



# FLAMEGUARD ANNUAL REPORT

2023-2024

Jackson High School - Massillon, OH  
Junior Achievement of North Central Ohio  
Teacher: Shawn Donaldson  
Volunteers: Katie Tolin & Robert Garner

Protect what matters most

# Executive Summary

## The Problem

A fire occurs every 87 seconds making fire protection crucial. About a year ago, 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 - thus FlameGuard was born. FlameGuard's flagship product is the fire safety kit. 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. This allows you to safeguard you and your loved ones.



One-Story kit



Two-Story Kit

## Mission Statement

At FlameGuard, our mission is to protect our loved ones and save lives through fire safety, creating safer environments for everyone.



## Table of Contents

Executive Summary .....	1
Innovation .....	2
Financial Outline .....	3
Products .....	4
Marketing .....	5
Sales .....	6
Leadership & Organization .....	7
Lessons Learned .....	8

## Performance Snapshot

5k

Net Profit = \$5,036

Revenue = \$16,217

\$16k

80%

Return on Investment

Units Sold

355

# Financial Outline

## Overview

As of March 22, we have sold **355 units** with our three best-selling products being the fire blankets, One-Story kit, and Two-Story kit. FlameGuard has generated **\$16,217.48 in sales**, resulting in a **57.74% profit margin**. With the large variety of our products, we yielded a total net income of **\$5,036.85**.



## Raising Capital Stock

We built our start-up capital through the sale of two raffle baskets both valued at over \$900. We were very successful in our campaign and were able to raise **\$6,291.54**. This capital was used to purchase our initial inventory and trade show booth materials totaling a cost of **\$4,485.99**. 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 **5% of our net earnings to a local family whom a fire emergency has impacted**.

## 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 March 22, 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

## Profit & Loss

Revenue	
Net Sales	\$16,217.48
<b>Cost of Goods Sold</b>	<b>\$6,348.12</b>
<b>Gross Profit</b>	<b>\$9,869.36</b>
Expenses	
Advertising and Marketing Supplies	(673.74)
Materials and Supplies	(936.66)
General Expenses	(761.08)
Debit	(343.55)
Travel Expenses	(183.58)
Trade Show Expenses	(670.18)
Shipping Expenses	(1,263.74)
<b>Total Expenses</b>	<b>\$4,832.51</b>
<b>Net Income</b>	<b>\$5,036.85</b>

## Balance Sheet

Assets	
Cash	10,861.65
Inventory	1,470.00
<b>Total Assets</b>	<b>\$12,331.65</b>
Liabilities	
Sales Tax Payable	1,003.26
Capital Stock	6,291.54
Net Income	5,036.85
<b>Total Liabilities &amp; Assets</b>	<b>\$12,331.65</b>

## Book Value of Stock (Upon Liquidation)

<b>Net Profit</b>	<b>\$5,036.85</b>
<b>Capital Stock</b>	<b>\$6,291.54</b>
Total Owners Equity	11,328.39
Shares of Stock	7
<b>Book Value of Stock</b>	<b>\$1,618.34</b>
<b>Percent Return per Share</b>	<b>80.06%</b>

# Product Cost Structure

## Top Products



**Two-Story Kit**  
**\$129.99**

Our Two-Story kit is a comprehensive package to prevent and navigate house fires. It costs us **\$52.67** to produce.



**Fire Blanket**  
**\$19.99**

Our top seller is our fire blanket. Between the kits and individual sales, we have sold **350** fire blankets. The cost to produce it is **\$1.77**.



**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 Sellers	 Fire Extinguisher	 Fire Resistant Gloves
Cost Of Goods	<b>\$17.57</b>	<b>\$1.77</b>
Sold For	<b>\$34.99</b>	<b>\$14.99</b>
Gross Profit	<b>\$17.42</b>	<b>\$13.22</b>

## 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. 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 **\$3,562.40** and broke even on January 23, 2024.

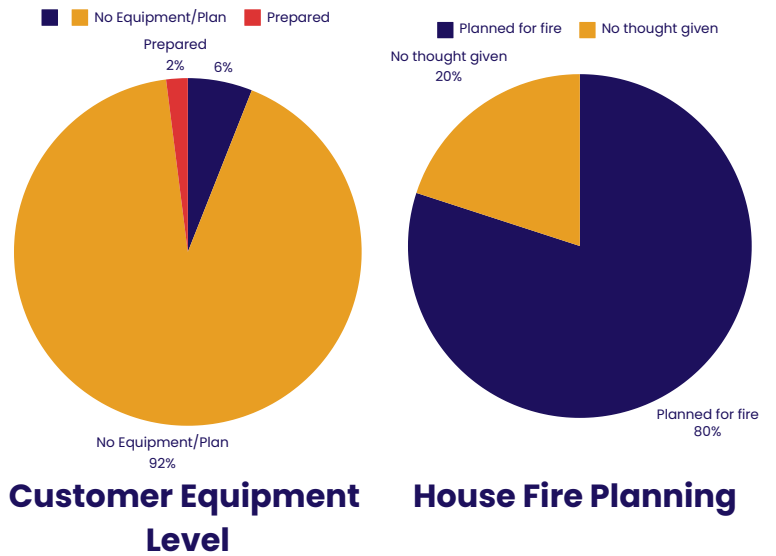


SHIPPING + SUPPLIES = **\$1,201.46**

# 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

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

## Our Journey



# Marketing

The FlameGuard story has been shared via multiple media outlets reaching an estimated **1.5 million people**. Notable, 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 marketing efforts are responsible for 78% of our total sales.**



44 Followers



130 Followers

## Target Audience



Homeowners



Property Owners



Lessee's

Although our market is homeowners, property owners, and lessees, usually at least of 30 years or older, 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

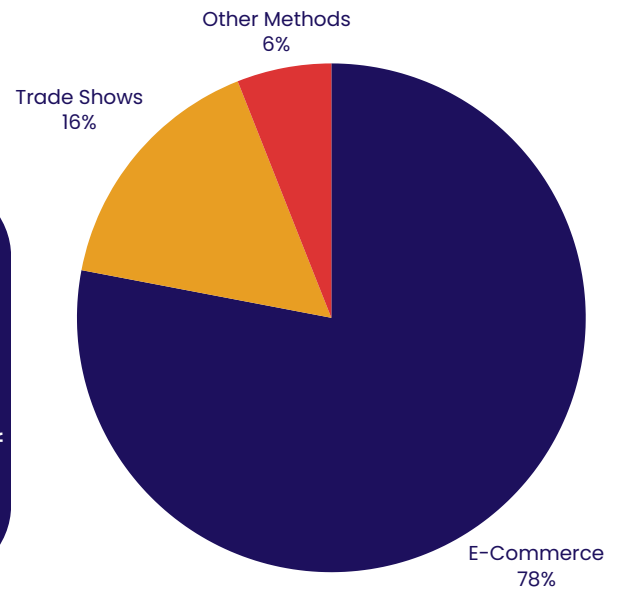


## Competitive Advantage

Our kit includes quality equipment that will provide you with peace of mind from knowing you are equipped with the very best. Unlike other options, 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.

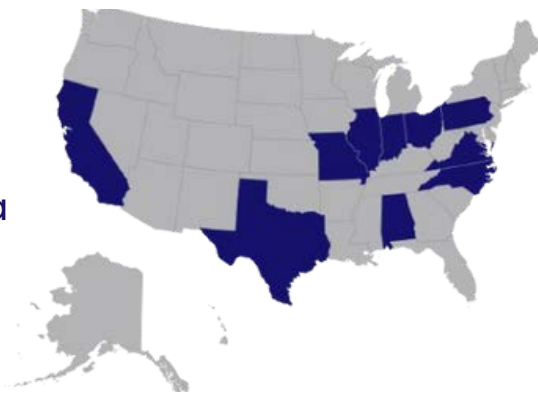


Sales Channels

## Our Reach

### Sales by State

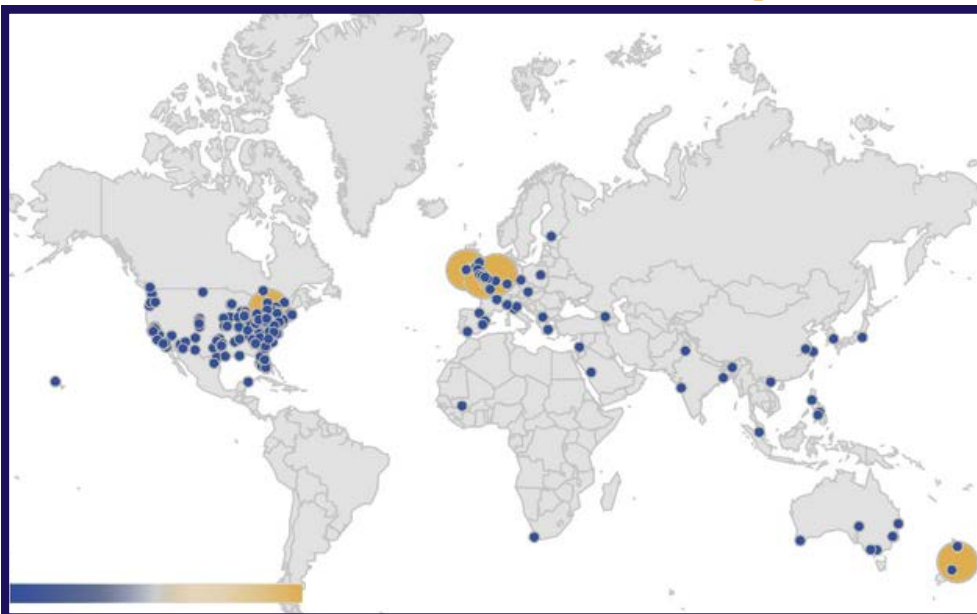
- Alabama
- California
- Illinois
- Missouri
- North Carolina
- Ohio
- Pennsylvania
- Texas
- Virginia



### 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 Zeland

# Leadership & Organization

Meet  
Our Team

## Structure

FlameGuard follows a line structure organization. Our CEO was chosen after an interview with Mr. Donaldson, the CEO then interviewed 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 concerned about others. 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 towards excellence.





# Lessons Learned

## Learning to Sell

Throughout the year, our team developed skills in pitching products confidently at events and media outlets. Despite an initial setback at Hartville Marketplace due to a mismatched target market, we swiftly adjusted our sales strategy. We focused on E-commerce and events more aligned with our audience such as craft shows. Our initial failure at Hartville showed us what we needed to change. This adaptive approach 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 graphic design tools like Adobe Illustrator and Canva. Throughout the year, we created compelling sales pitches and developed confidence in communicating with adults. We also became more comfortable speaking on camera thus strengthening our communication skills. We also tuned our negotiation skills, fostering a more dynamic and effective team.



FlameGuard at Stark-Tank