60.69	0.7	1,518.91	1.6
Rent	0	0	817.5	0.9
Repairs & Maintenance	0	0	403.67	0.4
Supplies	147.03	1.6	1,460.75	1.6
Taxes - FICA & Medicare	236.67	2.6	1,626.32	1.8
Taxes - MESC	83.53	0.9	575.02	0.6
Taxes - FUTA	24.75	0.3	170.34	0.2
Telephone	1,599.31	17.3	8,578.75	9.3
Answering Service	0	0	148.2	0.2
Travel	318.13	3.5	1,948.42	2.1
Meals	38.07	0.4	464.58	0.5
Total General & Admin.	9,066.29	98.3	71,206.93	77.3
Net Operating Income (Loss)	2,484.91	27	6,410.19	7
OTHER (INCOME) AND EXPENSES:				
Fines & Penalties	1,124.52	12.2	1,614.10	1.8
Interest Income	\$0.00	0.00%	\$(0.04)	(0)
TOTAL OTHER (INCOME) AND EXP	1,124.52	12.2	1,614.06	1.8
NET INCOME (LOSS) BEFORE TAX	(3,609.43)	(39.2)	4,796.13	5.2
NET INCOME (LOSS)	(3,609.43)	(39.20)%	3,609.43	5.20%

Balance Sheet Year Ending

CURRENT ASSETS:		
Cash in Bank - Checking	\$32.94	
Cash in Bank - Payroll	389.14	
Cash in Bank - Savings	0.04	
Employee Advances	3,351.00	
TOTAL CURRENT ASSETS		3,773.12
PROPERTY AND EQUIPMENT:		
Equipment	\$4,919.13	
Accum. Deprac - Equipment	3,141.93	
Furniture & Fixtures	429.44	
Accum. Deprac - Furn. & Fix.	429.44	
Vehicles	10,000.00	
Accum. Deprac. - Vehicles	3,995.00	
Total Property and Equipment		\$7,782.20
OTHER ASSETS:		
Notes Receivable-Kearney	\$3,571.94	
Suspense	\$780.33	
Total Other Assets		\$4,352.27
Total Assets		\$15,907.59
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
American Express	\$947.10	
Payroll Taxes Payable	7,085.68	
Total Current Liabilities		\$8,032.78
NON-CURRENT LIABILITIES:		
Note Payable - Beneficial Nat'l	403.03	
Note Payable - Whirlpool Fin	(122.35)	
Note Payable - First of American	351.92	
Note Payable - Office	10,530.00	
Total Non-Current Liabilities		\$11,162.60
EQUITY:		
Capital	(\$3,216.90)	
Additional PIC - Barr	6,031.44	
Additional PIC - Kearney	1,467.31	
Net Income (Loss)	(7,569.64)	
Total Equity		(3,287.79)
Total Liabilities and Equity		\$15,907.59

CURRENT ASSETS:

Cash in Bank - Checking	\$32.94
Cash in Bank - Payroll	389.14
Cash in Bank - Savings	0.04



Employee Advances	3,351.00	
TOTAL CURRENT ASSETS		3,773.12
PROPERTY AND EQUIPMENT:		
Equipment	\$4,919.13	
Accum. Deprec - Equipment	3,141.93	
Furniture & Fixtures	429.44	
Accum. Deprec - Furn. & Fix.	429.44	
Vehicles	10,000.00	
Accum. Deprec. - Vehicles	3,995.00	
Total Property and Equipme		\$7,782.20
OTHER ASSETS:		
Notes Receivable-Kearney	\$3,571.94	
Suspense	\$780.33	
Total Other Assets		\$4,352.27
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LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
American Express	\$947.10	
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NON_CURRENT LIABILITIES:		
Note Payable - Beneficial Nat'l	403.03	
Note Payable - Whirlpool Fin.	(122.35)	
Note Payable - First of America	351.92	
Note Payable - Officer	10,530.00	
Total Non-Current Liabilities		\$11,162.60
EQUITY:		
Capital	(\$3,216.90)	
Additional PIC - Barr	6,031.44	
Additional PIC - Kearney	1,467.31	
Net Income (Loss)	(7,569.64)	
Total Equity		(3,287.79)
Total Liabilities and Equity		\$15,907.59



Profit & Loss Year Ending

	Current Period		Year To Date	
SALES:				
Sales	\$9,317.65	100.00%	107,239.16	100.00%
Total Sales	9,317.65	100	107,239.16	100
SELLING EXPENSES:				
Licenses, Fees, & Permits	10.35	0.1	482.16	0.4
Surveillance Expense	3,189.25	34.2	22,107.58	20.6
Total Selling Expenses	3,199.60	34.3	22,589.74	21.1
GENERAL & ADMINISTRATIVE:				
Wages	0.00	0	28,307.21	26.4
Auto Expense	740.00	7.9	10,319.47	9.6
Bank Charges	77.5	0.8	517.51	0.5
Advertising	0	0	1,159.02	1.1
Dues & Subscriptions	0	0	106	0.1
Equipment Rental	0	0	2,000.80	1.9
Lease Payments	0	0	40	0
Insurance - Workmans Comp	0	0	1,582.50	1.5
Insurance - General	0	0	1,727.37	1.6
Insurance - Auto	0	0	602.04	0.6
Legal & Accounting	0	0	2,719.73	2.5
Miscellaneous Expense	129	0.3	2,813.03	2.6
Office	289.98	3.1	2,292.21	2.1
Contract Labor	1,860.47	20	14,554.19	13.6
Postage	13.37	0.1	278.07	0.3
Uniforms	146.08	1.6	1,806.99	1.7
Rent	0	0	817.5	0.8
Repairs & Maintenance	0	0	507.67	0.5
Supplies	0	0	1,786.32	1.7
Taxes - FICA & Medicare	0	0	1,955.48	1.8
Taxes - MISC	0	0	764.32	0.7
Taxes - FUTA	0	0	645.17	0.6
Telephone	653.04	7	10,654.36	9.9
Answering Service	0	0	148.2	0.1
Travel	0	0	2,341.59	2.2
Meals	27.4	0.3	576.98	0.5
Total General & Admin.	3,836.84	41.2	91,202.65	85
Net Operating Income (Loss)	2,281.21	24.5	(6,553.23)	(6.1)
OTHER (INCOME) AND DEDUCTIONS:				
Fines & Penalties	0	0	1,016.45	0.9
Interest Income	\$0.00	0.00%	\$0.00	0.0
TOTAL OTHER (INCOME) AND EXP				
	0	0	1,016.41	0.9
NET INCOME (LOSS)				
BEFORE TAX	2,281.21	24.5	(7,569.64)	(7.1)
NET (LOSS)	2,281.21	24.50%	\$(7,569.64)	(7.10)%

	Current Period		Year To Date	
SALES:				
Sales	\$9,317.65	100.00%	107,239.16	100.00%
Total Sales	9,317.65	100	107,239.16	100
SELLING EXPENSES:				
Licenses, Fees, & Permits	10.35	0.1	482.16	0.4
Surveillance Expense	3,189.25	34.2	22,107.58	20.6
Total Selling Expenses	3,199.60	34.3	22,589.74	21.1
GENERAL & ADMINISTRATIVE:				
Wages	0.00	0	28,307.21	26.4
Auto Expense	740.00	7.9	10,319.47	9.6
Bank Charges	77.5	0.8	517.51	0.5
Advertising	0	0	1,159.02	1.1
Dues & Subscriptions	0	0	106	0.1
Equipment Rental	0	0	2,000.80	1.9
Lease Payments	0	0	40	0
Insurance - Workmans Comp	0	0	1,582.50	1.5
Insurance - General	0	0	1,727.37	1.6
Insurance - Auto	0	0	602.04	0.6
Legal & Accounting	0	0	2,719.73	2.5
Miscellaneous Expense	129	0.3	2,813.03	2.6
Office	289.98	3.1	2,292.21	2.1
Contract Labor	1,860.47	20	14,554.19	13.6
Postage	13.37	0.1	278.07	0.3



	Current Period		Year To Date	
Uniforms	146.08	1.6	1,806.99	1.7
Rent	0	0	817.5	0.8
Repairs & Maintenance	0	0	507.67	0.5
Supplies	0	0	1,786.32	1.7
Taxes - FICA & Medicare	0	0	1,955.48	1.8
Taxes - MESC	0	0	764.32	0.7
Taxes - FUTA	0	0	645.17	0.6
Telephone	653.04	7	10,654.36	9.9
Answering Service	0	0	148.2	0.1
Travel	0	0	2,341.59	2.2
Meals	27.4	0.3	576.98	0.5
Total General & Admin.	3,836.84	41.2	91,202.65	85
Net Operating Income (Loss)	2,281.21	24.5	(6,553.23)	(6.1)
OTHER (INCOME) AND EXPENSES:				
Fines & Penalties	0	0	1,016.45	0.9
Interest Income	\$0.00	0.00%	\$(0.04)	(0)
TOTAL OTHER (INCOME) AND EXP	0	0	1,016.41	0.9
NET INCOME (LOSS) BEFORE TAX	2,281.21	24.5	(7,569.64)	(7.1)
NET INCOME(LOSS)	2,281.21	24.50%	\$(7,569.64)	(7.10)%