the Coffee SHOPPE

BUSINESS PLAN

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Executive Summary

The Coffee Shoppe will be a business service provider based in Miami, Florida. Founded by Mrs. Nancy Harrigan, The Coffee Shoppe will offer a menu of servics which include coffee, lattes, capacinos, expressos, deli sandwiches and baked goods. While these services will comprise the initial market entry core, long-term plans call for the integration of storage and relocation capabilities to the business mix. The local area has been in dire need of a service of this type for some time and The Coffee Shoppe plans to adequately serve them through the consistent delivery of real-time hospitality. The market is definitely filled with opportunities but in order to capitalize on them, a strong infusion of working capital must be acquiesced. The founder projects needing 100K for their business venture with repayment being made out of the profits that are driven annually. Funding that is secured will be used in a variety of areas including marketing, logistics, management, site procurement as well as the day to day operations of the organization.

The marketing for The Coffee Shoppe will be done through a variety of mediums including the Internet, mass media, print and networking. Internet efforts will center on the creation of a user-friendly website that clearly list all of the core services that will be offered. The website will be developed using the latest in online technologies including SEO (Search Engine Optimization) which will allow for a much higher ranking in popular search engines like Yahoo.com and Google.com to name a few. In addition to the home website, plans also call for the creation of a strong social media presence using Facebook.com and Twitter.com; the world's most popular social media portals with over 1 billion persons in their combined user communities. Rounding out the The Coffee Shoppe marketing model will be mass media driven by commercials appearing on ABC as well as professional networking done through local chambers of commerce and business networking groups and affiliates.

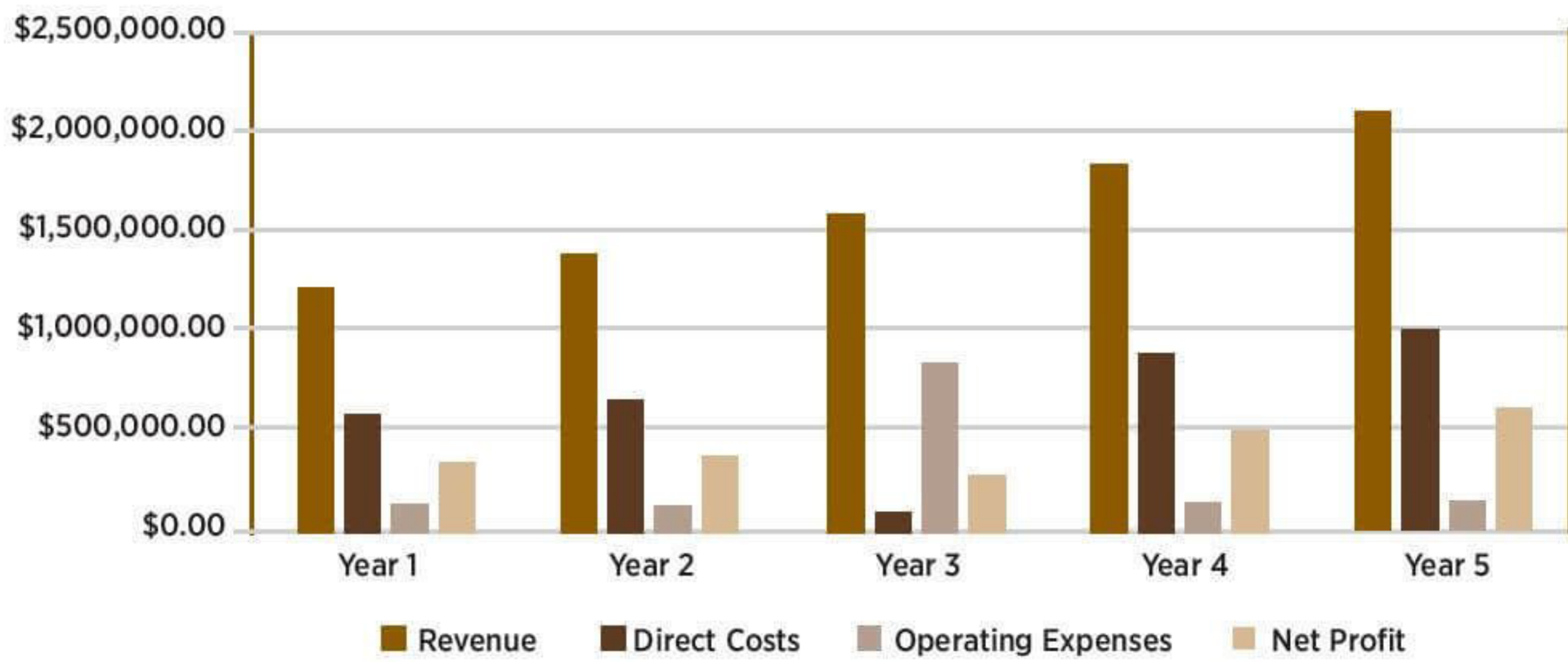
The financials for The Coffee Shoppe are quite promising and bode well for future expansion into other sectors of the region and service areas. The overhead costs are moderate but do not in any way threaten the long-term profit margin potential that the organization has shown. Salaries are also projected to be moderate as the founder does not project adding employees during the initial stages of market entry. Management does however reserve the right to add employees as the needs of the business and resources on hand dictate. Marketing and operations expenditures will be the bulk of the expenses during each of the projected years. All things considered the financial standing of The Coffee Shoppe is nothing less than exceptional and bodes extremely well for all future growth in terms of services being offered and the markets that will be entered.

Loan Analysis

Loan Analysis	
Interest Rate:	8.50%
Years of Loan:	15
Loan Amount:	$100,000.00
Monthly Payment:	$984.74
Total Payment:	$177,253.12
Total Interest:	$77,253.12

The projected loan analysis for The Coffee Shoppe is shown in the table above. The organization projects to have a monthly loan payment of $984.74 with a total loan payment of $177,253.12 over the 15 year life of the loan.

Financial Highlights



The financial highlights for The Coffee Shoppe are shown in the chart above. The organization projects to have strong growth trends over the course of the next five years.

Startup Summary

Start-up Expenses	
Payroll	$5,000
Operations	$1,000
Insurance	$500
Miscellaneous	$500
Total Start-up Expenses	$7,000

Start-up Assets	
Working Capital	$25,000
Inventory	$1,000
Equipment	$500
Miscellaneous	$500
Total Start-up Assets	$27,000

Total Requirements	
Total Start-up Expenses	$7,000
Total Start-up Assets	$27,000
Total Requirements	$34,000

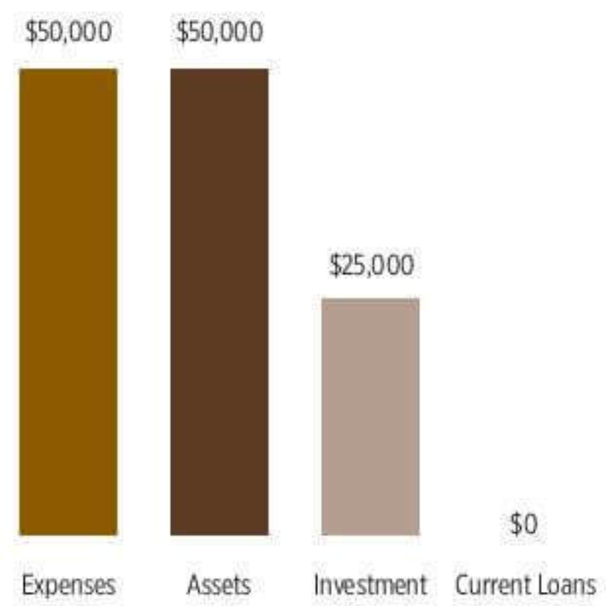
Start-up Liabilities	
Liabilities and Capital	
Bank Loan	$100,000
$0	$0
$0	$0
$0	$0
Total Liabilities	$100,000

Start-up Investments	
Investment	
Owner	$500
Investor	$0
Total Planned Investment	$500

Start-up Funding	
Total Liabilities	$100,000
Total Planned Investment	$500
Total Funding	$100,500

Start-up Capital and Liabilities	
Loss at Start-up (Start-up Expenses)	($7,000)
Total Capital and Liabilities	$93,500
0	$0

Startup Figures

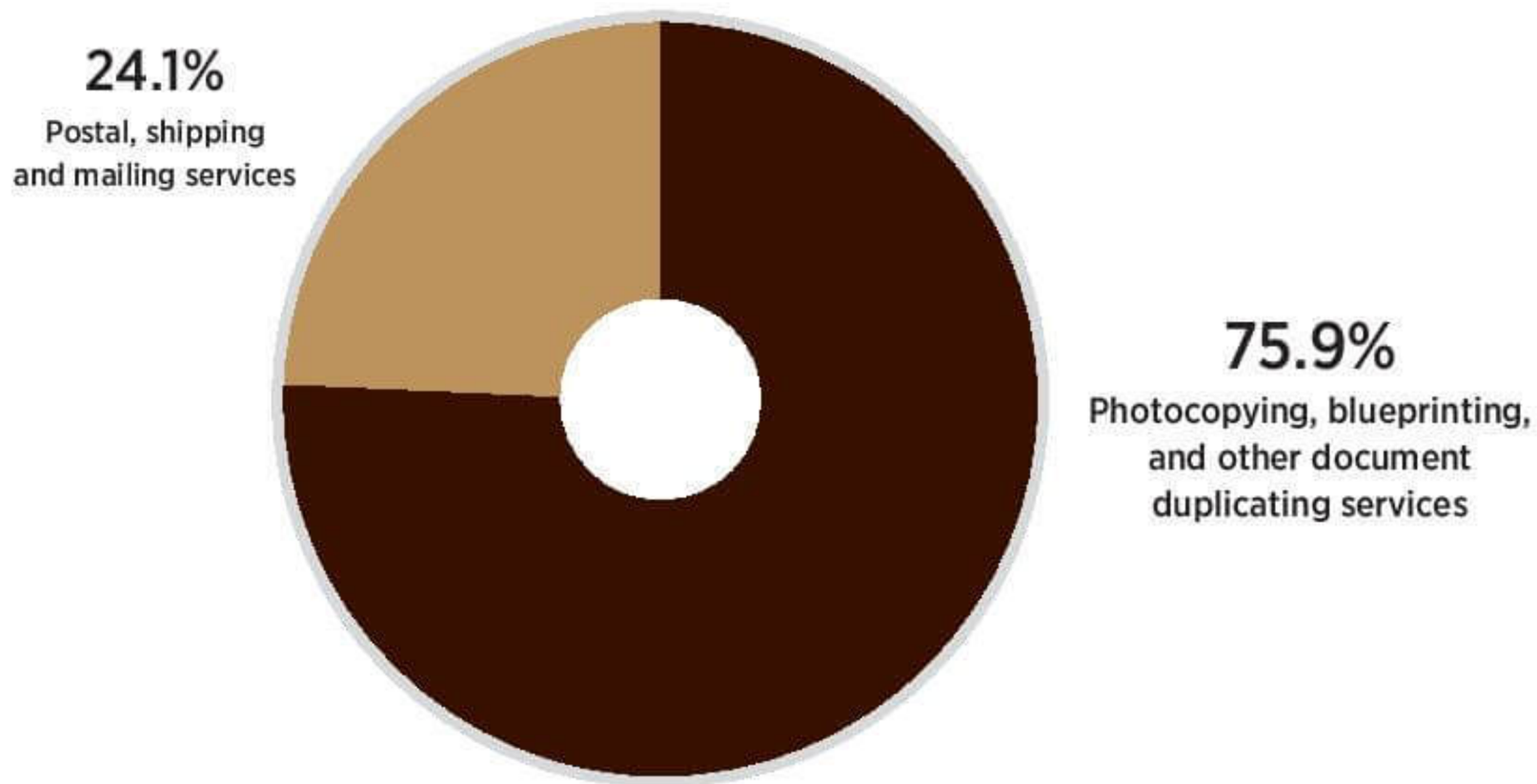


Industry at a Glance

Key Statistics Snapshot

Revenue	Annual Growth 05-10	Annual Growth 10-15
$9.7bn	-1.1%	2.5%
Profit	**Wages**	**Business**
$1.1bn	$2.7bn	28,018

Food and services segmentation (2011)



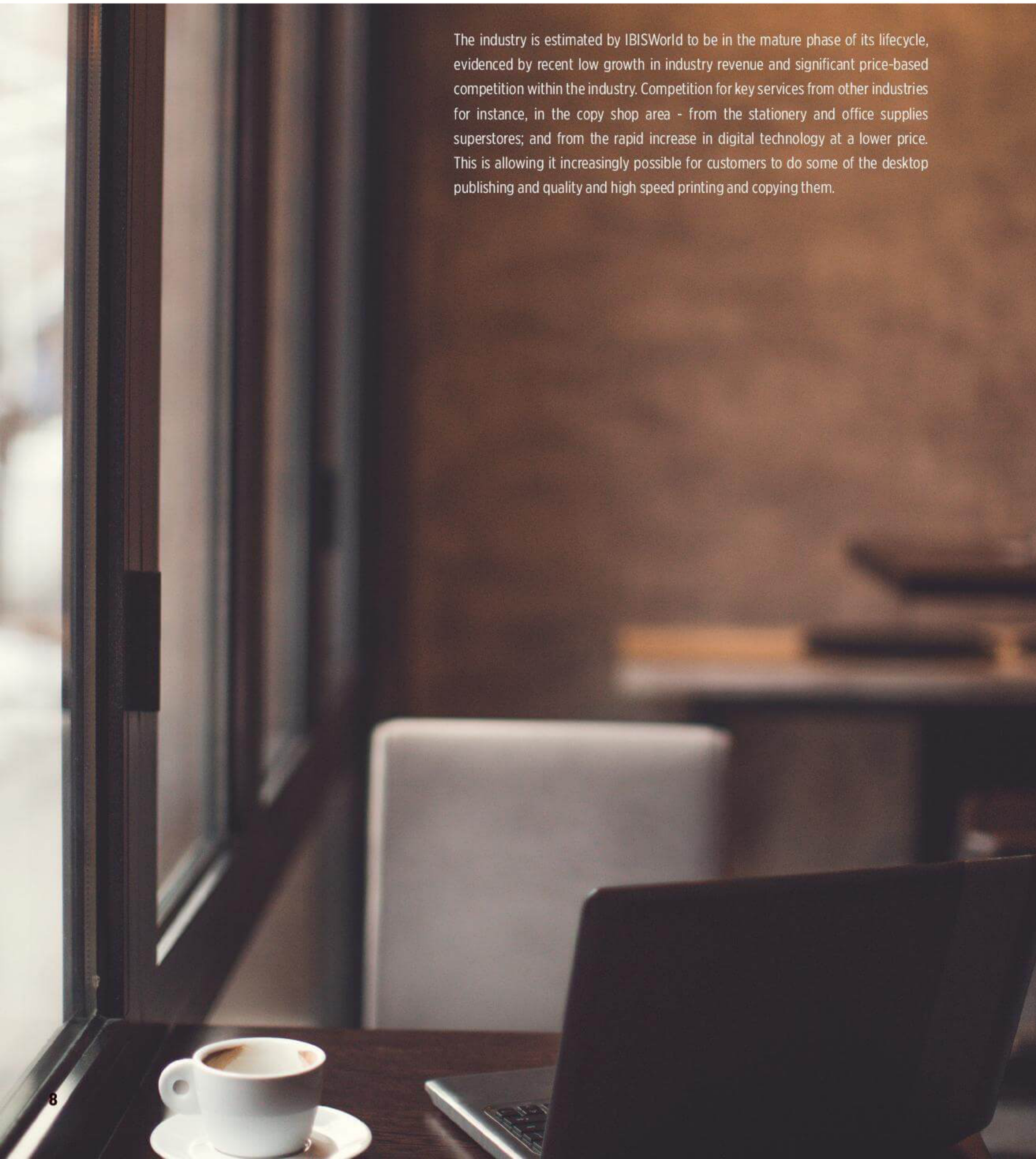
SOURCE: WWW.IBISWORLD.COM

Business Service Centers are continuing to feel the pain from the subdued recovery in the domestic economy, as their business clients continue to reduce costs and other overheads. The Business Services Centers industry, in largely servicing small businesses, is sensitive to changes in economic activity, as well as in new business establishment and sentiment. While, in the past, it has benefited from outsourcing of copying and related services by small businesses, increasing competition from other industries, including office supply superstores offering similar services, has recently resulted in more subdued revenue growth. It is estimated by IBISWorld that the Copy Shop segment accounts for about 76% of industry revenue, with the Private Mail Centers segment garnering the remainder. Demand for services in both areas continues to fall in 2010, as the general business operating environment remains under a cloud and with fluctuating business sentiment as to the current strength and sustainability of the economic recovery.

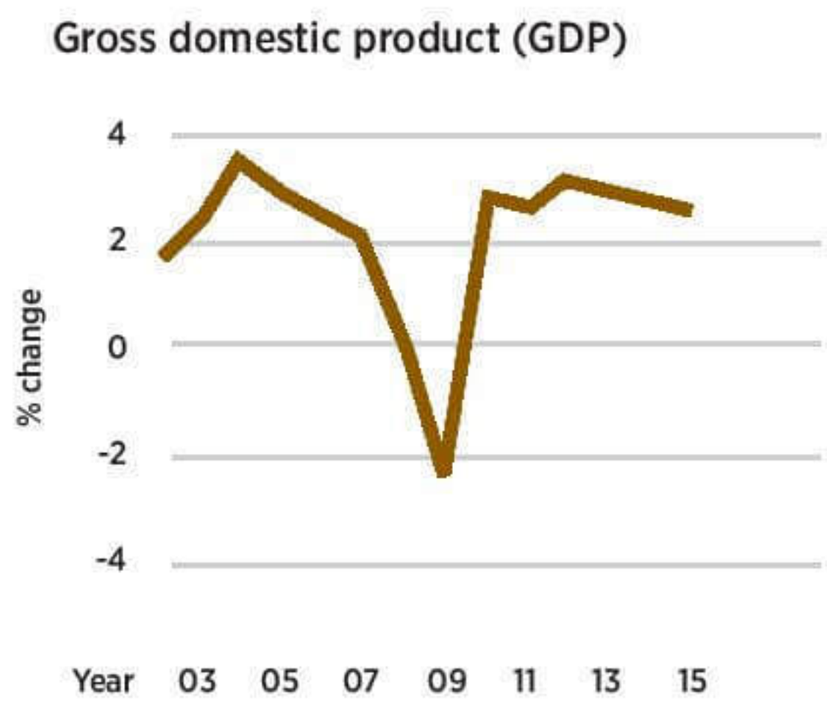
In 2010, the Business Services Center industry is forecast by IBISWorld to generate revenue of $9,674 million, in constant 2010 prices, representing real decline of 1.2%, due to the sluggish recovery in economic activity and the rigid unemployment levels as it lags the rise in economic growth. The industry is expected to comprise about 25,288 enterprises, operating from 28,018 establishments or locations, representing a decline of 1.0% and 1.1% respectively over 2009. The industry will have about 95,582 employees, representing a fall of 1.4% and wages paid for the year is expected to decrease 2.2%, in real terms, to $2,654 million, in constant 2010 prices.

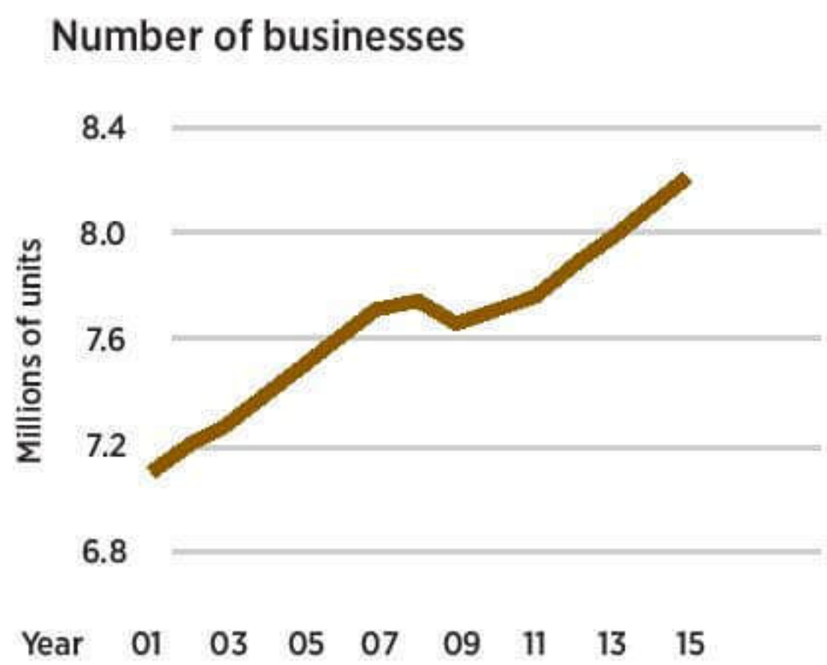
Projected Industry Growth

The industry is estimated by IBISWorld to be in the mature phase of its lifecycle, evidenced by recent low growth in industry revenue and significant price-based competition within the industry. Competition for key services from other industries for instance, in the copy shop area - from the stationery and office supplies superstores; and from the rapid increase in digital technology at a lower price. This is allowing it increasingly possible for customers to do some of the desktop publishing and quality and high speed printing and copying them.



Key External Drivers





Industry activity is mostly affected by the level of outsourcing of non-core activities. A growing trend of outsourcing administration functions has resulted in significant growth in revenue in the past. Although rising competition from other industries is now occurring. It should be noted that changes in economic activity impacts the industry through higher levels of domestic employment and increased business formation and demand for services from the business sector. Businesses tend to outsource more functions when the complexity of business legislation rises. The more heavily regulated industries outsource a larger share of their non-core administrative functions, including services provided by this industry. Changes in new business formation, particularly of small businesses, often linked to changes in economic conditions, has a direct impact on demand for services provided by this industry.

Objectives

What follows is a listing of the key objectives for The Coffee Shoppe.

1. Become a community asset. Becoming recognized as a true community asset will be one of the primary objectives for The Coffee Shoppe as the organization looks to partner with consumers and small businesses throughout the region.

2. Expand and diversify services. Expanding and diversifying services to include storage and relocation will be another of the primary objectives. Adding these two service options will allow the organization to realize increased profit margins on an annual basis.

3. Successful market entry. Successful market entry including clear messaging with the targeted audience as well as the realization of a profit during the first year of operations will be aggressively pursued by management.

4. Developing a template for expansion. Expanding to offer similar type services to other parts of Florida will be the final objective for The Coffee Shoppe. By expanding in this manner, the organization will be in a position to drive larger profits and dominate the market by satisfying a need that to date is not being adequately served.

SWOT Analysis

What follows is a listing of the key strengths and weaknesses of the The Coffee Shoppe business model along with the opportunities and threats that currently exist within the marketplace.

Strengths

1. Location. The location is one of the primary strengths of the The Coffee Shoppe business model as there are currently no other organizations that have the capabilities to offer the types of services that will be introduced to the market.

2. The founder. Founder Nancy Harrigan is a seasoned, strategic business professional with an eye towards success, profit and achievement. These qualities will form the basis of the The Coffee Shoppe brand and be a catalyst that propels the success of the operation.

3. Servicing of a need. The services that will be brought to the local residents of Miami are one that is truly needed. The fact that The Coffee Shoppe will be satisfying this need will endear the organization to the customer base and allow for consistently strong growth.

Weaknesses

1. Lack of funding. Funding is the sole weakness of the The Coffee Shoppe business venture. While funding is a weakness it should be noted that the founder is confident that if adequate funding is secured, she will be able to develop a viable, sustainable business.

Opportunities

1. Limited competition. The limited amount of local competition is the primary opportunity for The Coffee Shoppe as it will give the organization the opportunity to develop a loyal customer base while erecting barriers to entry.

2. Small business growth. The projected growth of small businesses will provide another opportunity and will feed opportunities directly into the The Coffee Shoppe pipeline.

Threats

1. Larger organizations. Larger organizations could possibly realize the opportunities that can be found in the local region and begin entering the market. While this is a threat, the founder believes that with strategic marketing, community efforts and customer service, this threat can for the most part be mitigated.

Marketing

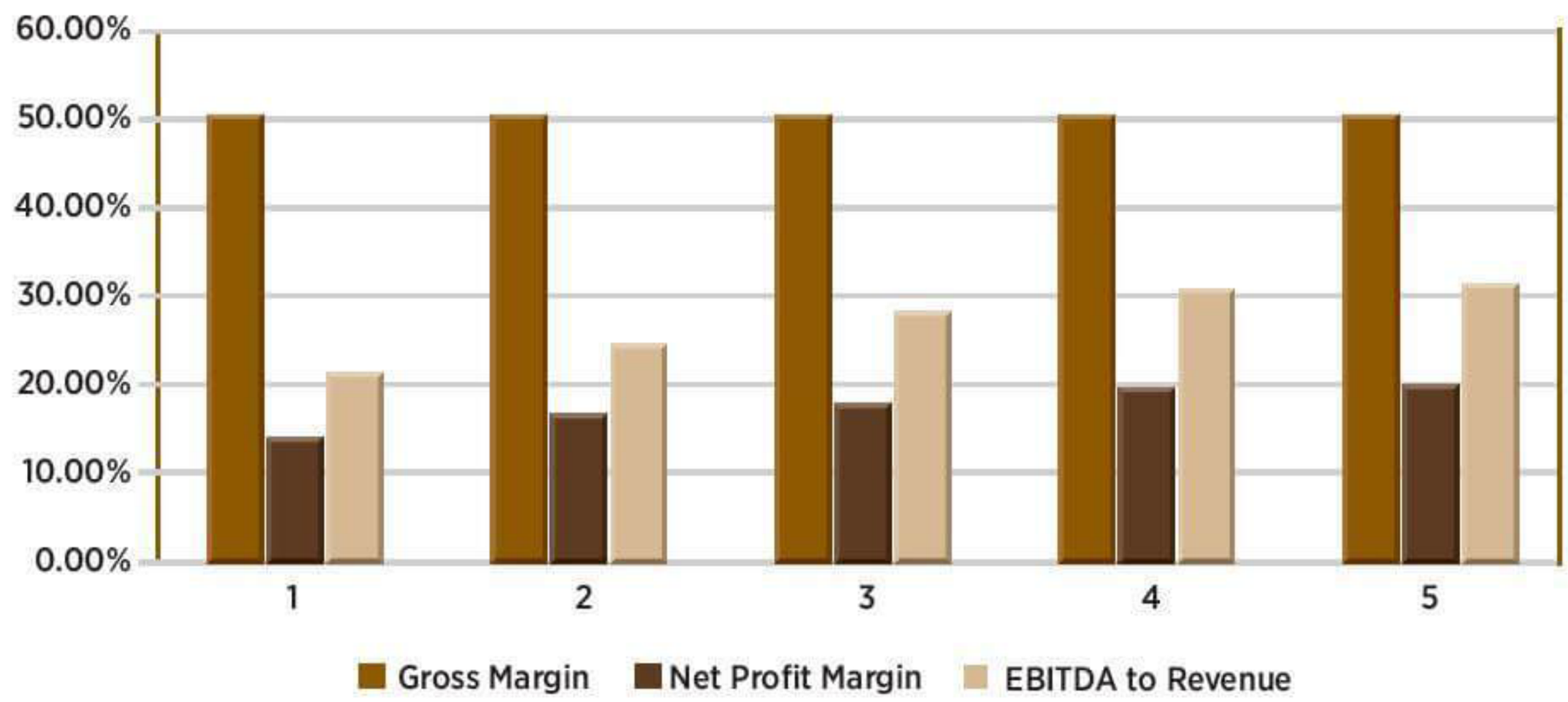
Marketing for The Coffee Shoppe will be done through a variety of mediums with television, print and the Internet being the primary drivers. Plans call for The Coffee Shoppe to have a strong website that outlines all of the services that are being made available to the targeted audience. The website will have SEO capabilities and will be developed using all of the latest in web and graphics technologies. In addition to the home website, plans also call for the creation of a strong social media presence using Facebook.com and Twitter.com with regular updates occurring on each of the aforementioned pages. Commercial time has already been purchased through ABC and commercial production will begin immediately following funding acquisition. Print marketing will consist of advertisements being placed in publications that are typically read by members of the targeted audience including small business owners and corporate types. Networking will round out the The Coffee Shoppe marketing mix with the founder joining various networking groups that give her the ability to champion the brand that she has created.

Financial Highlights

Financial Highlights

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	$268,601.51	$308,891.74	$370,670.08	$455,924.20	$574,464.50
Direct Costs	$28,650.83	$32,948.45	$39,538.14	$48,631.92	$61,276.21
Operating Expenses	$118,866.67	$124,470.67	$130,351.51	$136,523.00	$142,999.63
Net Profit	$71,140.77	$89,167.28	$120,877.90	$166,003.02	$230,227.45

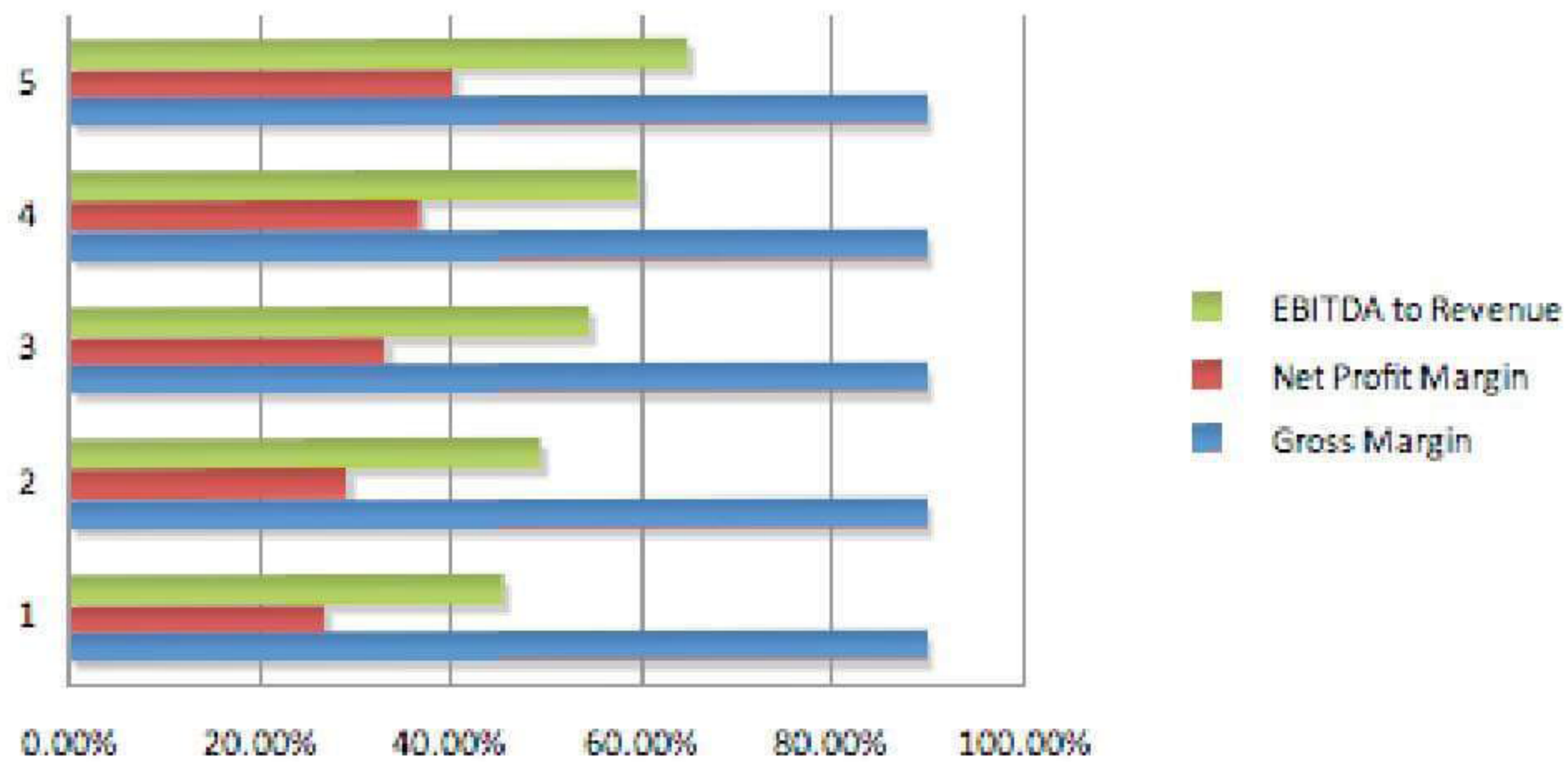
Financial Indicators



Financial Indicators

Financial Indicators	Year 1	Year 2	Year 3	Year 4	Year 5
Profitability %'s:					
Gross Margin	89.33%	89.33%	89.33%	89.33%	89.33%
Net Profit Margin	26.49%	28.87%	32.61%	36.41%	40.08%
EBITDA to Revenue	45.10%	49.06%	54.18%	59.40%	64.45%
Leverage Ratios:					
Debt to Equity	1.64	0.73	0.43	0.29	0.20
Debt to Assets Ratio	101.79%	56.22%	36.35%	25.23%	18.18%
Interest Coverage Ratio	8.77	10.60	13.56	17.61	23.15
Liquidity Ratios:					
Current Ratio	1.03	1.99	3.26	5.00	7.38
Current Debt to Total Assets Ratio	96.20%	50.15%	30.57%	19.98%	13.54%
Additional Indicators:					
Revenue to Equity Ratio	4.16	2.01	1.35	1.03	0.86

The financial indicators for The Coffee Shoppe show that the organization will have strong net profit margin growth over the course of the next five years.



Break-Even Analysis

Break - Even Analysis	
Monthly Revenue Break-even	$12,377
Assumptions:	
Average Monthly Revenue	$22,383
Average Monthly Variable Cost	$2,388
Estimated Monthly Costs	$11,056

Management Summary

Personnel Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Personnel Count					
Management	2	2	2	2	2
Total Personnel	2	2	2	2	2
Personnel Wage					
Management	$48,000	$50,400	$52,920	$55,566	$58,344
Personnel Costs					
Management	$96,000	$100,800	$105,840	$111,132	$116,689
Total Payroll	$96,000	$100,800	$105,840	$111,132	$116,689

The personnel forecast for The Coffee Shoppe is shown in the table above. The organization projects to have the 2 members of the management team manning the bulk of the operations for the first five years.

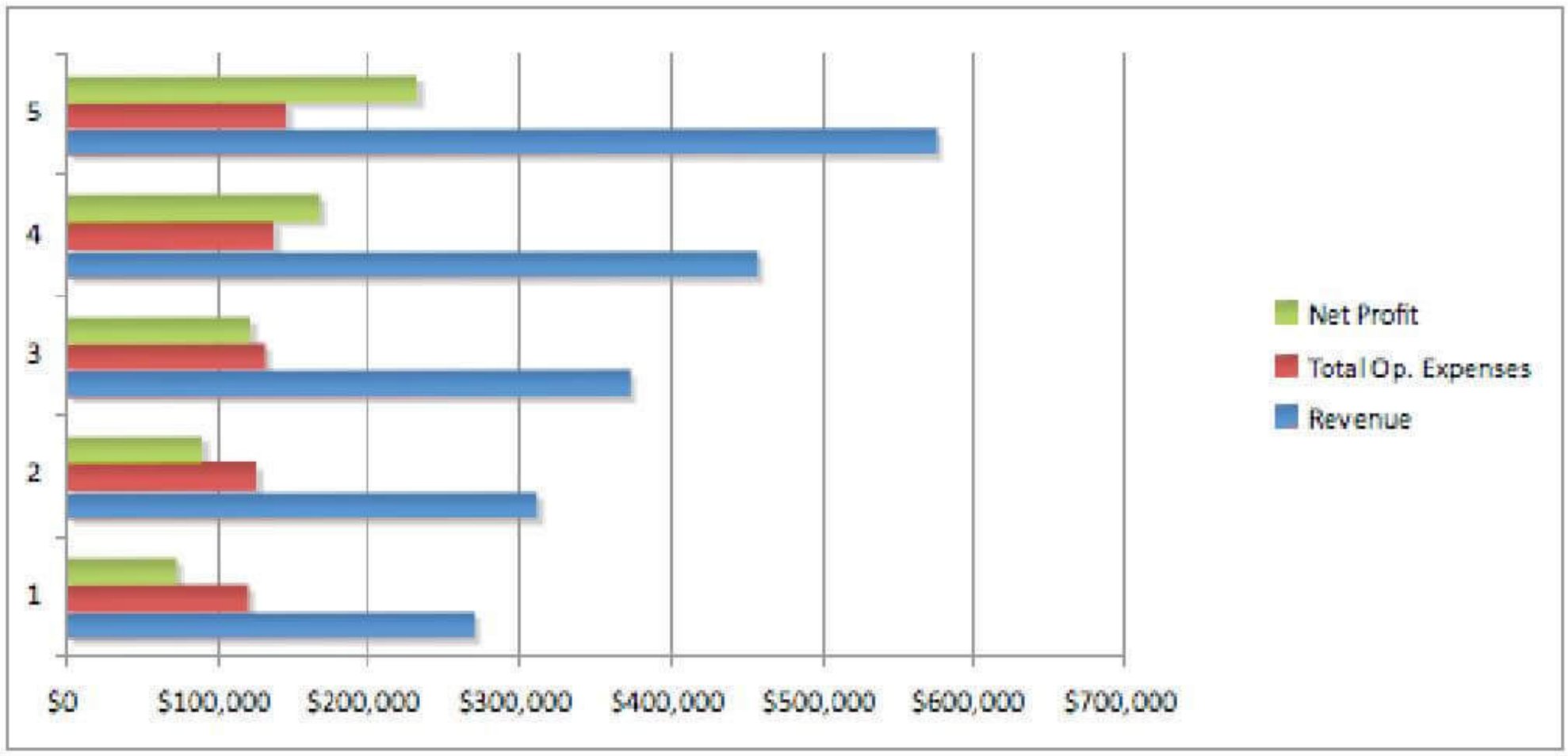
Revenue Forecast

Revenue Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Units					
Business Services	3,581	4,119	4,942	6,079	7,660
Total Units	3,581	4,119	4,942	6,079	7,660
Unit Price					
Business Services	$75.00	$75.00	$75.00	$75.00	$75.00
Revenue					
Business Services	$268,602	$308,892	$370,670	$455,924	$574,464
Total Revenue	$268,602	$308,892	$370,670	$455,924	$574,464
Direct Unit Cost					
Business Services	$8.00	$8.00	$8.00	$8.00	$8.00
Direct Cost of Revenue					
Business Services	$28,651	$32,948	$39,538	$48,632	$61,276
Subtotal Cost of Revenue	$28,651	$32,948	$39,538	$48,632	$61,276

The forecasted revenues for The Coffee Shoppe are shown in the table above and graph below. The organization forecasts to have incremental growth over the course of the next five years.

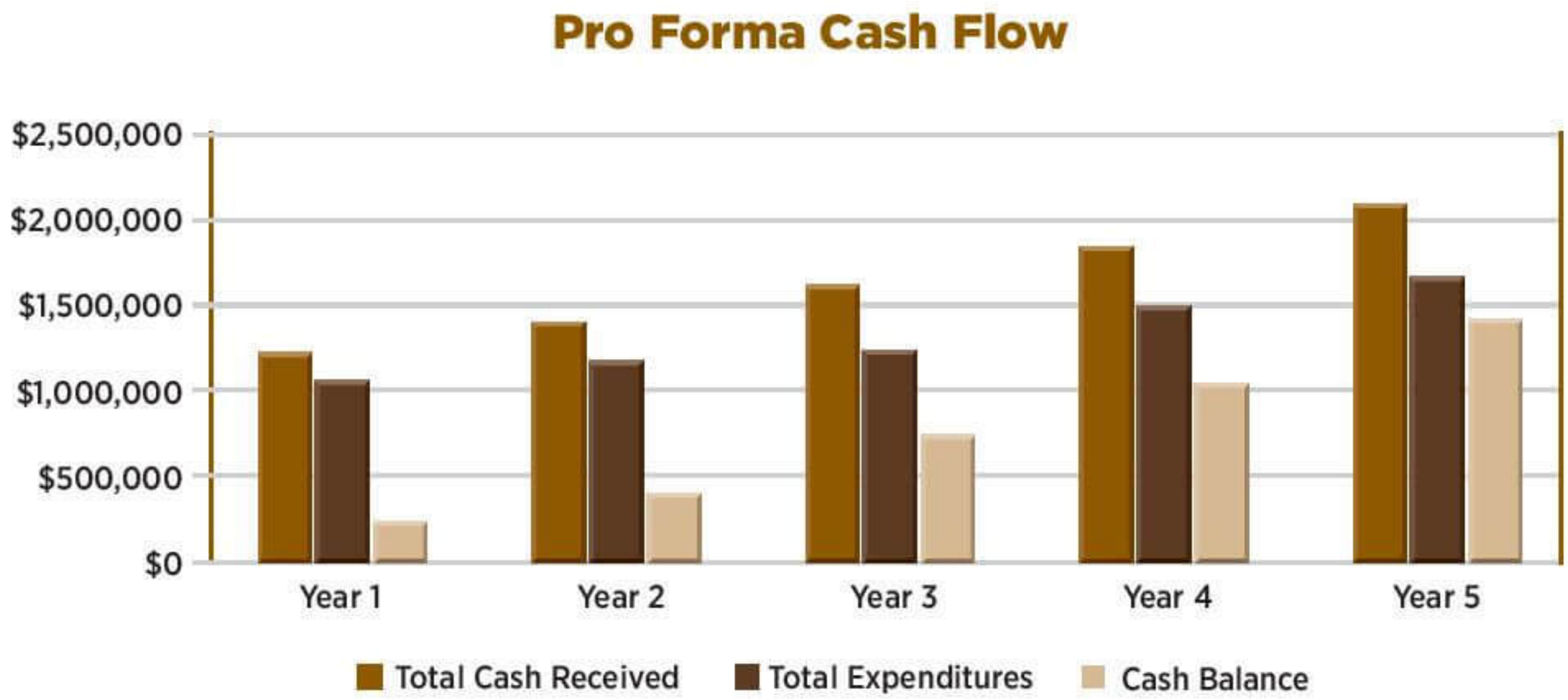
Profit and Loss Statement

Pro Forma Profit and Loss					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	$268,602	$308,892	$370,670	$455,924	$574,464
Total Cost of Revenue	$28,651	$32,948	$39,538	$48,632	$61,276
Gross Margin	$239,951	$275,943	$331,132	$407,292	$513,188
Gross Margin/Revenue	89.33%	89.33%	89.33%	89.33%	89.33%
Expenses					
Supplies	$1,200	$1,212	$1,224	$1,236	$1,249
Logistics	$2,400	$2,424	$2,448	$2,473	$2,497
Marketing	$2,400	$2,424	$2,448	$2,473	$2,497
Insurance	$1,200	$1,212	$1,224	$1,236	$1,249
Miscellaneous	$1,200	$1,212	$1,224	$1,236	$1,249
Depreciation	$67	$67	$67	$67	$67
Payroll Taxes	$14,400	$15,120	$15,876	$16,670	$17,503
Total Personnel	$96,000	$100,800	$105,840	$111,132	$116,689
Total Op. Expenses	$118,867	$124,471	$130,352	$136,523	$143,000
Profit Before Interest and Taxes	$121,084	$151,473	$200,780	$270,769	$370,189
EBITDA	$121,151	$151,539	$200,847	$270,836	$370,255
Interest Expense	$13,810	$14,292	$14,814	$15,380	$15,993
Taxes Incurred	$36,133	$48,013	$65,088	$89,386	$123,969
Net Profit	$71,141	$89,167	$120,878	$166,003	$230,227
Net Profit/Revenue	26.49%	28.87%	32.61%	36.41%	40.08%



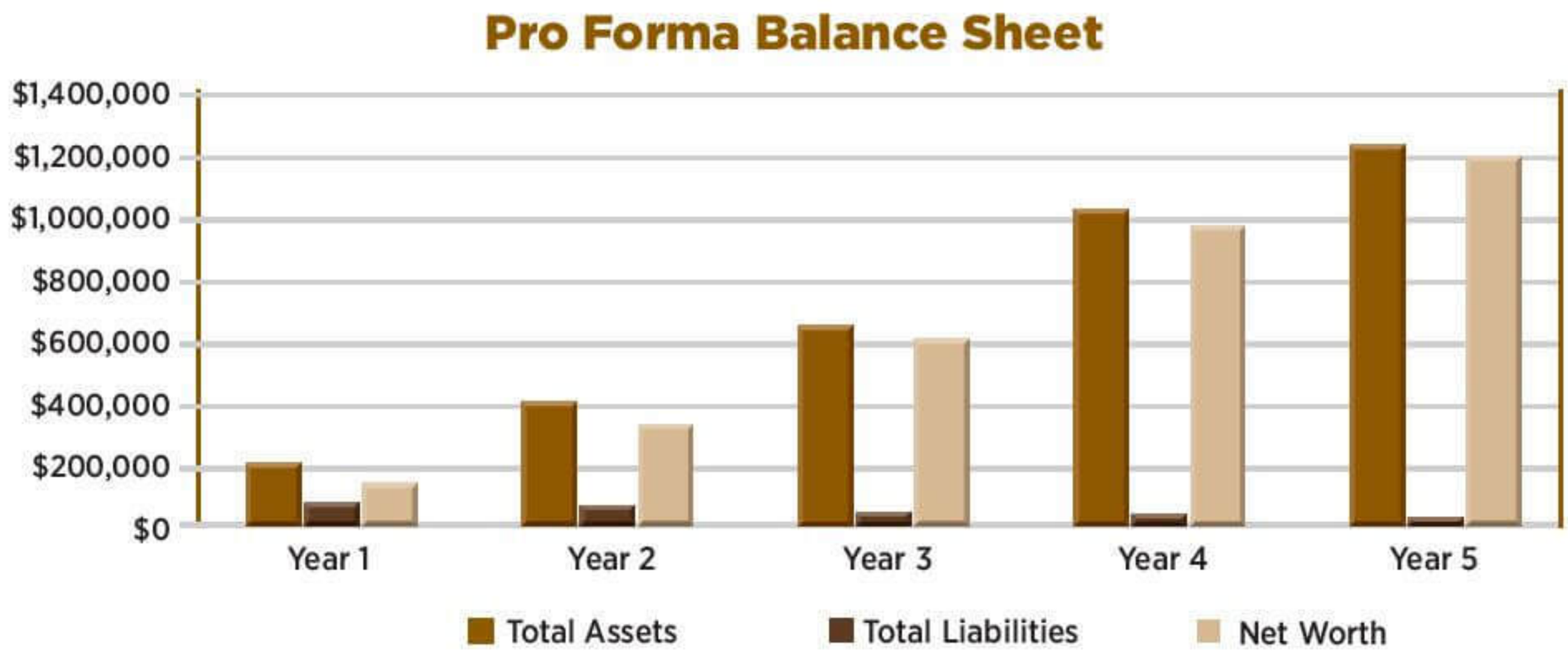
Projected Cash Flow

Pro Forma Cash Flow					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Received					
Revenue	$268,602	$308,892	$370,670	$455,924	$574,464
New Current Borrowing	$0	$0	$0	$0	$0
New Long-term Liabilities	$0	$0	$0	$0	$0
Sale of Other Current Assets	$0	$0	$0	$0	$0
Sale of Long-term Assets	$0	$0	$0	$0	$0
New Investment Received	$0	$0	$0	$0	$0
Total Cash Received	$268,602	$308,892	$370,670	$455,924	$574,464
Expenditures					
Operating Expenses & Direct Costs	$197,394	$219,658	$249,726	$289,855	$344,170
Current Borrowing Repay.	$0	$0	$0	$0	$0
L-T Liabilities Principal Repay.	($5,810)	($6,292)	($6,814)	($7,380)	($7,993)
Purchase Inventory		$0	$0	$0	$0
Purchase Long-term Assets		$0	$0	$0	$0
Dividends		$0	$0	$0	$0
Total Expenditures	$191,584	$213,366	$242,911	$282,474	$336,178
Net Cash Flow	$77,017	$95,526	$127,759	$173,450	$238,287
Cash Balance	$102,017	$197,544	$325,303	$498,752	$737,039



Projected Balance Sheet

Pro Forma Balance Sheet	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Current Assets					
Cash	$102,017	$197,544	$325,303	$498,752	$737,039
Other Current Assets	$1,000	$1,000	$1,000	$1,000	$1,000
Total Current Assets	$103,017	$198,544	$326,303	$499,752	$738,039
Long-term Assets					
Long-term Assets	$1,000	$1,000	$1,000	$1,000	$1,000
Accumulated Depreciation	$67	$133	$200	$267	$333
Total Long-term Assets	$933	$867	$800	$733	$667
Total Assets	$103,951	$199,410	$327,103	$500,486	$738,706
Liabilities and Capital					
Current Liabilities					
Current Borrowing	$100,000	$100,000	$100,000	$100,000	$100,000
Other Current Liabilities	$0	$0	$0	$0	$0
Subtotal Current Liabilities	$100,000	$100,000	$100,000	$100,000	$100,000
Long-term Liabilities	$5,810	$12,102	$18,917	$26,297	$34,289
Total Liabilities	$105,810	$112,102	$118,917	$126,297	$134,289
Paid-in Capital	$500	$500	$500	$500	$500
Retained Earnings	($7,000)	$64,141	$153,308	$274,186	$440,189
Earnings	$71,141	$89,167	$120,878	$166,003	$230,227
Total Capital	$64,641	$153,808	$274,686	$440,689	$670,916
Total Liabilities and Capital	$170,451	$265,910	$393,603	$566,986	$805,206
Net Worth	($1,859)	$87,308	$208,186	$374,189	$604,416



APPENDIX: YEAR ONE FINANCIALS

YEAR 1 REVENUE FORECAST												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Total												
Drinks	5,760	4,320	4,320	5,040	5,040	5,760	6,480	6,480	7,200	7,200	7,200	7,200
Food Items	823	617	617	720	720	823	926	926	1,029	1,029	1,029	1,029
Merchandise	85	64	64	74	74	85	95	95	106	106	106	106
Gift Cards	144	108	108	126	126	144	162	162	180	180	180	180
Price												
Drinks	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00
Food Items	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50	$3.50
Merchandise	$17.00	$17.00	$17.00	$17.00	$17.00	$17.00	$17.00	$17.00	$17.00	$17.00	$17.00	$17.00
Gift Cards	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
Revenue												
Drinks	$23,040	$17,280	$17,280	$20,160	$20,160	$23,040	$25,920	$25,920	$28,800	$28,800	$28,800	$28,800
Food Items	$2,880	$2,160	$2,160	$2,520	$2,520	$2,880	$3,240	$3,240	$3,600	$3,600	$3,600	$3,600
Merchandise	$1,440	$1,080	$1,080	$1,260	$1,260	$1,440	$1,620	$1,620	$1,800	$1,800	$1,800	$1,800
Gift Cards	$1,440	$1,080	$1,080	$1,260	$1,260	$1,440	$1,620	$1,620	$1,800	$1,800	$1,800	$1,800
Total Revenue	$28,800	$21,600	$21,600	$25,200	$25,200	$28,800	$32,400	$32,400	$36,000	$36,000	$36,000	$36,000
Direct Cost												
Drinks	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25
Food Items	$1.50	$1.50	$1.50	$1.50	$1.50	$1.50	$1.50	$1.50	$1.50	$1.50	$1.50	$1.50
Merchandise	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
Gift Cards	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25
Direct Cost of Revenue												
Drinks	$7,200	$5,400	$5,400	$6,300	$6,300	$7,200	$8,100	$8,100	$9,000	$9,000	$9,000	$9,000
Food Items	$1,234	$926	$926	$1,080	$1,080	$1,234	$1,389	$1,389	$1,543	$1,543	$1,543	$1,543
Merchandise	$847	$635	$635	$741	$741	$847	$953	$953	$1,059	$1,059	$1,059	$1,059
Gift Cards	$36	$27	$27	$32	$32	$36	$41	$41	$45	$45	$45	$45
Subtotal Cost of Revenue	$9,317	$6,988	$6,988	$8,153	$8,153	$9,317	$10,482	$10,482	$11,647	$11,647	$11,647	$11,647

YEAR 1 PERSONNEL FORECAST												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Personnel Count												
Barista	4	4	4	4	4	4	4	4	4	4	4	4
Total Personnel	4	4	4	4	4	4	4	4	4	4	4	4
Personnel Wage												
Barista	$1,922	$1,922	$1,922	$1,922	$1,922	$1,922	$1,922	$1,922	$1,922	$1,922	$1,922	$1,922
Personnel Costs												
Barista	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686
Total Payroll	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686

YEAR 1 INCOME STATEMENT												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Revenue	$28,800	$21,600	$21,600	$25,200	$25,200	$28,800	$32,400	$32,400	$36,000	$36,000	$36,000	$36,000
Subtotal Cost of Revenue	$9,317	$6,988	$6,988	$8,153	$8,153	$9,317	$10,482	$10,482	$11,647	$11,647	$11,647	$11,647
Merchant Credit Card Fees	$691	$518	$518	$605	$605	$691	$778	$778	$864	$864	$864	$864
Total Cost of Revenue	$10,009	$7,506	$7,506	$8,757	$8,757	$10,009	$11,260	$11,260	$12,511	$12,511	$12,511	$12,511
Gross Margin	$18,791	$14,094	$14,094	$16,443	$16,443	$18,791	$21,140	$21,140	$23,489	$23,489	$23,489	$23,489
Gross Margin/Revenue	65.25%	65.25%	65.25%	65.25%	65.25%	65.25%	65.25%	65.25%	65.25%	65.25%	65.25%	65.25%
Expenses												
Rent	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500	$4,500
General Insurance Liability	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200
Business License/Permits	$500	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Telephone/Internet	$75	$75	$75	$75	$75	$75	$75	$75	$75	$75	$75	$75
Website Hosting/Updates	$50	$50	$50	$50	$50	$50	$50	$50	$50	$50	$50	$50
Marketing & Advertising	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100
Supplies	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300	$300
Utilities	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500	$1,500
Professional Services	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100
Travel & Entertainment	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200
Repairs & Maintenance	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200	$200
Worker's Compensation	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100	$100
Depreciation	$208	$208	$208	$208	$208	$208	$208	$208	$208	$208	$208	$208
Total Personnel	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686
Total Operating Expenses	$15,720	$15,220	$15,220	$15,220	$15,220	$15,220	$15,220	$15,220	$15,220	$15,220	$15,220	$15,220
Profit Before Interest and Taxes	$3,072	($1,126)	($1,126)	$1,223	$1,223	$3,572	$5,921	$5,921	$8,270	$8,270	$8,270	$8,270
Interest on Loan Repayment	$1,400	$1,388	$1,375	$1,362	$1,350	$1,337	$1,324	$1,311	$1,298	$1,285	$1,271	$1,258
Taxes Incurred	$251	$0	$0	$0	$0	$0	$690	$691	$1,046	$1,048	$1,050	$1,052
Net Profit	$1,421	($2,514)	($2,501)	($139)	($127)	$2,235	$3,907	$3,918	$5,926	$5,937	$5,949	$5,960
Net Profit/Revenue	4.93%	-11.64%	-11.58%	-0.55%	-0.50%	7.76%	12.06%	12.09%	16.46%	16.49%	16.52%	16.56%

YEAR 1 CASH FLOW												
Additional Cash Received	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Revenue	$28,800	$21,600	$21,600	$25,200	$25,200	$28,800	$32,400	$32,400	$36,000	$36,000	$36,000	$36,000
Owner Contribution	$40,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Proceeds from Bank Loan	$210,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Cash Received	$278,800	$21,600	$21,600	$25,200	$25,200	$28,800	$32,400	$32,400	$36,000	$36,000	$36,000	$36,000
Total Personnel	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686	$7,686
Bill Payments	$0	$19,484	$16,219	$16,206	$17,445	$17,432	$18,670	$20,598	$20,587	$22,179	$22,168	$22,157
Additional Cash Spent												
Start-up Costs	$158,500	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Principal Loan Repayment	$1,873	$1,886	$1,898	$1,911	$1,924	$1,936	$1,949	$1,962	$1,975	$1,989	$2,002	$2,015
Purchase Inventory	$10,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Purchase Long-term Assets	$25,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cash Spent	$203,059	$29,056	$25,803	$25,804	$27,055	$27,055	$28,306	$30,247	$30,249	$31,854	$31,856	$31,858
Net Cash Flow	$75,741	($7,456)	($4,203)	($604)	($1,855)	$1,745	$4,094	$2,153	$5,751	$4,146	$4,144	$4,142
Cash Balance	$75,741	$68,284	$64,081	$63,477	$61,623	$63,368	$67,462	$69,616	$75,367	$79,513	$83,657	$87,798

YEAR 1 BALANCE SHEET												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Current Assets												
Cash	$75,741	$68,284	$64,081	$63,477	$61,623	$63,368	$67,462	$69,616	$75,367	$79,513	$83,657	$87,798
Inventory	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000	$10,000
Other Current Assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Current Assets	$85,741	$78,284	$74,081	$73,477	$71,623	$73,368	$77,462	$79,616	$85,367	$89,513	$93,657	$97,798
Long-term Assets	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Accumulated Depreciation	$208	$417	$625	$833	$1,042	$1,250	$1,458	$1,667	$1,875	$2,083	$2,292	$2,500
Total Long-term Assets	$24,792	$24,583	$24,375	$24,167	$23,958	$23,750	$23,542	$23,333	$23,125	$22,917	$22,708	$22,500
Other Assets												
Other Assets	$158,500	$158,500	$158,500	$158,500	$158,500	$158,500	$158,500	$158,500	$158,500	$158,500	$158,500	$158,500
Total Assets	$269,032	$261,368	$256,956	$256,144	$254,081	$255,618	$259,504	$261,449	$266,992	$270,930	$274,865	$278,798
Current Liabilities												
Accounts Payable	$19,484	$16,219	$16,206	$17,445	$17,432	$18,670	$20,598	$20,587	$22,179	$22,168	$22,157	$22,145
Current Borrowing	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Current Liabilities	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Current Liabilities	$19,484	$16,219	$16,206	$17,445	$17,432	$18,670	$20,598	$20,587	$22,179	$22,168	$22,157	$22,145
Long-term Liabilities	$208,127	$206,241	$204,343	$202,432	$200,509	$198,572	$196,623	$194,661	$192,685	$190,697	$188,695	$186,680
Total Liabilities	$227,611	$222,460	$220,549	$219,877	$217,941	$217,243	$217,221	$215,248	$214,865	$212,865	$210,852	$208,825
Paid-in Capital	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000	$40,000
Retained Earnings	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Earnings	$1,421	($1,093)	($3,594)	($3,733)	($3,860)	($1,625)	$2,283	$6,201	$12,127	$18,065	$24,013	$29,973
Total Capital	$41,421	$38,907	$36,406	$36,267	$36,140	$38,375	$42,283	$46,201	$52,127	$58,065	$64,013	$69,973
Total Liabilities and Capital	$269,032	$261,368	$256,956	$256,144	$254,081	$255,618	$259,504	$261,449	$266,992	$270,930	$274,865	$278,798
Net Worth	$41,421	$38,907	$36,406	$36,267	$36,140	$38,375	$42,283	$46,201	$52,127	$58,065	$64,013	$69,973

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