THE BRONX

DELI AND BAKERY

The Bronx Deli & Bakery

March 2002

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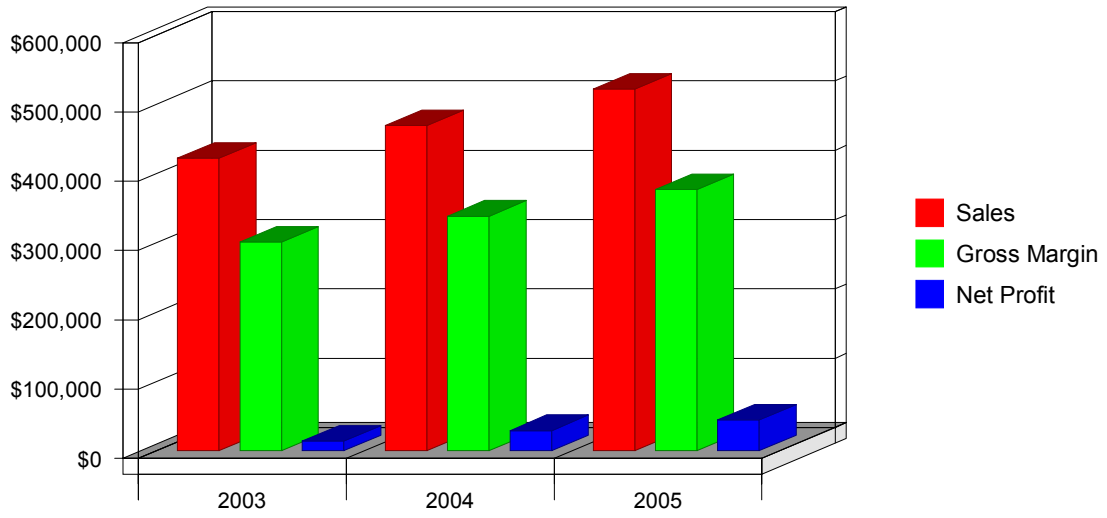
1.0 Executive Summary

The Bronx Deli and Bakery will offer customers New York City deli bakery items and sandwiches. It is a restaurant, a bakery and a coffeehouse all rolled into one. Located in the heart of the growing Willow Creek section of Richmond, the Bronx Deli and Bakery will serve a community of 25,000 residents that is made up of students attending State University and families attracted to the new home construction in the area.

The Bronx Deli and Bakery will have the advantage of the foot traffic in the Willow Creek retail area which is the home of the Willow Creek Arts and Craft Fair, as well as the home of numerous art and craft shops.

Highlights (Planned)



1.1 Mission

The Bronx Deli and Bakery is committed to providing a slice of New York in the Willow Creek section of Richmond. We will offer our customers the best sandwiches and bakery items at affordable prices.

2.0 Company Summary

The Bronx Deli and Bakery is located in the heart of the Willow Creek section of Richmond. The owner, Barry Cohn, is opening the Bronx Deli and Bakery in response to the limited number of eating places located in the Willow Creek area. The bakery will offer New York City deli bakery items and sandwiches. We will focus on bringing in the customer who visits the arts and crafts stores and is looking for a warm and comfortable place to relax and enjoy excellent food.

2.1 Company Ownership

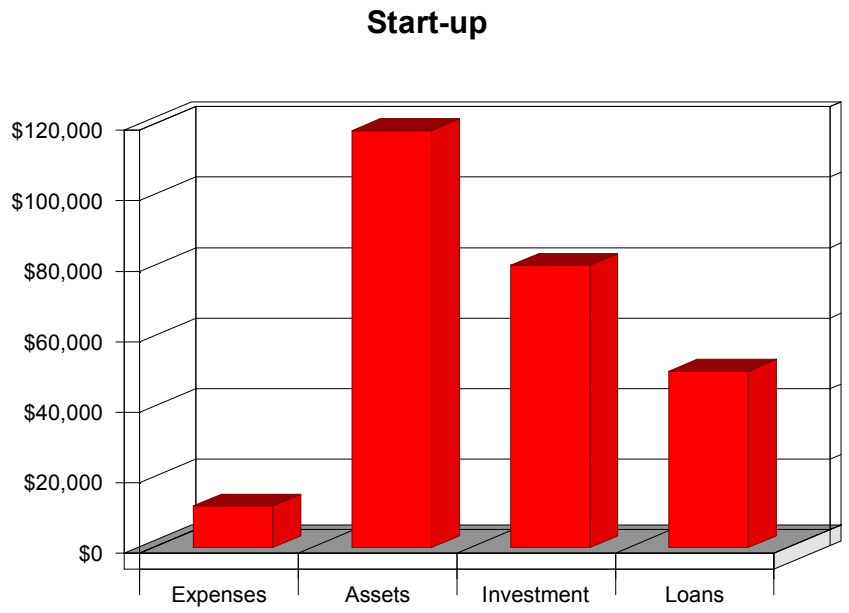
The Bronx Deli and Bakery is owned by Barry Cohn.

2.2 Start-up Summary

The start-up cost of the Bronx Deli and Bakery will consist primarily of kitchen equipment and dining set-up. Barry Cohn will invest $80,000. He will also secure a $50,000 SBA loan.

Table: Start-up

Start-up	
Requirements	
Start-up Expenses	
Legal	$1,000
Insurance	$1,000
Rent	$1,800
Dining Set-Up	$8,000
Total Start-up Expense	$11,800
Start-up Assets Needed	
Cash Balance on Starting Date	$63,200
Start-up Inventory	$5,000
Other Short-term Assets	$0
Total Short-term Assets	$68,200
Long-term Assets	$50,000
Total Assets	$118,200
Total Requirements	$130,000
Funding	
Investment	
Barry Cohn	$80,000
Other	$0
Total Investment	$80,000
Short-term Liabilities	
Accounts Payable	$0
Current Borrowing	$0
Other Short-term Liabilities	$0
Subtotal Short-term Liabilities	$0
Long-term Liabilities	$50,000
Total Liabilities	$50,000
Loss at Start-up	($11,800)
Total Capital	$68,200
Total Capital and Liabilities	$118,200



3.0 Products

The Bronx Deli and Bakery will offer customers New York City deli bakery items and sandwiches. The menu will include:

- Pastry/desserts;
- Sandwiches;
- Soups;
- Quiches;
- Espresso;
- Drinks.

4.0 Market Analysis Summary

In the past ten years, the Willow Creek section of Richmond has grown tremendously. The growing student community combined with the customers of the area's arts and craft stores are a perfect support base for the Bronx Bakery.

Currently, the area is served by three small restaurants and two coffee shops. None of these restaurants or shops carry the menu items found at the Bronx Bakery. In addition, the bakery is located on Steward Street which is the area's main street. The foot traffic on Steward Street is very heavy with arts and crafts shoppers and State University students.

4.1 Market Segmentation

The Bronx Deli and Bakery will focus on two significant customer groups:

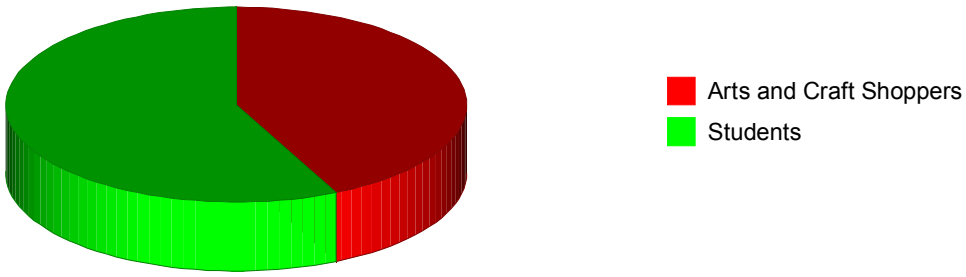
- **Arts and Craft Shoppers**: The community is home to a number of artists and craft people that operate the Willow Creek Craft Fair. This creates a festive environment in the Willow Creek central commercial/retail area that attract shoppers each weekend. The Bronx Deli and Bakery is adjacent to the Craft Fair which is one block south of Steward Street. The traffic from the fair to the Steward Street shops goes right past the Bronx Bakery.

- **Students**: The Bronx Deli and Bakery will be a half block from campus. A significant number of students spend money on food and drink in the Willow Creek area. Last year, it was estimated that students spent $20 million dollars on products, services and entertainment in the Willow Creek area. The bakery's location will be a convenient place to grab a bite or a sweet on the way to or from classes.

Table: Market Analysis

Market Analysis Potential Customers	Growth	2002	2003	2004	2005	2006	CAGR
Arts and Craft Shoppers	15%	9,000	10,350	11,903	13,688	15,741	15.00%
Students	10%	12,000	13,200	14,520	15,972	17,569	10.00%
Total	12.22%	21,000	23,550	26,423	29,660	33,310	12.22%

Market Analysis (Pie)



5.0 Strategy and Implementation Summary

The Bronx Deli and Bakery will promote the store opening. We will have live music and food in front of the bakery opening weekend. The Willow Creek Craft Fair will provide excellent foot traffic for our opening.

We will advertise in the university daily student newspaper as well as the local area advertising flyer. In the advertisements for the market opening, we will have 2 for 1 specials on pastry and sandwiches. We will continue this discount for the first month of operation.

5.1 Competitive Edge

The Bronx Bakery's competitive edge is:

- **Location:** The Bronx Deli and Bakery is located in the heart of the Willow Creek section of Richmond. The foot traffic in the Willow Creek retail area is very strong. The weekend arts and craft fair will provide excellent foot traffic. In addition, Stewart Street is a major walk way for students going to and from classes at State University.

- **New York Focus of Menu**: The menu for the Bronx Deli and Bakery is a perfect addition to the arts and craft focus of the businesses in the area. We offer the customer a chance to step out of Richmond and into a New York City deli, complete with the sights and sounds. Lunch becomes an event and even the purchasing of a bakery item, to go, leaves the customers smiling.

5.2 Sales Strategy

The sales strategy of the Bronx Deli and Bakery is simple. The key to customer satisfaction is providing an exceptional product at affordable prices in an environment that is as entertaining as the food.

5.2.1 Sales Forecast

Cost control is a critical focus of our sales forecast. We will adhere to the following gross margin % for menu items:

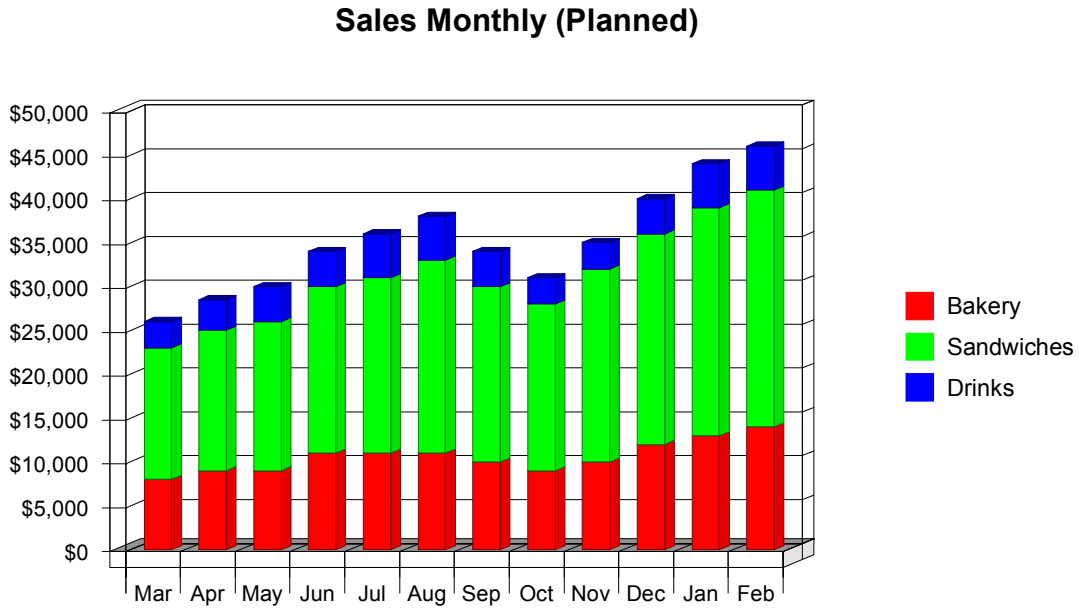
- Coffee drinks: 14%
- Lunch items: 30%
- Bakery goods: 26%

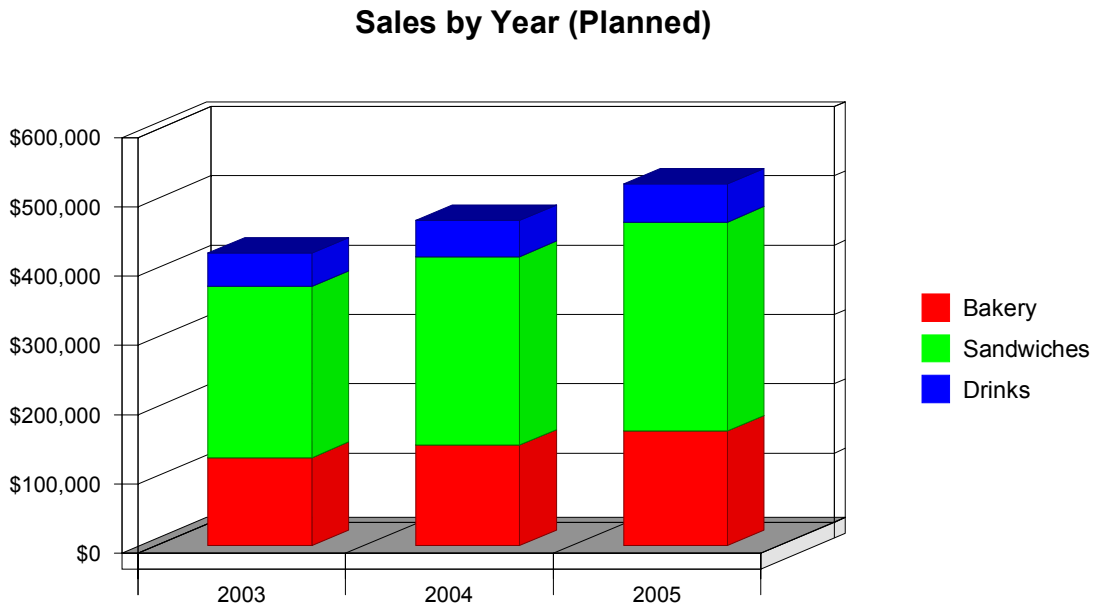
The following is the Bronx Deli and Bakery's sales forecast for three years.

Table: Sales Forecast (Planned)

Sales Forecast Sales	2003	2004	2005
Bakery	$127,000	$145,000	$165,000
Sandwiches	$247,000	$272,000	$302,000
Drinks	$48,500	$52,000	$55,000
Total Sales	$422,500	$469,000	$522,000

Direct Cost of Sales	2003	2004	2005
Bakery	$32,400	$38,000	$42,000
Sandwiches	$82,900	$86,000	$96,000
Drinks	$6,060	$6,400	$7,000
Subtotal Direct Cost of Sales	$121,360	$130,400	$145,000





6.0 Management Summary

Barry will manage the daily operation of the Bronx Deli and Bakery. He has ten years of experience working in the restaurant industry. Before relocating to Richmond, Barry was manager of two deli/bakeries in New York City. Barry was the Bakery Manager for Zoey's Deli and Bakery for six years, managing a staff of five. During that time, the business grew by 15% each year.

In 1996, Barry became the Manager of Sherman's Deli and Bakery where he managed a staff of ten. For the four years Barry was the manager he was able to cut production cost by 16%.

6.1 Personnel Plan

Besides Barry Cohn, the Bronx Deli and Bakery will have a staff of seven:

- Kitchen staff (3);
- Baker (2);
- Waiters/waitresses (2).

Table: Personnel (Planned)

Personnel Plan	2003	2004	2005
Barry Cohn	$33,600	$36,000	$39,000
Kitchen Staff	$84,000	$89,000	$94,000
Waiters/Waitresses	$39,600	$41,000	$43,000
Baking Staff	$48,000	$51,000	$54,000
Total Payroll	$205,200	$217,000	$230,000
Total People	9	9	9
Payroll Burden	$30,780	$32,550	$34,500
Total Payroll Expenditures	$235,980	$249,550	$264,500

7.0 Financial Plan

The following is the Financial plan for the Bronx Deli and Bakery.

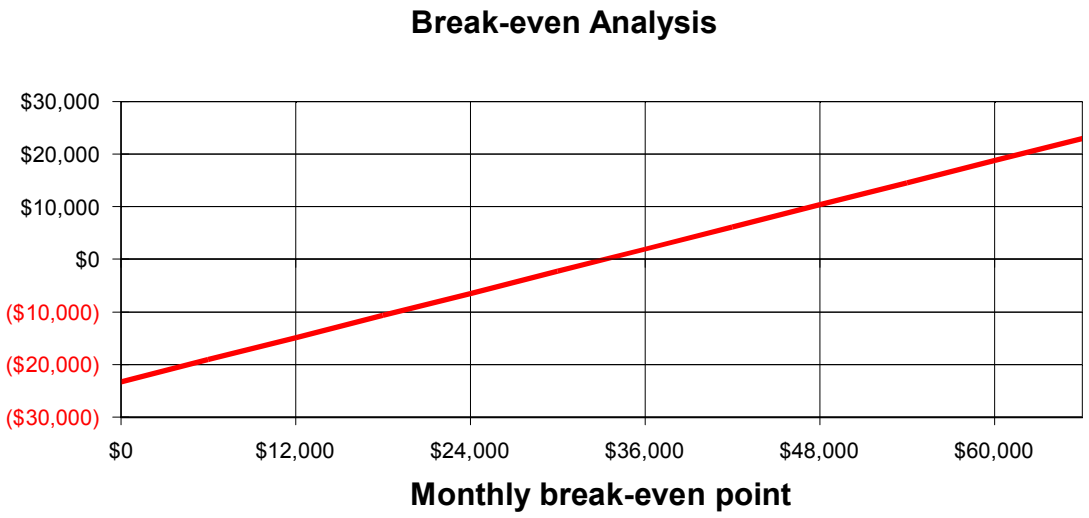
7.1 Break-even Analysis

The monthly break-even point is $33,221.

Table: Break-even Analysis

Break-even Analysis:	
Monthly Units Break-even	11,074
Monthly Sales Break-even	$33,221

Assumptions:	
Average Per-Unit Revenue	$3.00
Average Per-Unit Variable Cost	$0.90
Estimated Monthly Fixed Cost	$23,255



Break-even point = where line intersects with 0

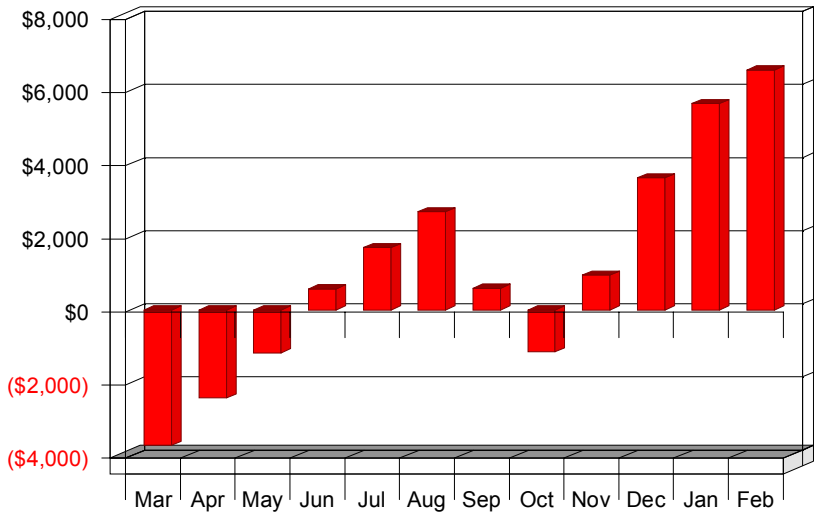
7.2 Projected Profit and Loss

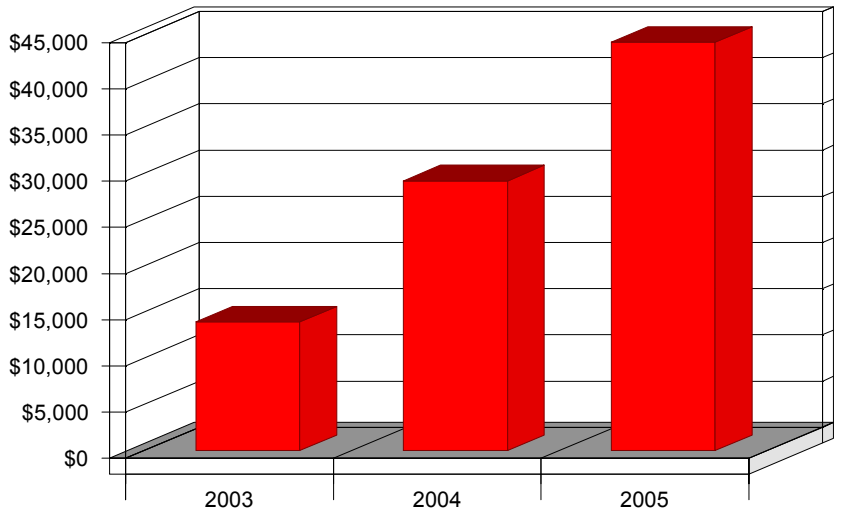
The following table and charts highlight the projected profit and loss for three years.

Table: Profit and Loss (Planned)

Pro Forma Profit and Loss	2003	2004	2005
Sales	$422,500	$469,000	$522,000
Direct Cost of Sales	$121,360	$130,400	$145,000
Other Production Expenses	$0	$0	$0
	---	---	---
Total Cost of Sales	$121,360	$130,400	$145,000
Gross Margin	$301,140	$338,600	$377,000
Gross Margin %	71.28%	72.20%	72.22%
Operating Expenses:			
Advertising/Promotion	$7,000	$10,000	$13,000
Travel	$0	$0	$0
Miscellaneous	$0	$0	$0
Payroll Expense	$205,200	$217,000	$230,000
Payroll Burden	$30,780	$32,550	$34,500
Depreciation	$1,440	$1,440	$1,440
Leased Equipment	$0	$0	$0
Utilities	$4,800	$4,800	$4,800
Insurance	$6,000	$6,000	$6,000
Rent	$21,600	$21,600	$21,600
Contract/Consultants	$0	$0	$0
	---	---	---
Total Operating Expenses	$276,820	$293,390	$311,340
Profit Before Interest and Taxes	$24,320	$45,210	$65,660
Interest Expense Short-term	$0	$0	$0
Interest Expense Long-term	$4,459	$3,501	$2,501
Taxes Incurred	$5,958	$12,513	$18,948
Extraordinary Items	$0	$0	$0
Net Profit	$13,903	$29,197	$44,211
Net Profit/Sales	3.29%	6.23%	8.47%

Profit Monthly (Planned)





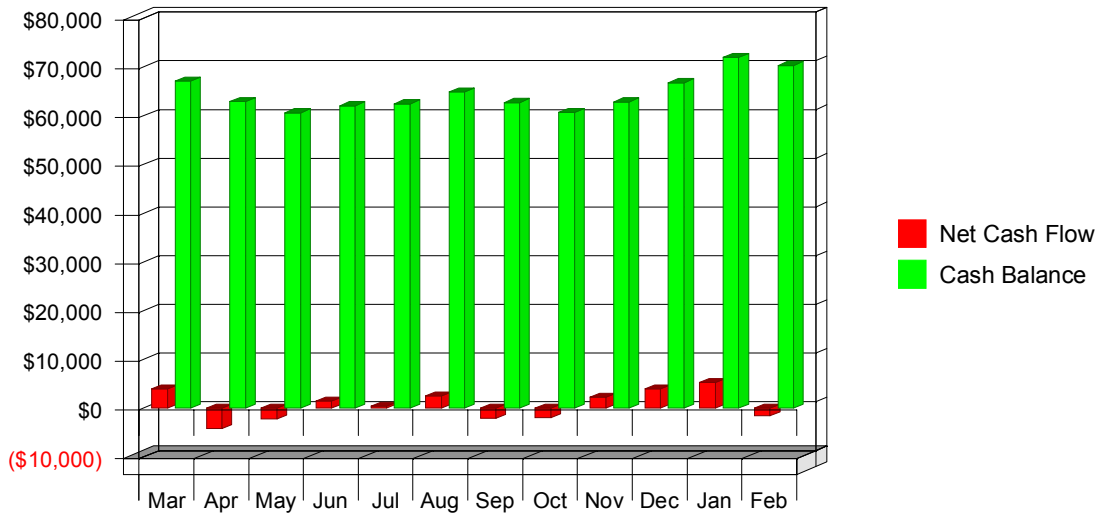
7.3 Projected Cash Flow

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

Table: Cash Flow (Planned)

Pro Forma Cash Flow	2003	2004	2005
Cash Received			
Cash from Operations:			
Cash Sales	$422,500	$469,000	$522,000
From Receivables	$0	$0	$0
Subtotal Cash from Operations	$422,500	$469,000	$522,000
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	$422,500	$469,000	$522,000
Expenditures	2003	2004	2005
Expenditures from Operations:			
Cash Spent on Costs and Expenses	$17,076	$15,866	$14,589
Wages, Salaries, Payroll Taxes, etc.	$235,980	$249,550	$264,500
Payment of Accounts Payable	$152,347	$229,963	$529,914
Subtotal Spent on Operations	$405,403	$495,380	$809,003
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	$9,996	$9,996	$9,996
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	$415,399	$505,376	$818,999
Net Cash Flow	$7,101	($36,376)	($296,999)
Cash Balance	$70,301	$33,926	($263,074)

Cash (Planned)



7.4 Projected Balance Sheet

The following table highlights the projected balance sheet for three years.

Table: Balance Sheet (Planned)

Pro Forma Balance Sheet

Assets			
Short-term Assets	2003	2004	2005
Cash	$70,301	$33,926	($263,074)
Inventory	$44,440	$81,851	$227,751
Other Short-term Assets	$0	$0	$0
Total Short-term Assets	$114,741	$115,776	($35,323)
Long-term Assets			
Long-term Assets	$50,000	$50,000	$50,000
Accumulated Depreciation	$1,440	$2,880	$4,320
Total Long-term Assets	$48,560	$47,120	$45,680
Total Assets	$163,301	$162,896	$10,357
Liabilities and Capital			
	2003	2004	2005
Accounts Payable	$1,334	($85,831)	($484,446)
Current Borrowing	$0	$0	$0
Other Short-term Liabilities	$0	$0	$0
Subtotal Short-term Liabilities	$1,334	($85,831)	($484,446)
Long-term Liabilities	$40,004	$30,008	$20,012
Total Liabilities	$41,338	($55,823)	($464,434)
Paid-in Capital	$80,000	$80,000	$80,000
Retained Earnings	($11,800)	$2,103	$31,300
Earnings	$13,903	$29,197	$44,211
Total Capital	$82,103	$111,300	$155,511
Total Liabilities and Capital	$123,441	$55,476	($308,923)
Net Worth	$121,963	$218,720	$474,791

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 5812, Eating Places, are shown for comparison.

Table: Ratios (Planned)

Ratio Analysis	2002	2003	2004	Industry Profile
Sales Growth	0.00%	11.01%	11.30%	7.60%
Percent of Total Assets				
Accounts Receivable	0.00%	0.00%	0.00%	4.50%
Inventory	27.21%	50.25%	2199.02%	3.60%
Other Short-term Assets	0.00%	0.00%	0.00%	35.60%
Total Short-term Assets	70.26%	71.07%	-341.06%	43.70%
Long-term Assets	29.74%	28.93%	441.06%	56.30%
Total Assets	100.00%	100.00%	100.00%	100.00%
Other Short-term Liabilities	0.00%	0.00%	0.00%	32.70%
Subtotal Short-term Liabilities	0.82%	-52.69%	-4677.51%	23.10%
Long-term Liabilities	24.50%	18.42%	193.22%	28.50%
Total Liabilities	25.31%	-34.27%	-4484.29%	51.60%
Net Worth	74.69%	134.27%	4584.29%	48.40%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	71.28%	72.20%	72.22%	60.50%
Selling, General & Administrative Expenses	67.99%	65.97%	63.75%	39.80%
Advertising Expenses	1.66%	2.13%	2.49%	3.20%
Profit Before Interest and Taxes	5.76%	9.64%	12.58%	0.70%
Main Ratios				
Current	86.01	-1.35	0.07	0.98
Quick	52.70	-0.40	0.54	0.65
Total Debt to Total Assets	25.31%	-34.27%	-4484.29%	61.20%
Pre-tax Return on Net Worth	23.60%	22.27%	14.36%	1.70%
Pre-tax Return on Assets	17.62%	29.90%	658.12%	4.30%
Business Vitality Profile	2002	2003	2004	Industry
Sales per Employee	$46,944	$52,111	$58,000	$0
Survival Rate				0.00%
Additional Ratios	2002	2003	2004	
Net Profit Margin	3.29%	6.23%	8.47%	n.a
Return on Equity	11.40%	13.35%	9.31%	n.a
Activity Ratios				
Accounts Receivable Turnover	0.00	0.00	0.00	n.a
Collection Days	0	0	0	n.a
Inventory Turnover	4.91	2.07	0.94	n.a
Accounts Payable Turnover	115.20	-1.66	-0.27	n.a
Total Asset Turnover	2.59	2.88	50.40	n.a
Debt Ratios				
Debt to Net Worth	0.34	-0.26	-0.98	n.a
Short-term Liab. to Liab.	0.03	0.00	0.00	n.a
Liquidity Ratios				
Net Working Capital	$113,407	$201,608	$449,123	n.a
Interest Coverage	5.45	12.91	26.25	n.a
Additional Ratios				
Assets to Sales	0.39	0.35	0.02	n.a
Current Debt/Total Assets	1%	-53%	-4678%	n.a
Acid Test	52.70	0.00	0.00	n.a
Sales/Net Worth	3.46	2.14	1.10	n.a
Dividend Payout	$0	0.00	0.00	n.a

Appendix Table: Sales Forecast (Planned)

Sales Forecast Sales	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Bakery	$8,000	$9,000	$9,000	$11,000	$11,000	$11,000	$10,000	$9,000	$10,000	$12,000	$13,000	$14,000
Sandwiches	$15,000	$16,000	$17,000	$19,000	$20,000	$22,000	$20,000	$19,000	$22,000	$24,000	$26,000	$27,000
Drinks	$3,000	$3,500	$4,000	$4,000	$5,000	$5,000	$4,000	$3,000	$3,000	$4,000	$5,000	$5,000
Total Sales	$26,000	$28,500	$30,000	$34,000	$36,000	$38,000	$34,000	$31,000	$35,000	$40,000	$44,000	$46,000

Direct Cost of Sales	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Bakery	$2,000	$2,200	$2,200	$2,800	$2,800	$2,800	$2,500	$2,400	$2,500	$3,000	$3,500	$3,700
Sandwiches	$5,000	$5,400	$5,600	$6,500	$6,800	$7,400	$6,800	$6,500	$7,400	$8,000	$8,500	$9,000
Drinks	$400	$460	$500	$500	$600	$600	$500	$400	$400	$500	$600	$600
Subtotal Direct Cost of Sales	$7,400	$8,060	$8,300	$9,800	$10,200	$10,800	$9,800	$9,300	$10,300	$11,500	$12,600	$13,300

Appendix Table: Personnel (Planned)

Personnel Plan	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Barry Cohn	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800	$2,800
Kitchen Staff	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000
Waiters/Waitresses	$3,300	$3,300	$3,300	$3,300	$3,300	$3,300	$3,300	$3,300	$3,300	$3,300	$3,300	$3,300
Baking Staff	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000
Total Payroll	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100
Total People	9	9	9	9	9	9	9	9	9	9	9	9
Payroll Burden	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565
Total Payroll Expenditures	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665

Appendix Table: Profit and Loss (Planned)

Pro Forma Profit and Loss

	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Sales	$26,000	$28,500	$30,000	$34,000	$36,000	$38,000	$34,000	$31,000	$35,000	$40,000	$44,000	$46,000
Direct Cost of Sales	$7,400	$8,060	$8,300	$9,800	$10,200	$10,800	$9,800	$9,300	$10,300	$11,500	$12,600	$13,300
Other Production Expenses	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
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Total Cost of Sales	$7,400	$8,060	$8,300	$9,800	$10,200	$10,800	$9,800	$9,300	$10,300	$11,500	$12,600	$13,300
Gross Margin	$18,600	$20,440	$21,700	$24,200	$25,800	$27,200	$24,200	$21,700	$24,700	$28,500	$31,400	$32,700
Gross Margin %	71.54%	71.72%	72.33%	71.18%	71.67%	71.58%	71.18%	70.00%	70.57%	71.25%	71.36%	71.09%
Operating Expenses:												
Advertising/Promotion	$1,000	$1,000	$500	$500	$500	$500	$500	$500	$500	$500	$500	$500
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	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100	$17,100
Payroll Burden	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565	$2,565
Depreciation	$120	$120	$120	$120	$120	$120	$120	$120	$120	$120	$120	$120
Leased Equipment	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Utilities	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400	$400
Insurance	$500	$500	$500	$500	$500	$500	$500	$500	$500	$500	$500	$500
Rent	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800	$1,800
Contract/Consultants	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
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Total Operating Expenses	$23,485	$23,485	$22,985	$22,985	$22,985	$22,985	$22,985	$22,985	$22,985	$22,985	$22,985	$22,985
Profit Before Interest and Taxes	($4,885)	($3,045)	($1,285)	$1,215	$2,815	$4,215	$1,215	($1,285)	$1,715	$5,515	$8,415	$9,715
Interest Expense Short-term	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest Expense Long-term	$410	$403	$396	$389	$382	$375	$368	$361	$354	$347	$340	$333
Taxes Incurred	($1,588)	($1,034)	($504)	$248	$730	$1,152	$254	($494)	$408	$1,550	$2,422	$2,814
Extraordinary Items	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Profit	($3,706)	($2,413)	($1,177)	$578	$1,703	$2,688	$593	($1,152)	$953	$3,617	$5,652	$6,567
Net Profit/Sales	-14.26%	-8.47%	-3.92%	1.70%	4.73%	7.07%	1.74%	-3.72%	2.72%	9.04%	12.85%	14.28%

Appendix Table: Cash Flow (Planned)

Pro Forma Cash Flow		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Cash Received													
Cash from Operations:													
Cash Sales		$26,000	$28,500	$30,000	$34,000	$36,000	$38,000	$34,000	$31,000	$35,000	$40,000	$44,000	$46,000
From Receivables		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Cash from Operations		$26,000	$28,500	$30,000	$34,000	$36,000	$38,000	$34,000	$31,000	$35,000	$40,000	$44,000	$46,000
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	$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		$26,000	$28,500	$30,000	$34,000	$36,000	$38,000	$34,000	$31,000	$35,000	$40,000	$44,000	$46,000
Expenditures		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Expenditures from Operations:													
Cash Spent on Costs and Expenses		$1,232	$1,179	$1,163	$1,514	$1,491	$1,613	$1,262	$1,187	$1,526	$1,780	$1,966	$1,163
Wages, Salaries, Payroll Taxes, etc.		$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665	$19,665
Payment of Accounts Payable		$370	$11,073	$10,605	$10,574	$13,616	$13,457	$14,409	$11,337	$10,782	$13,812	$16,335	$25,976
Subtotal Spent on Operations		$21,267	$31,917	$31,433	$31,752	$34,772	$34,735	$35,336	$32,189	$31,974	$35,257	$37,967	$46,804
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		$833	$833	$833	$833	$833	$833	$833	$833	$833	$833	$833	$833
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		$22,100	$32,750	$32,266	$32,585	$35,605	$35,568	$36,169	$33,022	$32,807	$36,090	$38,800	$47,637
Net Cash Flow		$3,900	($4,250)	($2,266)	$1,415	$395	$2,432	($2,169)	($2,022)	$2,193	$3,910	$5,200	($1,637)
Cash Balance		$67,100	$62,850	$60,584	$61,999	$62,393	$64,826	$62,656	$60,634	$62,827	$66,737	$71,938	$70,301

Appendix Table: Balance Sheet (Planned)

Pro Forma Balance Sheet

Assets													
Short-term Assets	Starting Balances	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Cash	$63,200	$67,100	$62,850	$60,584	$61,999	$62,393	$64,826	$62,656	$60,634	$62,827	$66,737	$71,938	$70,301
Inventory	$5,000	$7,400	$8,060	$8,300	$9,800	$10,200	$10,800	$9,800	$9,300	$10,300	$11,500	$21,320	$44,440
Other Short-term Assets	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Short-term Assets	$68,200	$74,500	$70,910	$68,884	$71,799	$72,593	$75,626	$72,456	$69,934	$73,127	$78,237	$93,258	$114,741
Long-term Assets													
Long-term Assets	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
Accumulated Depreciation	$0	$120	$240	$360	$480	$600	$720	$840	$960	$1,080	$1,200	$1,320	$1,440
Total Long-term Assets	$50,000	$49,880	$49,760	$49,640	$49,520	$49,400	$49,280	$49,160	$49,040	$48,920	$48,800	$48,680	$48,560
Total Assets	$118,200	$124,380	$120,670	$118,524	$121,319	$121,993	$124,906	$121,616	$118,974	$122,047	$127,037	$141,938	$163,301

Liabilities and Capital													
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Accounts Payable	$0	$10,720	$10,256	$10,119	$13,169	$12,973	$14,031	$10,981	$10,325	$13,278	$15,484	$16,845	$1,334
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	$10,720	$10,256	$10,119	$13,169	$12,973	$14,031	$10,981	$10,325	$13,278	$15,484	$16,845	$1,334
Long-term Liabilities	$50,000	$49,167	$48,334	$47,501	$46,668	$45,835	$45,002	$44,169	$43,336	$42,503	$41,670	$40,837	$40,004
Total Liabilities	$50,000	$59,887	$58,590	$57,620	$59,837	$58,808	$59,033	$55,150	$53,661	$55,781	$57,154	$57,682	$41,338
Paid-in Capital	$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
Retained Earnings	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)	($11,800)
Earnings	$0	($3,706)	($6,120)	($7,296)	($6,718)	($5,015)	($2,327)	($1,734)	($2,886)	($1,934)	$1,684	$7,336	$13,903
Total Capital	$68,200	$64,494	$62,080	$60,904	$61,482	$63,185	$65,873	$66,466	$65,314	$66,266	$69,884	$75,536	$82,103
Total Liabilities and Capital	$118,200	$124,380	$120,670	$118,524	$121,319	$121,993	$124,906	$121,616	$118,974	$122,047	$127,037	$133,218	$123,441
Net Worth	$68,200	$64,494	$62,080	$60,904	$61,482	$63,185	$65,873	$66,466	$65,314	$66,266	$69,884	$84,256	$121,963