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Allensburg's Food and Gas

1.0 Executive Summary

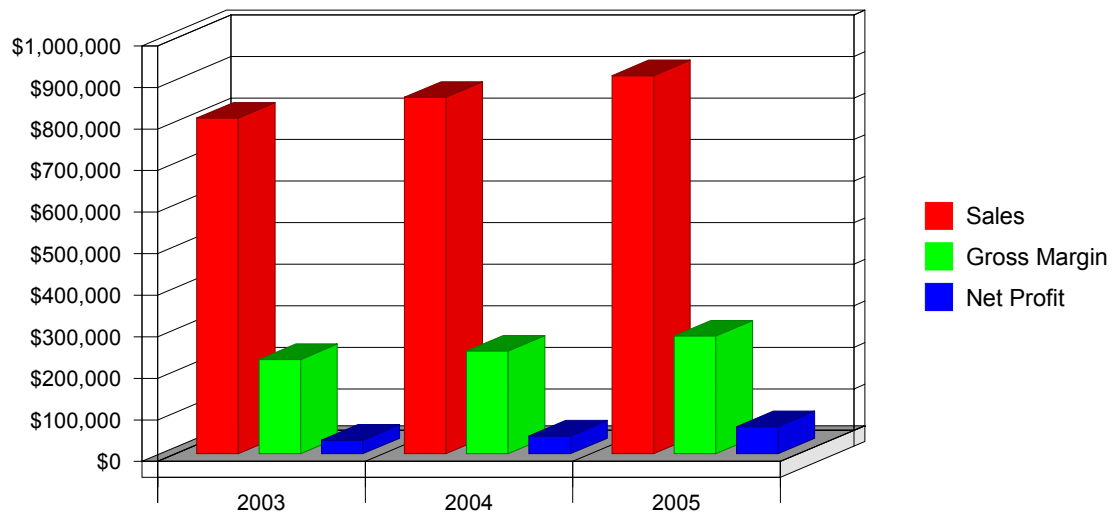
Allensburg is a small town with a population 3,400. Located on rural Highway 310, the town is 30 miles south of the city of Kent and 34 miles north of the city of Willard. Highway 310 connects Kent and Willard that both have universities and a cumulative population of 200,000 residents. The highway is the main road through town and is used daily by thousands of commuters between the two cities. These commuters sustain a number of road side businesses on Highway 310 that sell flowers, produce and bakery products.

In order to get gas in the Allensburg area, commuters currently have to leave the highway and drive three miles into the edge of town. Robert Cole, the owner of Allensburg's Food and Gas has the opportunity to rent a plot of land just off the Allensburg exit of Highway 310.

Allensburg's Food and Gas will offer these commuters gas, organic produce, and a deli. On the way to work, a commuter could stop for gas and pick up a sandwich. On the way home, the same commuter could stop again to pick up something for dinner.

The aim of this plan is to be a guide for this start-up business. Researching and defining our markets, strategies, mission and financials will provide insight and prepare the owner to successfully run Allensburg's Food and Gas.

Highlights (Planned)



Allensburg's Food and Gas

1.1 Objectives

- To capture an increasing share of the commuter traffic passing through Allensburg.
- To offer our customers superior products, at an affordable price.
- To provide customer service that is second to none.

1.2 Mission

The mission of Allensburg's Food and Gas is to offer commuters on Highway 310 competitive gas prices and great food. The company will make a healthy profit for its owners and provide a rewarding work environment for its employees.

1.3 Keys to Success

- Good quality products at competitive prices.
- Excellent customer service that will promote customer loyalty.
- A location that will assure that commuters will stop.

2.0 Company Summary

Allensburg's Food and Gas is a new convenience store and gas station in Allensburg. Robert Cole, owner of Allensburg's Food and Gas, has seven years of experience in managing gas stations. Robert will focus on the commuters that pass through the town daily. Allensburg's Food and Gas will offer its customers the best gas prices and quality food products.

2.1 Company Ownership

Allensburg's Food and Gas is wholly owned by Robert Cole.

Allensburg's Food and Gas

2.2 Start-up Summary

Robert Cole will invest \$60,000 in Allensburg's Food and Gas. Robert aims to secure an SBA of \$150,000 to finance the remainder of the start up costs.

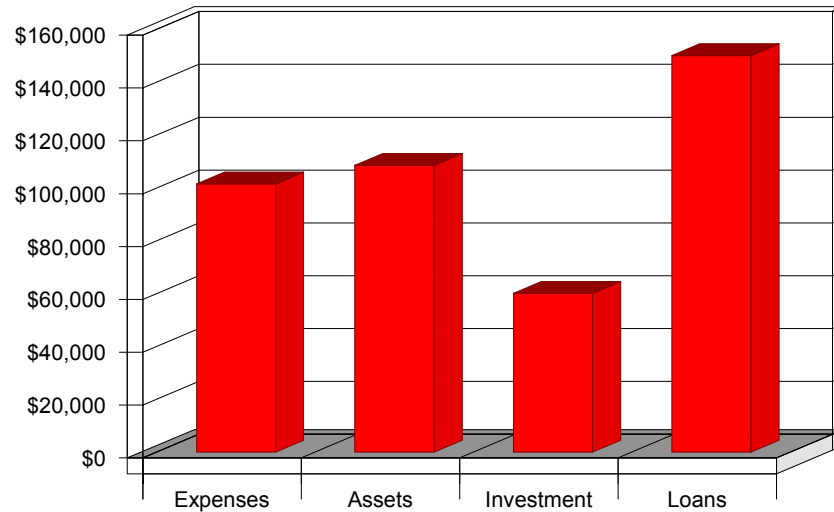
The following chart and table show projected initial start-up costs for Allensburg's Food and Gas.

Table: Start-up

Start-up	
<hr/>	
Requirements	
<hr/>	
Start-up Expenses	
Legal	\$1,000
Insurance	\$1,000
Rent	\$1,500
State Permits	\$3,000
Gas Station Setup	\$70,000
Store Setup	\$20,000
Promotional Sign	\$5,000
Total Start-up Expense	\$101,500
<hr/>	
Start-up Assets Needed	
Cash Balance on Starting Date	\$18,500
Start-up Inventory	\$10,000
Other Short-term Assets	\$0
Total Short-term Assets	\$28,500
<hr/>	
Long-term Assets	\$80,000
Total Assets	\$108,500
Total Requirements	\$210,000
<hr/>	
Funding	
<hr/>	
Investment	
Robert Cole	\$60,000
Other	\$0
Total Investment	\$60,000
<hr/>	
Short-term Liabilities	
Accounts Payable	\$0
Current Borrowing	\$0
Other Short-term Liabilities	\$0
Subtotal Short-term Liabilities	\$0
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Long-term Liabilities	\$150,000
Total Liabilities	\$150,000
<hr/>	
Loss at Start-up	(\$101,500)
Total Capital	(\$41,500)
Total Capital and Liabilities	\$108,500

Allensburg's Food and Gas

Start-up



3.0 Products

Allensburg's Food and Gas sells the following products:

- Gasoline and diesel fuel;
- Oil, de-icer, car accessories, etc.;
- Deli items;
- Drinks;
- Bakery goods;
- Organic produce.

4.0 Market Analysis Summary

Located on rural Highway 310, Allensburg is 30 miles south of the city of Kent and 34 miles north of the city of Willard. Highway 310 connects Kent and Willard that both have universities and a cumulative population of 200,000 residents. The highway is the main road through town and is used daily by thousands of commuters between the two cities. The closest gas station in either direction is over 20 miles away.

These commuters currently have no convenient shop in which to buy food to or from work once they are on Highway 310; more importantly, eighty percent of Highway 310 commuters fits the demographic profile of customers of upscale organic/natural food stores:

- Age: 25 - 45 years of age;
- Gender: 60% women;
- Average income: \$40,000+;
- Education: college graduate;
- Employment: professionals in business and education.

Allensburg's Food and Gas

4.1 Market Segmentation

The target customers of Allensburg's Food and Gas are the commuters that use Highway 310.

Table: Market Analysis

Market Analysis	Growth	2002	2003	2004	2005	2006	CAGR
Potential Customers							
Commuters	10%	5,500	6,050	6,655	7,321	8,053	10.00%
Other	0%	0	0	0	0	0	0.00%
Total	10.00%	5,500	6,050	6,655	7,321	8,053	10.00%

5.0 Strategy and Implementation Summary

Allensburg's Food and Gas will focus on becoming a routine stop for the commuter traffic on Highway 310, not just for those people who need gas, but for those who are looking for a healthy, tasty snack on their drive, or need to pick up some small grocery item on their way home. Allensburg's Food and Gas will aim to be more than a gas station to its customers, it will be a friendly place to stop for tired commuters.

5.1 Competitive Edge

The competitive edge for Allensburg's Food and Gas is the following:

- **Location:** Allensburg's Food and Gas is located on Highway 310. The closest competitor is three miles into the town of Allensburg.
- **Quality Deli and Organic Produce:** While buying gas, commuters will now be able to pick up lunch, or buy something to take home. The commuter will soon regard Allensburg's Food and Gas as an invaluable time saver in their day.

5.2 Sales Strategy

Allensburg's Food and Gas will keep its gas prices competitive with other stations in a fifty mile radius of the station in order to attract commuters. Customers that purchase more than \$10 worth of gas will be given 15% coupon on purchases in the store during the first month of operation, to encourage purchases and to introduce them to the concept of buying quality organic foods at the gas station.

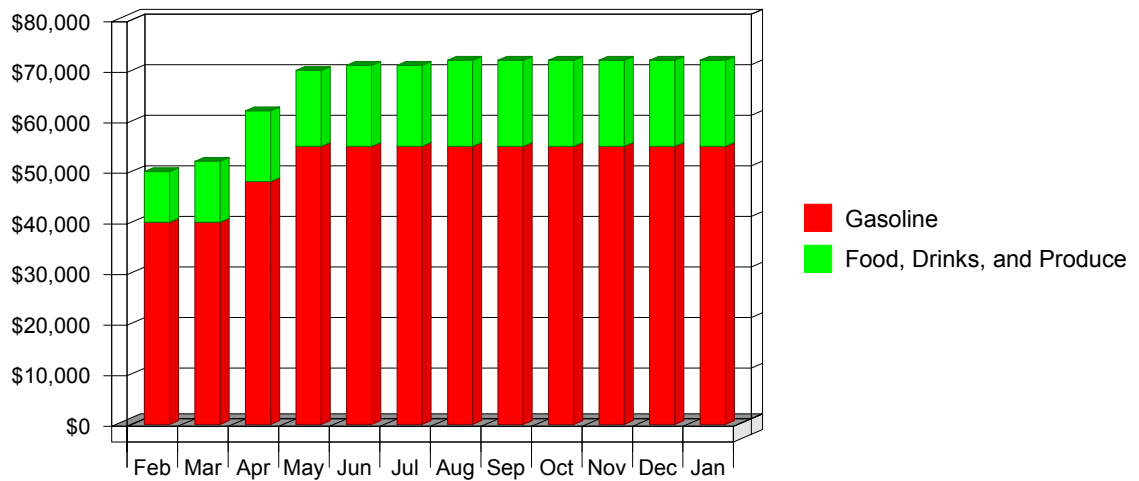
Allensburg's Food and Gas

5.2.1 Sales Forecast

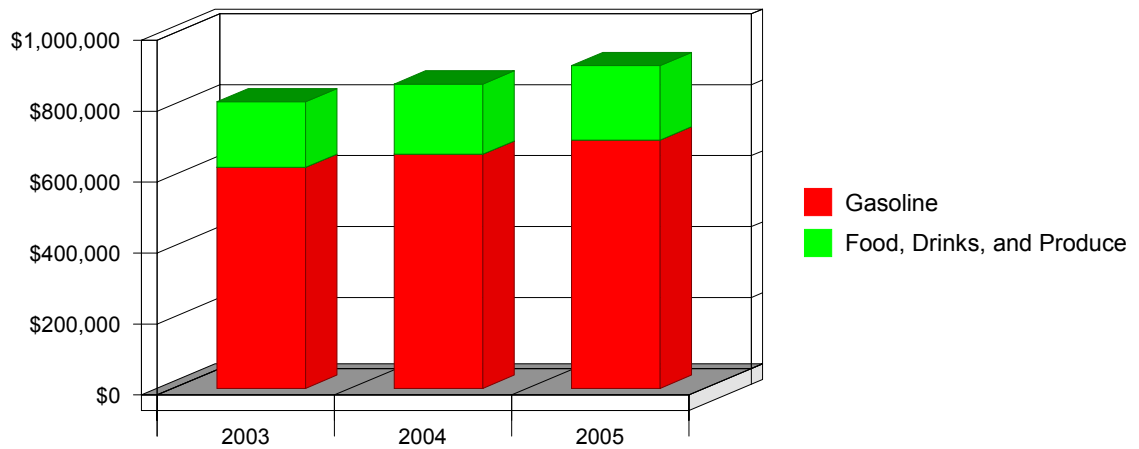
In order to maintain competitive gas prices, the cost of gas to the consumer will never exceed 15% of wholesale cost. Allensburg's Food and Gas will focus on increasing food sales in order to meet total sales forecast goals.

The following is the sales forecast for three years.

Sales Monthly (Planned)



Sales by Year (Planned)



Allensburg's Food and Gas

Table: Sales Forecast (Planned)

Sales Forecast	2003	2004	2005
Sales			
Gasoline	\$623,000	\$660,000	\$700,000
Food, Drinks, and Produce	\$185,000	\$198,000	\$210,000
Total Sales	\$808,000	\$858,000	\$910,000
Direct Cost of Sales			
Gasoline	\$544,000	\$570,000	\$582,000
Food, Drinks, and Produce	\$37,200	\$41,000	\$44,500
Subtotal Direct Cost of Sales	\$581,200	\$611,000	\$626,500

6.0 Management Summary

Robert Cole, owner of Allensburg's Food and Gas, has seven years of experience in managing gas stations/convenience stores. Robert has a reputation as an excellent staff supervisor. From 1993 to 1996, Robert was the manager of Higgins Texaco, one of the largest gas station/convenience stores in Willard. At Higgins, Robert supervised a staff of seven. In 1997, Robert became manager of the Barger Chevron, located at the southern tip of Kent, near Highway 310.

6.1 Personnel Plan

The Allensburg Food and Gas will have a staff of five:

- Manager
- Store/deli staff (2)
- Gas attendants (2)

Table: Personnel (Planned)

Personnel Plan	2003	2004	2005
Robert Cole	\$33,600	\$37,000	\$40,000
Store/Deli Staff	\$42,000	\$44,000	\$46,000
Gas Attendants	\$42,000	\$44,000	\$46,000
Total Payroll	\$117,600	\$125,000	\$132,000
Total People	5	5	5
Payroll Burden	\$17,640	\$18,750	\$19,800
Total Payroll Expenditures	\$135,240	\$143,750	\$151,800

Allensburg's Food and Gas

7.0 Financial Plan

The following is the financial plan for Allensburg's Food and Gas.

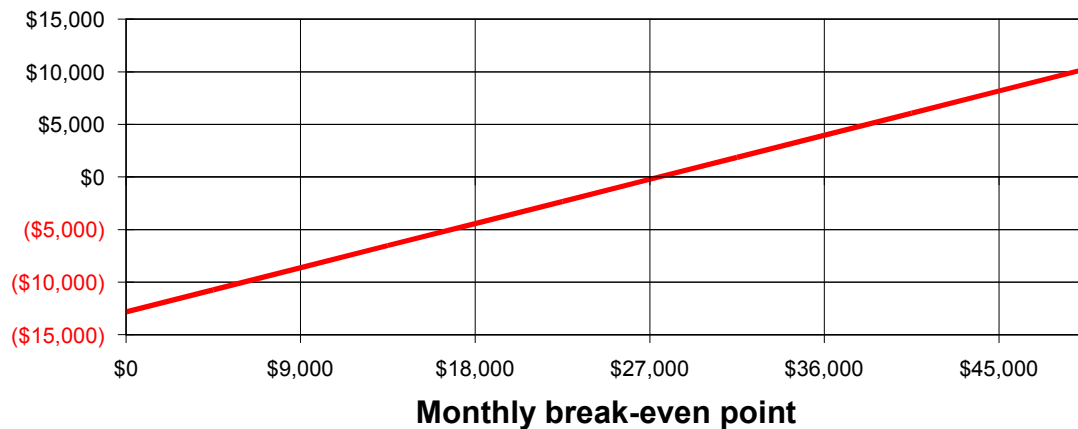
7.1 Break-even Analysis

The monthly break-even point is \$27,476.

Table: Break-even Analysis

Break-even Analysis:	
Monthly Units Break-even	1,832
Monthly Sales Break-even	\$27,476
Assumptions:	
Average Per-Unit Revenue	\$15.00
Average Per-Unit Variable Cost	\$8.00
Estimated Monthly Fixed Cost	\$12,822

Break-even Analysis



Break-even point = where line intersects with 0

Allensburg's Food and Gas

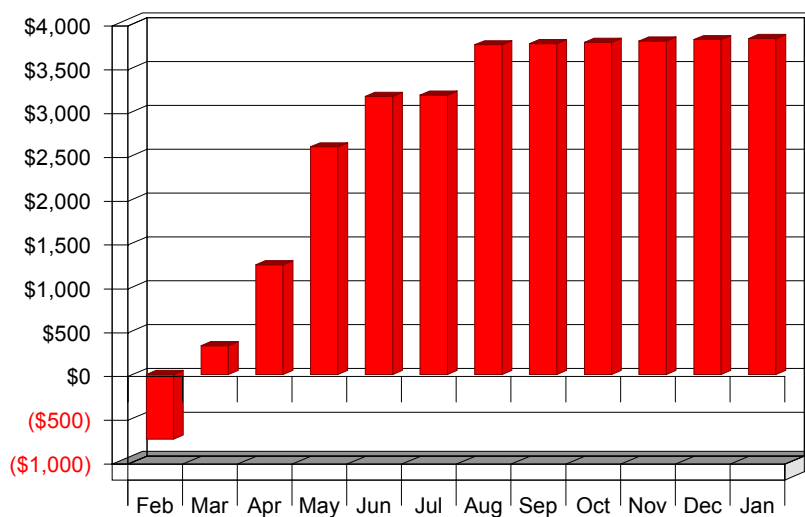
7.2 Projected Profit and Loss

The following table and charts highlight the projected profit and loss for three years.

Table: Profit and Loss (Planned)

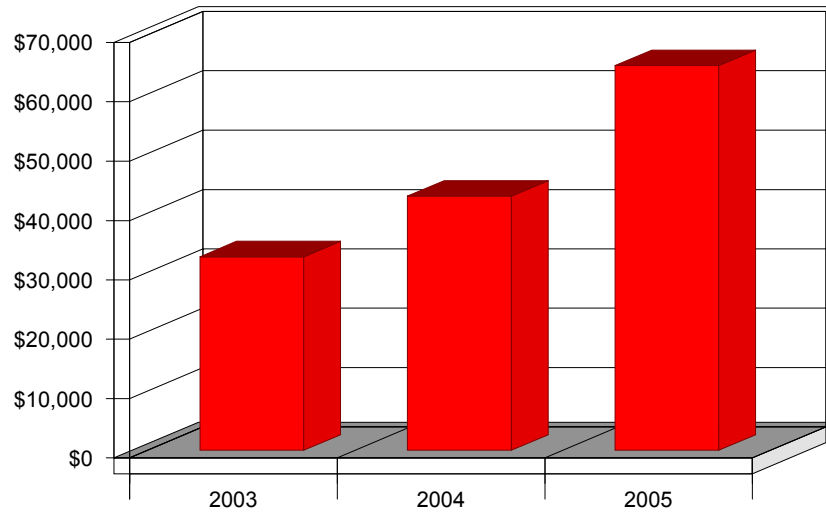
Pro Forma Profit and Loss	2003	2004	2005
Sales	\$808,000	\$858,000	\$910,000
Direct Cost of Sales	\$581,200	\$611,000	\$626,500
Other Production Expenses	\$0	\$0	\$0
Total Cost of Sales	\$581,200	\$611,000	\$626,500
Gross Margin	\$226,800	\$247,000	\$283,500
Gross Margin %	28.07%	28.79%	31.15%
Operating Expenses:			
Advertising/Promotion	\$0	\$0	\$0
Travel	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0
Payroll Expense	\$117,600	\$125,000	\$132,000
Payroll Burden	\$17,640	\$18,750	\$19,800
Depreciation	\$11,424	\$11,424	\$11,424
Leased Equipment	\$0	\$0	\$0
Utilities	\$3,600	\$3,600	\$3,600
Insurance	\$3,600	\$3,600	\$3,600
Rent	\$13,000	\$13,000	\$13,000
Contract/Consultants	\$0	\$0	\$0
Total Operating Expenses	\$166,864	\$175,374	\$183,424
Profit Before Interest and Taxes	\$59,936	\$71,626	\$100,076
Interest Expense Short-term	\$0	\$0	\$0
Interest Expense Long-term	\$13,375	\$10,500	\$7,500
Taxes Incurred	\$13,968	\$18,338	\$27,773
Extraordinary Items	\$0	\$0	\$0
Net Profit	\$32,593	\$42,788	\$64,803
Net Profit/Sales	4.03%	4.99%	7.12%

Profit Monthly (Planned)



Allensburg's Food and Gas

Profit Yearly (Planned)



7.3 Projected Cash Flow

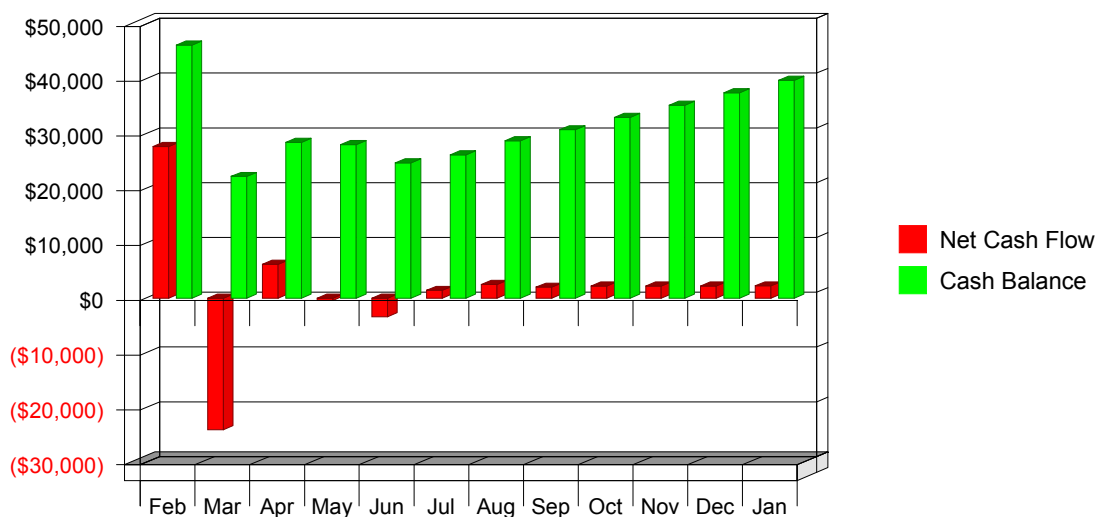
The following table and chart highlight the projected cash flow for three years.

Allensburg's Food and Gas

Table: Cash Flow (Planned)

Pro Forma Cash Flow	2003	2004	2005
Cash Received			
Cash from Operations:			
Cash Sales	\$808,000	\$858,000	\$910,000
From Receivables	\$0	\$0	\$0
Subtotal Cash from Operations	\$808,000	\$858,000	\$910,000
Additional Cash Received			
Extraordinary Items	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of other Short-term Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
Subtotal Cash Received	\$808,000	\$858,000	\$910,000
Expenditures			
Expenditures from Operations:			
Cash Spent on Costs and Expenses	\$67,014	\$66,267	\$68,334
Wages, Salaries, Payroll Taxes, etc.	\$135,240	\$143,750	\$151,800
Payment of Accounts Payable	\$554,458	\$596,948	\$613,508
Subtotal Spent on Operations	\$756,713	\$806,966	\$833,642
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$30,000	\$30,000	\$30,000
Purchase Other Short-term Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
Adjustment for Assets Purchased on Credit	\$0	\$0	\$0
Subtotal Cash Spent	\$786,713	\$836,966	\$863,642
Net Cash Flow	\$21,287	\$21,034	\$46,358
Cash Balance	\$39,787	\$60,822	\$107,179

Cash (Planned)



Allensburg's Food and Gas

7.4 Projected Balance Sheet

The following table and chart highlight the projected balance sheet for three years.

Table: Balance Sheet (Planned)

Pro Forma Balance Sheet

Assets			
Short-term Assets	2003	2004	2005
Cash	\$39,787	\$60,822	\$107,179
Inventory	\$51,400	\$54,035	\$55,406
Other Short-term Assets	\$0	\$0	\$0
Total Short-term Assets	\$91,187	\$114,857	\$162,586
Long-term Assets			
Long-term Assets	\$80,000	\$80,000	\$80,000
Accumulated Depreciation	\$11,424	\$22,848	\$34,272
Total Long-term Assets	\$68,576	\$57,152	\$45,728
Total Assets	\$159,763	\$172,009	\$208,314
Liabilities and Capital			
	2003	2004	2005
Accounts Payable	\$48,671	\$48,128	\$49,629
Current Borrowing	\$0	\$0	\$0
Other Short-term Liabilities	\$0	\$0	\$0
Subtotal Short-term Liabilities	\$48,671	\$48,128	\$49,629
Long-term Liabilities	\$120,000	\$90,000	\$60,000
Total Liabilities	\$168,671	\$138,128	\$109,629
Paid-in Capital	\$60,000	\$60,000	\$60,000
Retained Earnings	(\$101,500)	(\$68,907)	(\$26,119)
Earnings	\$32,593	\$42,788	\$64,803
Total Capital	(\$8,907)	\$33,881	\$98,684
Total Liabilities and Capital	\$159,763	\$172,009	\$208,314
Net Worth	(\$8,907)	\$33,881	\$98,684

7.5 Business Ratios

Business ratios for the years of this plan are shown below. Industry profile ratios based on the Standard Industrial Classification (SIC) code 5541, Gasoline Service Station, are shown for comparison.

Allensburg's Food and Gas

Table: Ratios (Planned)

Ratio Analysis	2002	2003	2004	Industry Profile
Sales Growth	0.00%	6.19%	6.06%	10.80%
Percent of Total Assets				
Accounts Receivable	0.00%	0.00%	0.00%	10.60%
Inventory	32.17%	31.41%	26.60%	13.30%
Other Short-term Assets	0.00%	0.00%	0.00%	25.60%
Total Short-term Assets	57.08%	66.77%	78.05%	49.50%
Long-term Assets	42.92%	33.23%	21.95%	50.50%
Total Assets	100.00%	100.00%	100.00%	100.00%
Other Short-term Liabilities	0.00%	0.00%	0.00%	31.60%
Subtotal Short-term Liabilities	30.46%	27.98%	23.82%	23.80%
Long-term Liabilities	75.11%	52.32%	28.80%	23.10%
Total Liabilities	105.58%	80.30%	52.63%	46.90%
Net Worth	-5.58%	19.70%	47.37%	53.10%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	28.07%	28.79%	31.15%	16.50%
Selling, General & Administrative Expenses	24.04%	23.80%	24.03%	10.40%
Advertising Expenses	0.00%	0.00%	0.00%	0.20%
Profit Before Interest and Taxes	7.42%	8.35%	11.00%	0.50%
Main Ratios				
Current	1.87	2.39	3.28	1.55
Quick	0.82	1.26	2.16	0.91
Total Debt to Total Assets	105.58%	80.30%	52.63%	54.70%
Pre-tax Return on Net Worth	-823.04%	242.40%	109.01%	2.50%
Pre-tax Return on Assets	45.89%	47.75%	51.64%	5.50%
Business Vitality Profile				
Sales per Employee	\$161,600	\$171,600	\$182,000	\$0
Survival Rate				0.00%
Additional Ratios				
Net Profit Margin	4.03%	4.99%	7.12%	n.a
Return on Equity	0.00%	126.29%	65.67%	n.a
Activity Ratios				
Accounts Receivable Turnover	0.00	0.00	0.00	n.a
Collection Days	0	0	0	n.a
Inventory Turnover	18.93	11.59	11.45	n.a
Accounts Payable Turnover	12.39	12.39	12.39	n.a
Total Asset Turnover	5.06	4.99	4.37	n.a
Debt Ratios				
Debt to Net Worth	0.00	4.08	1.11	n.a
Short-term Liab. to Liab.	0.29	0.35	0.45	n.a
Liquidity Ratios				
Net Working Capital	\$42,517	\$66,729	\$112,956	n.a
Interest Coverage	4.48	6.82	13.34	n.a
Additional Ratios				
Assets to Sales	0.20	0.20	0.23	n.a
Current Debt/Total Assets	30%	28%	24%	n.a
Acid Test	0.82	1.26	2.16	n.a
Sales/Net Worth	0.00	25.32	9.22	n.a
Dividend Payout	\$0	0.00	0.00	n.a

Appendix

Appendix Table: Sales Forecast (Planned)

Sales Forecast	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Sales												
Gasoline	\$40,000	\$40,000	\$48,000	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000
Food, Drinks, and Produce	\$10,000	\$12,000	\$14,000	\$15,000	\$16,000	\$16,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Total Sales	\$50,000	\$52,000	\$62,000	\$70,000	\$71,000	\$71,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
Direct Cost of Sales												
Gasoline	\$35,000	\$35,000	\$42,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000
Food, Drinks, and Produce	\$2,000	\$2,500	\$2,900	\$3,000	\$3,200	\$3,200	\$3,400	\$3,400	\$3,400	\$3,400	\$3,400	\$3,400
Subtotal Direct Cost of Sales	\$37,000	\$37,500	\$44,900	\$51,000	\$51,200	\$51,200	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400

Appendix

Appendix Table: Personnel (Planned)

Personnel Plan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Robert Cole	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800
Store/Deli Staff	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Gas Attendants	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Total Payroll	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800
Total People	5	5	5	5	5	5	5	5	5	5	5	5
Payroll Burden	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470
Total Payroll Expenditures	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270

Appendix

Appendix Table: Profit and Loss (Planned)

Pro Forma Profit and Loss	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Sales	\$50,000	\$52,000	\$62,000	\$70,000	\$71,000	\$71,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
Direct Cost of Sales	\$37,000	\$37,500	\$44,900	\$51,000	\$51,200	\$51,200	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400
Other Production Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$37,000	\$37,500	\$44,900	\$51,000	\$51,200	\$51,200	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400
Gross Margin	\$13,000	\$14,500	\$17,100	\$19,000	\$19,800	\$19,800	\$20,600	\$20,600	\$20,600	\$20,600	\$20,600	\$20,600
Gross Margin %	26.00%	27.88%	27.58%	27.14%	27.89%	27.89%	28.61%	28.61%	28.61%	28.61%	28.61%	28.61%
Operating Expenses:												
Advertising/Promotion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll Expense	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800	\$9,800
Payroll Burden	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470
Depreciation	\$952	\$952	\$952	\$952	\$952	\$952	\$952	\$952	\$952	\$952	\$952	\$952
Leased Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Insurance	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Rent	\$0	\$0	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300
Contract/Consultants	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$12,822	\$12,822	\$14,122	\$14,122	\$14,122	\$14,122	\$14,122	\$14,122	\$14,122	\$14,122	\$14,122	\$14,122
Profit Before Interest and Taxes	\$178	\$1,678	\$2,978	\$4,878	\$5,678	\$5,678	\$6,478	\$6,478	\$6,478	\$6,478	\$6,478	\$6,478
Interest Expense Short-term	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense Long-term	\$1,229	\$1,208	\$1,188	\$1,167	\$1,146	\$1,125	\$1,104	\$1,083	\$1,063	\$1,042	\$1,021	\$1,000
Taxes Incurred	(\$315)	\$141	\$537	\$1,113	\$1,360	\$1,366	\$1,612	\$1,618	\$1,625	\$1,631	\$1,637	\$1,643
Extraordinary Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	(\$736)	\$329	\$1,253	\$2,598	\$3,173	\$3,187	\$3,762	\$3,776	\$3,791	\$3,805	\$3,820	\$3,835
Net Profit/Sales	-1.47%	0.63%	2.02%	3.71%	4.47%	4.49%	5.22%	5.24%	5.27%	5.29%	5.31%	5.33%

Appendix

Appendix Table: Cash Flow (Planned)

Pro Forma Cash Flow	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Cash Received												
Cash from Operations:												
Cash Sales	\$50,000	\$52,000	\$62,000	\$70,000	\$71,000	\$71,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash from Operations	\$50,000	\$52,000	\$62,000	\$70,000	\$71,000	\$71,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
Additional Cash Received												
Extraordinary Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of other Short-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$50,000	\$52,000	\$62,000	\$70,000	\$71,000	\$71,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
Expenditures												
Expenditures from Operations:												
Cash Spent on Costs and Expenses	\$6,551	\$3,995	\$5,592	\$6,128	\$5,581	\$5,559	\$5,622	\$5,600	\$5,599	\$5,597	\$5,596	\$5,594
Wages, Salaries, Payroll Taxes, etc.	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270	\$11,270
Payment of Accounts Payable	\$1,965	\$58,195	\$36,434	\$50,493	\$54,988	\$50,218	\$50,051	\$50,588	\$50,401	\$50,388	\$50,375	\$50,362
Subtotal Spent on Operations	\$19,787	\$73,460	\$53,296	\$67,891	\$71,838	\$67,048	\$66,942	\$67,458	\$67,270	\$67,255	\$67,241	\$67,226
Additional Cash Spent												
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Purchase Other Short-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjustment for Assets Purchased on Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$22,287	\$75,960	\$55,796	\$70,391	\$74,338	\$69,548	\$69,442	\$69,958	\$69,770	\$69,755	\$69,741	\$69,726
Net Cash Flow	\$27,713	(\$23,960)	\$6,204	(\$391)	(\$3,338)	\$1,452	\$2,558	\$2,042	\$2,230	\$2,245	\$2,259	\$2,274
Cash Balance	\$46,213	\$22,253	\$28,457	\$28,066	\$24,728	\$26,180	\$28,738	\$30,779	\$33,009	\$35,254	\$37,514	\$39,787

Appendix

Appendix Table: Balance Sheet (Planned)

Pro Forma Balance Sheet

Assets	Starting Balances	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Short-term Assets													
Cash	\$18,500	\$46,213	\$22,253	\$28,457	\$28,066	\$24,728	\$26,180	\$28,738	\$30,779	\$33,009	\$35,254	\$37,514	\$39,787
Inventory	\$10,000	\$37,000	\$37,500	\$44,900	\$51,000	\$51,200	\$51,200	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400	\$51,400
Other Short-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Short-term Assets	\$28,500	\$83,213	\$59,753	\$73,357	\$79,066	\$75,928	\$77,380	\$80,138	\$82,179	\$84,409	\$86,654	\$88,914	\$91,187
Long-term Assets													
Long-term Assets	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Accumulated Depreciation	\$0	\$952	\$1,904	\$2,856	\$3,808	\$4,760	\$5,712	\$6,664	\$7,616	\$8,568	\$9,520	\$10,472	\$11,424
Total Long-term Assets	\$80,000	\$79,048	\$78,096	\$77,144	\$76,192	\$75,240	\$74,288	\$73,336	\$72,384	\$71,432	\$70,480	\$69,528	\$68,576
Total Assets	\$108,500	\$162,261	\$137,849	\$150,501	\$155,258	\$151,168	\$151,668	\$153,474	\$154,563	\$155,841	\$157,134	\$158,442	\$159,763
Liabilities and Capital													
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Accounts Payable	\$0	\$56,997	\$34,756	\$48,654	\$53,314	\$48,551	\$48,364	\$48,908	\$48,722	\$48,709	\$48,696	\$48,683	\$48,671
Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Short-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Short-term Liabilities	\$0	\$56,997	\$34,756	\$48,654	\$53,314	\$48,551	\$48,364	\$48,908	\$48,722	\$48,709	\$48,696	\$48,683	\$48,671
Long-term Liabilities	\$150,000	\$147,500	\$145,000	\$142,500	\$140,000	\$137,500	\$135,000	\$132,500	\$130,000	\$127,500	\$125,000	\$122,500	\$120,000
Total Liabilities	\$150,000	\$204,497	\$179,756	\$191,154	\$193,314	\$186,051	\$183,364	\$181,408	\$178,722	\$176,209	\$173,696	\$171,183	\$168,671
Paid-in Capital	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Retained Earnings	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)	(\$101,500)
Earnings	\$0	(\$736)	(\$407)	\$846	\$3,444	\$6,617	\$9,804	\$13,566	\$17,342	\$21,133	\$24,938	\$28,758	\$32,593
Total Capital	(\$41,500)	(\$42,236)	(\$41,907)	(\$40,654)	(\$38,056)	(\$34,883)	(\$31,696)	(\$27,934)	(\$24,158)	(\$20,367)	(\$16,562)	(\$12,742)	(\$8,907)
Total Liabilities and Capital	\$108,500	\$162,261	\$137,849	\$150,501	\$155,258	\$151,168	\$151,668	\$153,474	\$154,563	\$155,841	\$157,134	\$158,442	\$159,763
Net Worth	(\$41,500)	(\$42,236)	(\$41,907)	(\$40,654)	(\$38,056)	(\$34,883)	(\$31,696)	(\$27,934)	(\$24,158)	(\$20,367)	(\$16,562)	(\$12,742)	(\$8,907)