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## SERVICE: FINANCIAL PROJECTIONS REPORT

# Remote Bookkeeping Business — Ireland

## 3-Year Financial Model for a Sole Trader Bookkeeping Service

<b>Prepared For</b>	Sample Client — Graduate launching Bookkeeping Practice
<b>Industry / Sector</b>	Professional Services / Bookkeeping — Ireland
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<b>Document Type</b>	Sample Project — For Illustration Purposes Only
<b>Data Sources</b>	CSO Ireland, Statista, Google Business, Public Sources

This is a sample project produced using real publicly available Irish market data to demonstrate the quality, structure and depth of work clients can expect.

# 1. Financial Highlights

This report presents a 3-year financial projection model for a sole trader launching a remote bookkeeping and accounting support service for Irish SMEs. All figures are based on verified Irish market data including Revenue.ie tax rates, CSO earnings benchmarks and publicly available software pricing.

**Key Finding:** The business model is financially viable. Under the base case scenario, the owner replaces their previous employed salary by Month 10 and achieves sustainable profitability from Year 2 onwards. The break-even point of 6 clients per month is achievable within 6 months based on realistic growth assumptions.

## Financial Summary at a Glance

Key Metric	Year 1	Year 2	Year 3
Total Revenue	€28,800	€54,000	€78,000
Total Operating Costs	€11,340	€13,200	€14,800
Gross Profit	€17,460	€40,800	€63,200
Income Tax + USC + PRSI	€2,980	€8,960	€15,200
Net Take-Home Income	€14,480	€31,840	€48,000
Number of Clients (Year End)	10 clients	18 clients	26 clients
Break-Even Point	Month 6	—	—
Net Profit Margin	50.2%	58.9%	61.5%

## 2. Key Assumptions

### 2.1 Revenue Assumptions

The financial model is built on a bottom-up revenue approach — projecting the number of clients and average monthly fee rather than using a top-down market share estimate. This produces more realistic and defensible figures.

Revenue Assumption	Detail
Service Model	Monthly retainer packages for ongoing bookkeeping
Basic Package	€150/month — sole trader bookkeeping (up to 50 transactions)
Standard Package	€250/month — SME bookkeeping (up to 150 transactions)
Premium Package	€400/month — full bookkeeping + management reports
Average Revenue Per Client	€240/month (blended average across package mix)
Client Growth Target — Year 1	0 → 10 clients over 12 months
Client Growth Target — Year 2	10 → 18 clients
Client Growth Target — Year 3	18 → 26 clients
Client Retention Rate	85% monthly retention assumed — conservative estimate
Package Mix Assumption	60% Standard, 30% Basic, 10% Premium

### 2.2 Cost Assumptions — Verified Irish Figures

All cost figures below are based on verified Irish market pricing and Revenue.ie tax information current as of April 2026.

Cost Item	Monthly Cost	Annual Cost
Xero Accounting Software (Starter)	€15	€180
Professional Indemnity Insurance	€58	€700
Laptop & Equipment (amortised)	€42	€500
Broadband / Home Office	€50	€600
Marketing & LinkedIn Premium	€60	€720
Accountant (annual tax return)	€42	€500
CPD / Professional Training	€25	€300
Miscellaneous / Contingency	€50	€600
<b>TOTAL FIXED COSTS</b>	<b>€342</b>	<b>€4,100</b>

### 3. Year 1 Revenue Forecast — Monthly

The following monthly breakdown shows the client growth trajectory and corresponding revenue for Year 1, based on acquiring one new client per month in Q1, two per month in Q2 and Q3, and one per month in Q4 as the business stabilises.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Clients</b>	1	2	3	4	6	7	8	9	9	10	10	10
<b>Revenue</b>	€240	€480	€720	€960	€1,440	€1,680	€1,920	€2,160	€2,160	€2,400	€2,400	€2,400
<b>Fixed Costs</b>	€342	€342	€342	€342	€342	€342	€342	€342	€342	€342	€342	€342
<b>Net (Pre-Tax)</b>	<b>-€102</b>	€138	€378	€618	€1,098	€1,338	€1,578	€1,818	€1,818	€2,058	€2,058	€2,058

Year 1 Total Revenue: €18,960. Note: Full-year revenue is €28,800 based on annualised run-rate by December when 10 clients are retained. The lower Year 1 total reflects the ramp-up period.

## 4. 3-Year P&L Summary

P&L Item	Year 1	Year 2	Year 3
Total Revenue	€18,960	€54,000	€78,000
Total Operating Costs	€4,104	€4,620	€5,140
Gross Profit	€14,856	€49,380	€72,860
Gross Profit Margin	78.4%	91.4%	93.4%
Income Tax (20% standard rate)	€1,490	€7,212	€12,840
USC (Universal Social Charge)	€820	€1,480	€1,980
PRSI Class S (4%)	€758	€2,160	€3,120
Total Tax & Levies	€3,068	€10,852	€17,940
<b>NET TAKE-HOME INCOME</b>	<b>€11,788</b>	<b>€38,528</b>	<b>€54,920</b>
Net Profit Margin (post-tax)	62.2%	71.3%	70.4%

Tax note: All tax figures are calculated using Revenue.ie rates for sole traders as of 2025/2026. Income tax at 20% on first €42,000, USC at standard rates, PRSI Class S at 4%. A qualified accountant should be consulted for final tax advice.

## 5. Break-Even Analysis

### 5.1 Calculation

The break-even analysis identifies the minimum number of clients required each month to cover all fixed costs and generate a positive income.

Metric	Data / Finding
Monthly Fixed Costs	€342 per month
Average Revenue Per Client	€240 per month
Variable Cost Per Client	€0 (service business — no variable costs)
Contribution Margin Per Client	€240 (100% — all revenue above fixed costs is profit)
Break-Even Point (Clients)	$€342 \div €240 = 1.43 \rightarrow 2$ clients needed to cover fixed costs
Break-Even Point (Revenue)	€342 per month minimum
Break-Even Month (Projected)	Month 2 — when 2nd client is acquired
Salary Replacement Target	€2,500/month net (previous employed salary)
<b>Clients Needed to Replace Salary</b>	<b>Approx. 12–13 clients at blended average</b>
<b>Month Salary is Replaced (Base Case)</b>	<b>Month 10 — when client base reaches 10–11</b>

## 6. Scenario Analysis

Three scenarios are modelled to show the range of possible financial outcomes depending on client acquisition rate and market conditions.

Metric	Best Case	Base Case	Worst Case
Growth Assumption	3 new clients/month avg	1–2 new clients/month	1 new client/month
Year 1 Clients (Dec)	15 clients	10 clients	6 clients
Year 1 Revenue	€28,800	€18,960	€11,520
Year 3 Clients	35 clients	26 clients	16 clients
Year 3 Revenue	€100,800	€78,000	€46,080
Year 3 Net Income (post-tax)	€70,000+	€54,920	€32,000
Break-Even Month	Month 2	Month 2	Month 2
Salary Replaced By	Month 6	Month 10	Month 18
3-Year Assessment	Excellent — hire assistant by Yr 3	Strong — sustainable practice	Viable — may need supplemental income Yr 1

Recommendation: Even the worst case scenario is financially viable for a sole trader with modest living costs. The business model has low fixed costs (€342/month) which means the downside is well contained. The base case is the most realistic projection.

## 7. Key Observations & Recommendations

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### 7.1 Financial Strengths of This Model

- Extremely low startup cost — under €1,500 total investment needed to launch
- Recurring monthly revenue model — income is predictable and stable once clients are retained
- High profit margins — as a service business with no cost of goods, margins exceed 78%
- Low break-even — only 2 clients needed to cover all costs
- Scalable — can grow to 20–30 clients without hiring staff if using cloud-based tools

### 7.2 Financial Risks to Manage

- Client concentration risk — if 2–3 large clients leave simultaneously, revenue drops significantly. Mitigate by keeping no single client above 20% of revenue
- Year 1 cash flow — income is low in the first 4–5 months. Recommended cash reserve of €3,000–€5,000 before launching
- Tax liability — sole traders pay tax annually. Set aside 25–30% of gross revenue monthly to avoid a large tax bill in October
- Pricing confidence — many new sole traders underprice. The modelled rates are already at the lower end of the Irish market

### 7.3 Recommended Actions

1. Register as a sole trader with Revenue.ie before acquiring first client — free and takes 15 minutes
2. Open a separate business bank account immediately — do not mix personal and business finances
3. Set aside 28% of every payment received into a separate savings account for tax
4. Subscribe to Xero from Month 1 — accurate bookkeeping from day one prevents expensive errors
5. Price at the Standard package (€250/month) by default — only offer Basic after clear scope discussion

— End of Report —

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Sample Project — Produced using real publicly available Irish market data to demonstrate methodology and approach