



FLAMEGUARD ANNUAL REPORT

2023-2024

Junior Achievement of North Central Ohio

Jackson High School - Massillon, OH

Teacher: Shawn Donaldson

Volunteers: Katie Tolin & Robert Garner

Protect what matters most

Executive Summary

The Problem

According to the U.S. Fire Administration, a house fire occurs every 87 seconds. This makes fire protection crucial. In March of 2023, a tragic house fire claimed the lives of four community members, including two middle school students in Jackson Township. Fire emergencies are a constant in the local news as well as around the country.

Our Solution

It was evident there was a need for in-home fire protection. FlameGuard's flagship product is the fire safety kit. Our kit includes fire safety items as well as educational fire safety materials and a home planning sheet. We offer two variations of our kit. Our Two-Story kit is tailored toward multi-story homeowners; we also offer a One-Story kit to accompany the needs of single-story homeowners. All components are also sold individually, this way our customers can get the right items to match their fire protection plan.



One-Story kit



Two-Story Kit

Mission Statement

FlameGuard's mission is to protect our loved ones and save lives through fire safety, creating safer living arrangements for everyone.



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Performance Snapshot

10k

Net Income = \$10,065

Revenue = \$16,672

\$16k

373

Units Sold

Profit Margin

58%

Financial Outline

Overview

As of April 24, we have sold **373 units** with our three best-selling products being the fire blankets, One-Story kit, and Two-Story kit. FlameGuard has generated **\$16,672 in sales**, resulting in a **58% profit margin**. With the large variety of our products, we yielded a total net income of **\$10,065**.



Raising Capital Stock

We built our start-up capital through the sale of two raffle baskets both valued at over \$900. This allowed us to raise **\$6,292**. This startup capital was used to purchase our shares of equity in the company. That money was then allocated to purchase our initial inventory and trade show booth materials. Due to the amount of items we needed to purchase up front, a higher capital requirement was needed.

Liquidation

Upon liquidation, each active shareholder will receive their respective payout based on the company charter's agreed-upon equity structure. We plan to donate **\$2,500 of FlameGuard product to the Jackson Township Community in an effort to promote fire safety and awareness**.

Independent Accountant's Report

I have looked over the accompanying financial statements of FlameGuard (a Junior Achievement Company) which comprise the balance sheet as of April 24, 2024, and the related statements of income and liquidation for the period then ended.

Owners' Responsibility for the Financial Statements

The owners are responsible for the preparation and fair presentation of these financial statements.

Accountant's Responsibility

My responsibility was to check over these financial statements for fair presentation. Based upon the results of my work, I believe that the financial statements referred to above are fairly and reasonably presented.

STEPHEN A. TOPE, CPA
CANTON, OHIO

TOPE ACCOUNTING & BUSINESS SERVICES, LLC
STEPHEN A. TOPE, CPA
Certified Public Accountant

Income Statement

(As of April 24, 2024)

Revenue	
Net Sales	\$16,672.46
Prize Earnings	\$4,500.00
Cost of Goods Sold	(6,572.98)
Gross Profit	\$14,599.48
Expenses	
Advertising and Marketing Supplies	(669.84)
Materials and Supplies	(799.30)
General Expenses	(623.05)
Debit	(267.16)
Travel Expenses	(77.38)
Trade Show Expenses	(833.57)
Shipping Expenses	(1,263.74)
Total Expenses	(4,534.04)
Net Income	\$10,065.45

Balance Sheet

Assets	
Cash	16,032.24
Inventory	1,357.57
Total Assets	\$17,389.81
Liabilities	
Sales Tax Payable	1,032.82
Capital Stock	6,291.54
Net Income	10,065.45
Total Liabilities & Assets	\$17,389.81

Book Value of Stock (Upon Liquidation)

Net Profit	\$10,065.45
Capital Stock	\$6,291.54
Total Owners Equity	16,356.99
Shares of Stock	7
Book Value of Stock	\$2,336.71

Product Cost Structure

Top Products



Two-Story Kit
\$129.99

Our Two-Story kit is a comprehensive package to prevent and navigate house fires.



Fire Blanket
\$19.99

Our top seller is our fire blanket. Between the kits and individual sales, we have sold **350** fire blankets .



One-Story kit
\$69.99

Our One-Story kit is specifically designed for single story homes. It includes everything in the Two-Story kit except the ladder.

Other Top Sellers



Cost Of Goods

\$17.57

\$1.77

Sold For

\$34.99

\$14.99

Gross Profit

\$17.42

\$13.22

Cost Structure and Break-Even Analysis

The cost of goods sold is \$29.00 for the One-Story kit and \$53.72 for the Two-Story kit. Our blanket costs us \$1.77 to produce. We provide free shipping on our products, which are built into the price of the items. As a result, we incur all of the shipping costs. We have spent a total of \$1,201.46 on shipping including the materials used in the shipping processes. We purchased our initial inventory for **\$3,562** and broke even on January 23, 2024.

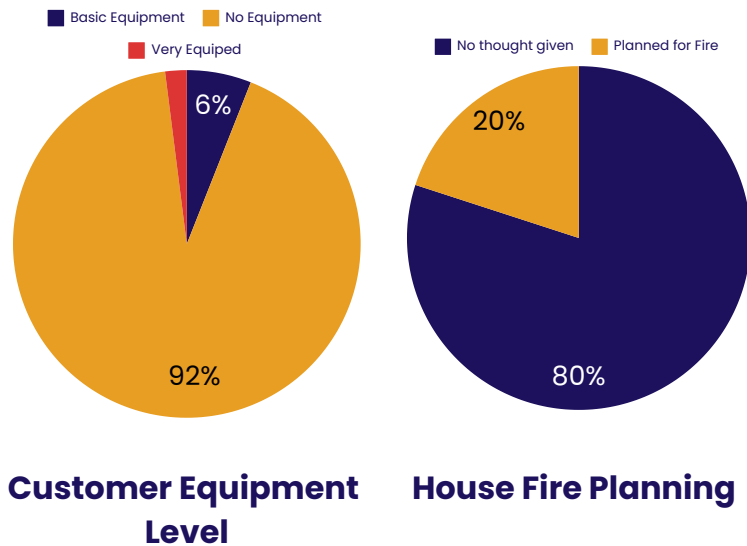


SHIPPING + SUPPLIES = **\$1,201.46**

Innovation

Testing the Market

Before our product launch, we conducted a market survey targeting adults to gauge their preparedness for fire emergencies. A staggering amount of people had no fire safety equipment and no fire safety plan. We realized there was a serious need for our product among homeowners and renters.



Building Our Kit

Our team first researched what items would be the most beneficial to protect our customers. We then ran a three-week fundraising campaign where we raised over \$6,200 in capital to kickstart our venture. Next, we consulted with the local fire department and used their feedback to choose what to include in the kits. Finally, we ordered our desired products from our manufacturers.

Our Journey



Marketing

The FlameGuard story has been shared by multiple media outlets reaching an estimated **1.5 million people**. Notably, we also appeared on NBC in France. Sales have increased after every story.

FlameGuard appears as a first-page Google result for "fire safety kit" and is the first result when searching "FlameGuard." We regularly post on Instagram and Facebook, too.

Our e-commerce marketing efforts are responsible for 78% of our total sales.



@flameguard.us



44 Followers

130 Followers

Target Audience



Homeowners



Property Owners



Lessees

Although our target audience is homeowners, property owners, and lessees, usually 30-plus years of age, we must emphasize that our kits are beneficial for everyone. We aim to make fire safety accessible and effective for everyone, regardless of their background, age, or living situation.

Customers by Gender



72% Women

28% Men

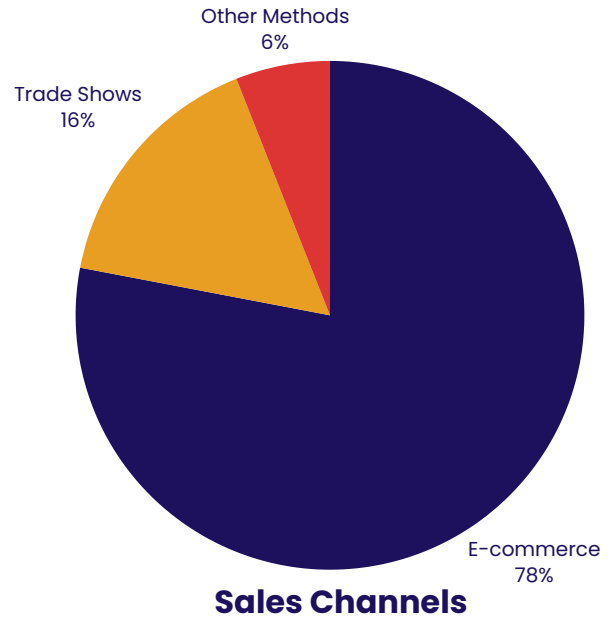


Competitive Advantage

Our kit includes quality equipment that will provide you with peace of mind from knowing you are equipped with the very best. Unlike our competitors, we provide a comprehensive safety package, addressing shortcomings in poorly constructed or incomplete fire safety kits offered by other companies.

Sales

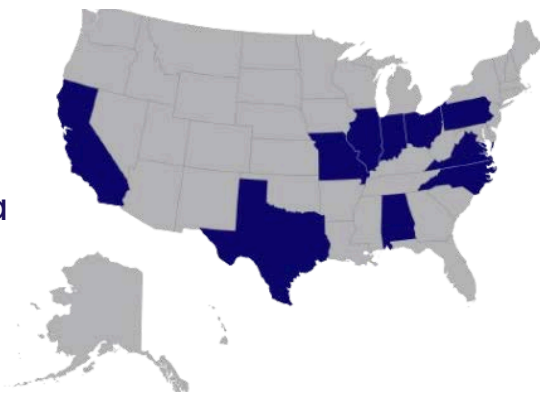
Our sales approach incorporates multiple sales strategies from engaging in trade shows to cold calling, door-to-door, e-commerce, word of mouth, and other face-to-face interactions. This approach has translated into substantial success, yielding over **\$16,000** in total sales. It showcases the effectiveness of our diverse methods in reaching and resonating with our customers.



Our Reach

Sales by State

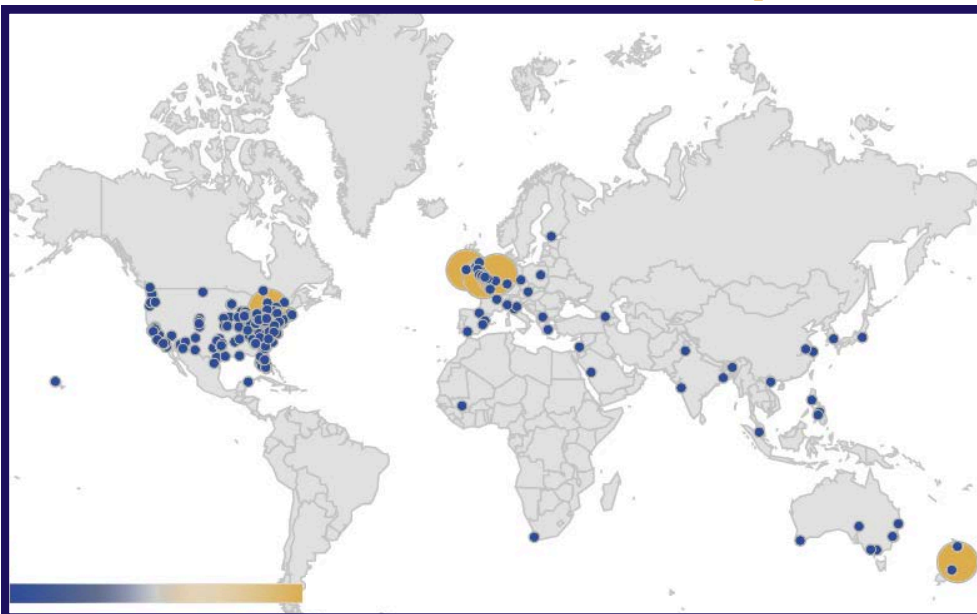
- Alabama
- California
- Illinois
- Missouri
- North Carolina
- Ohio
- Pennsylvania
- Texas
- Virginia



Average Online Conversion Rate

2.74%

International Impressions



- Ireland
- Canada
- Spain
- France
- China
- South Korea
- Philippines
- Singapore
- Pakistan
- India
- Mali
- Finland
- Austria
- Russia
- Australia
- Hong Kong
- Germany
- Mexico
- Jamaica
- Japan
- Colombia
- Malaysia
- Netherlands
- Belgium
- Vietnam
- Bulgaria
- Romania
- Brazil
- Madagascar
- New Zealand

Leadership & Organization

Meet
Our Team



Structure

FlameGuard follows a line structure organization. Our CEO was chosen after an interview with the teacher, the CEO then interviewed each student in the class and drafted teams. Each person was then assigned roles within the company. Each person in our company has their own delegated job. By separating our tasks, everyone can focus on their responsibilities without being distracted. This division of workload enhances efficiency and enables us to perform at our optimal level.

Motivation

To keep our team motivated, we have monthly evaluations. The CEO evaluates each member of the company then the three chief roles evaluate the CEO. Evaluations provide valuable insights for our team, highlighting their strengths and areas for improvement, ultimately driving our company toward excellence.



Lessons Learned

Learning to Sell

Throughout the year, our team developed skills in pitching products confidently at events and to media outlets. After experimenting with different selling situations, we found our target market at craft shows who are mostly attended by women. We also increased our focus on e-commerce to capitalize on our media coverage. Our ability to adapt propelled our team to success, emphasizing the importance of strategic alignment and leveraging online platforms for enhanced sales performance.



Trade Show Booth

Overcoming Adversity



FlameGuard At Fox8

Initially, sourcing affordable, high-quality fire safety equipment posed a challenge, but after dedicated late-night negotiations with overseas suppliers, we secured all the necessary components for our kits. However, our journey faced a setback with shipping times doubling to 80 days from the promised 40. The surge in media coverage drained our inventory, hampering order fulfillment, but we managed to order more inventory in time to fill back-ordered purchases. Despite problems, our team worked hard to adapt and make the best out of situations.

New Skills

Our team has shown remarkable growth, mastering negotiation tactics, building leadership skills, and improving our sales pitches. Throughout the year we developed confidence in communicating on camera while pushing our desired speaking points to the reporters. We also learned how to effectively communicate with adults and be persistent in the face of repeated rejection.



FlameGuard at Stark Tank