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Concrete Fabricators, Inc.

1.0 Executive Summary

Concrete Fabricators is a company that provides services for concrete fabrication, utilizing formwork, laying foundations, concrete placement, and excavation. The company has worked on several projects in the Norman and Southwestern Oklahoma areas, and plans to bid on contracts for commercial concrete projects at all levels throughout the state.

The company plans to develop into the leading formwork-services provider for reinforced concrete in the state. This means always having the best and most efficient facilities, processes, and people. To achieve this, Concrete Fabricators will invest in ways that will pay off in competitive advantages for its customers, such as structural plan review, including pre-job conferencing upon request, equipment, and a full line of forming, reinforcing, and aftermarket products. The company has developed a client evaluation form to gather feedback from our clients. The ultimate goal is to meet these needs and better the company.

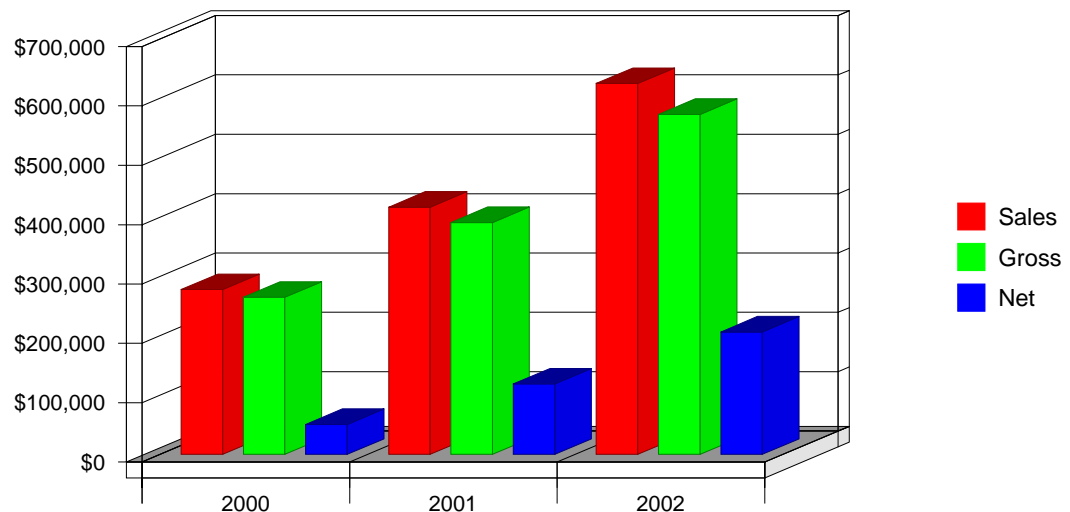
The biggest concern within the concrete work industry is the health and safety of its employees. Concrete Fabricators has made safety its number one concern; our employees and our customers expect to be safe on the job. The company has recognized the need to keep taking steps to develop a comprehensive infrastructure designed to make us not just a company with a safety policy, but a "safe company."

Concrete fabricators participates in the concrete work industry. This includes special trade contractors primarily engaged in concrete work, including portland cement and asphalt. Companies in this industry generated total annual sales of approximately \$21 million, with an average sales per establishment of \$.7 million. Establishments that are primarily engaged in manufacturing portland cement concrete generated sales of approximately \$19 million, with an average sales per establishment of \$6.5 million.

1.1 Mission and Vision

The mission of Concrete Fabricators is to become the leading contractor by providing the best quality cement and concrete masonry work.

Highlights (Planned)

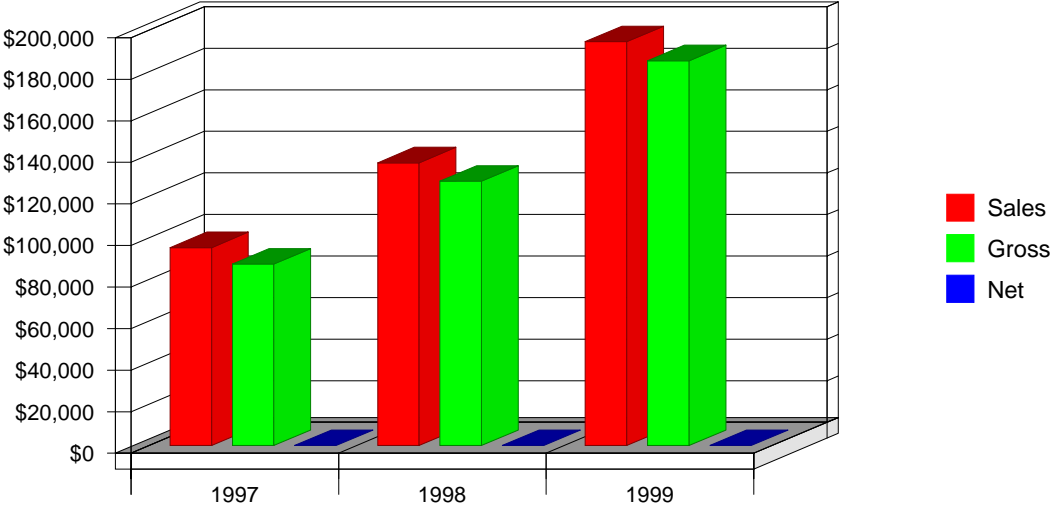


Concrete Fabricators, Inc.

2.0 The Company

Concrete Fabricators was founded in January, 1987. The company was formed by Mr. Lloyd James and Mrs. Anne James; and is an Oklahoma sole proprietorship with principal offices located in Norman, Oklahoma.

Past Performance



Concrete Fabricators, Inc.

Table: Past Performance

Past Performance	1997	1998	1999
Sales	\$95,248	\$136,069	\$194,384
Gross Margin	\$87,342	\$127,224	\$185,248
Gross % (calculated)	91.70%	93.50%	95.30%
Operating Expenses	\$7,000	\$10,500	\$14,000
Collection period (days)	45	0	0
Inventory turnover	6.00	6.00	6.00
Balance Sheet			
Short-term Assets	1997	1998	1999
Cash	\$21,120	\$25,222	\$30,308
Accounts receivable	\$11,430	\$16,328	\$23,326
Inventory	\$0	\$0	\$0
Other Short-term Assets	\$7,867	\$8,345	\$8,830
Total Short-term Assets	\$40,417	\$49,895	\$62,464
Long-term Assets			
Capital Assets	\$439,098	\$472,149	\$507,687
Accumulated Depreciation	\$39,518	\$42,493	\$45,691
Total Long-term Assets	\$399,580	\$429,656	\$461,996
Total Assets	\$439,997	\$479,551	\$524,460
Capital and Liabilities			
	1997	1998	1999
Accounts Payable	\$23,812	\$34,017	\$40,596
Short-term Notes	\$0	\$0	\$0
Other ST Liabilities	\$19,707	\$21,190	\$22,785
Subtotal Short-term Liabilities	\$43,519	\$55,207	\$63,381
Long-term Liabilities	\$15,689	\$16,700	\$17,766
Total Liabilities	\$59,208	\$71,907	\$81,147
Paid in Capital	\$0	\$0	\$0
Retained Earnings	\$380,789	\$407,644	\$443,313
Earnings	\$0	\$0	\$0
Total Capital	\$380,789	\$407,644	\$443,313
Total Capital and Liabilities	\$439,997	\$479,551	\$524,460
Other Inputs			
	1997	1998	1999
Payment days	0	0	0
Sales on Credit	\$0	\$0	\$0
Receivables Turnover	0.00	0.00	0.00

3.0 Products and Services

Background

Concrete Fabricators provides concrete fabrication, to include foundations (commercial and residential), road construction, and excavation (dirt work). The company also creates house slabs and driveways for residences, trailer path foundations, and other roadwork. Jobs are solicited through bids from both business and personal ventures. We provide services to both commercial and individual customers. Geographically, the company offers its services to southwest Oklahoma and southeast Texas.

The Concrete Fabricators system can be adapted to almost any construction requirement that calls for forming and foundation work. The company's expert staff has the capability to design and manufacture any custom component or accessory item that may be required to complete the formwork and foundation package.

3.1 Products

Concrete Fabricators' formworks and foundations offer major advances and complete adaptability, high strength-to-weight ratio, and all at cost-effective prices. Accident prevention is the cornerstone of Concrete Fabricators' safety commitment. The company strives to eliminate foreseeable hazards which could result in personal injury or illness. Concrete Fabricators focuses on health and safety, and neither will be compromised for cost or convenience. The company operates in two market segments as described below.

Commercial

- **Foundations.** Concrete Fabricators has the ability to safely erect any structure on a properly-built foundation.
- **Parking Lots.** Concrete is the superior paving material for parking lot projects. Whether it is a new parking area, or one in need of reconstruction, concrete offers the durability and beauty that asphalt just can't match. Concrete's advantages include:
 - **Durability.** Concrete lasts longer than asphalt. A concrete parking area can serve your project for twenty or more years. The durability advantage means less maintenance, fewer repairs, and an end to the expensive reconstruction cycle.
 - **Beauty.** Concrete's durability means a surface free from ugly potholes, ruts, and damage from petroleum products. Add some colors or a pattern, and concrete turns a parking lot into the perfect showcase for your business.
 - **Safety and lighting.** Concrete offers a brighter, more reflective surface than asphalt. Better use of light means a safer and more inviting parking area for your customers and employees.
 - **Load-carrying capacity.** Trucks demand a structural pavement. Asphalt is no match for eighteen-wheelers and delivery vehicles. If product distribution is critical to your project, then concrete is your paving partner.
- **Parking Garages.** Concrete provides the same benefits for a garage as it does for a driveway. A structure made with concrete is strong enough to hold up under the pressure of many vehicles, and is also durable enough to last many years of heavy pressure.

Residential

Residential applications go beyond a solid foundation. Long lasting and low maintenance, concrete increases the value and performance of a very important investment: the home. Strong, durable, and safe, concrete will never burn or rot, and provides the best shelter against any storm. Residential applications are as follows:

- **Basement Walls.** A concrete basement is the most economical part of a home to build and is the best value for the dollar spent. Concrete basements offer a variety of benefits:
 - **Extra room for work or play.** Consider a game room, den, guest bedroom, or office. Create a space as unique as your own family. Economical full basements can almost double the enclosed living space, at only a fraction of the cost of the home.
 - **Permanent finished look.** Add a dramatic color or texture for a permanent, finished look.
 - **Extra storage.** Storage that frees up other, more expensive floor space in the house and garage.
 - **Easy access to utilities.** Better access to plumbing, heating, and wiring. All

Concrete Fabricators, Inc.

- can be reached without crawling or breaking up floors.
- **Concrete Homes.** Concrete homes are energy efficient, resistant to strong winds, practically soundproof, and offer a broad range of design options. Concrete homes offer a variety of benefits over standard construction:
 - **Fast and easy construction.** Using insulating concrete forms results in a faster and more efficient building cycle.
 - **Versatile and compatible.** Stucco, wood siding, vinyl siding, brick, and other traditional exterior finishes can be easily used with insulating concrete forms.
 - **Environmentally responsible.** Concrete and polystyrene foam are inert and can be recycled.
 - **Energy efficient.** Energy savings are built into concrete homes. Many concrete homeowners report savings of more than 40% on their heating/cooling costs.
 - **Security.** Secure concrete houses perform very well in hurricanes and other violent storms.
 - **No Rot or Rust.** Neither concrete nor polystyrene will rot, rust, or corrode.
 - **Peace and Quiet.** A concrete home built with insulating concrete forms has much greater noise reduction characteristics than wood or steel.
 - **Driveways.** A concrete driveway can have a dramatic effect on the first impression, value, and resale potential for a home. Concrete driveways are preferred over other paving materials for a variety of reasons.
 - **Durability.** A key component to the longevity of driveways. Concrete driveways stand up to traffic day in and day out, year after year, often for over 30 years.
 - **Maintenance.** Concrete does not need to be seal coated every year, making its maintenance practically non-existent.
 - **Environmentally friendly.** Cured concrete is an inert material and can be recycled.
 - **Homeowner satisfaction.** Homeowners were surveyed, and of those already owning a concrete driveway, 96% said they would choose concrete again.
 - **Versatility.** This is important, especially in today's upscale housing market. Concrete can be colored, stamped, or stenciled to create a variety of textures and decorative finishes.
 - **Appearance.** A critical component in selecting a driveway paving material, concrete, with its smooth, bright surface, provides an important safety feature by increasing the effectiveness of exterior lighting.

4.0 Market Description

Target Markets and Market Description (information provided by Standard & Poor's)
The housing industry has proceeded at a red-hot pace for several years running. An all-time record was set in 1998, when 886,000 new-site, single-family homes were sold. That represented a 10% gain from the robust total of 804,000 homes sold in 1997, and an 8.1% rise from the prior record of 819,000 units in 1977. Single-family housing construction accounted for approximately \$48 million of the total \$125 million generated in the industry. Home sales were strengthened even further during the first ten months of 1999. In that period, new single-family home sales increased by 4.8% on a year-to-year basis, to 791,000 units, according to the U.S. Department of Commerce. Through October, 1999, seasonally adjusted sales had exceeded 800,000 on an annualized basis in every month since the start of 1998.

The record-setting string of home sales since the second half of 1997 has forced builders to pick up the pace of their construction activity. During 1998, total starts increased by 9.7% to 1.62 million units. Starts for single family units moved up 12% for the year, and those of multi-family units were ahead by 1.5%. As an indication of building activity at year-end 1999, housing starts in November, 1999 came in at a seasonally-adjusted annual rate of 1.6 million units.

Concrete Fabricators, Inc.

4.1 Target Markets

Market size statistics--Single-family housing construction

General contractors primarily engaged in construction (including new work additions, alterations, remodeling, and repair) of single-family houses:

Estimated number of U.S. establishments	218,276
Number of people employed in this industry	831,158
Total annual sales in this industry	\$125 million
Average employees per establishment	4
Average sales per establishment	\$.6 million

Market size statistics--Residential construction, nec

General contractors primarily engaged in construction (including new work additions, alterations, remodeling, and repair) of residential buildings other than single-family houses.

This includes hotels, motels, apartments, and multi-family homes:

Estimated number of U.S. establishments	25,201
Number of people employed in this industry	114,523
Total annual sales in this industry	\$26 million
Average employees per establishment	5
Average sales per establishment	\$1.1 million

Market size statistics--Heavy construction, nec

General and special trade contractors primarily engaged in the construction of heavy projects not elsewhere classified. This includes canal, drainage system, athletic and recreation facilities, land preparation, rock removal, waste, water and sewage treatment plants, and trenching construction:

Estimated number of U.S. establishments	16,914
Number of people employed in this industry	211,440
Total annual sales in this industry	\$51 million
Average employees per establishment	13
Average sales per establishment	\$3.2 million

Market size statistics--Bridge, tunnel, and elevated highway construction

General contractors primarily engaged in the construction of bridges, viaducts, elevated highways, and highway, pedestrian and railway tunnels:

Estimated number of U.S. establishments	1,414
Number of people employed in this industry	43,899
Total annual sales in this industry	\$14 million
Average employees per establishment	34
Average sales per establishment	\$13 million

Market size statistics--Highway and street construction

General and special trade contractors primarily engaged in the construction of roads, streets, alleys, public sidewalks, guardrails, parkways, and airports:

Estimated number of U.S. establishments	19,694
Number of people employed in this industry	302,944
Total annual sales in this industry	\$66 million

Concrete Fabricators, Inc.

Average employees per establishment	16
Average sales per establishment	\$3.8 million

Market size statistics--Nonresidential construction, nec

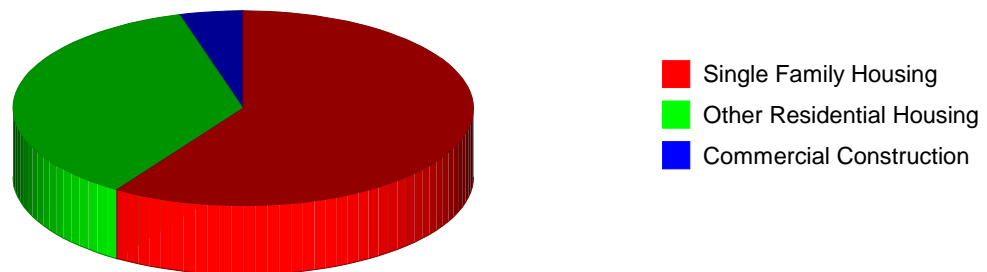
General contractors primarily engaged in the construction (including new work additions, alterations, remodeling, and repair) of nonresidential buildings other than industrial buildings and warehouses. This includes commercial, institutional, religious, and amusement and recreational buildings:

Estimated number of U.S. establishments	44,505
Number of people employed in this industry	540,550
Total annual sales in this industry	\$205 million
Average employees per establishment	12
Average sales per establishment	\$5 million

4.1.1 Market Analysis

The Market Analysis table and chart represent the estimated number of single-family homes, other residential units, and commercial buildings within the state of Oklahoma. This information is derived from estimates given by the U.S. Census Bureau and represents the total number of possible clients within the local reach of Concrete Fabricators.

Market Analysis (Pie)



Concrete Fabricators, Inc.

Table: Market Analysis

Market Analysis	Growth	2000	2001	2002	2003	2004	CAGR
Potential Customers							
Single Family Housing	4%	1,094,541	1,132,850	1,172,500	1,213,528	1,256,012	3.50%
Other Residential Housing	3%	670,848	687,619	704,809	722,429	740,490	2.50%
Commercial Construction	2%	82,623	84,275	85,961	87,680	89,434	2.00%
Total	3.07%	1,848,012	1,904,744	1,963,270	2,023,637	2,085,936	3.07%

4.2 Industry Analysis

Market Size Statistics--Concrete work

Special trade contractors primarily engaged in concrete work, including portland cement and asphalt.

Estimated number of U.S. establishments	30,214
Number of people employed in this industry	230,338
Total annual sales in this industry	\$21 million
Average employees per establishment	8
Average sales per establishment	\$.7 million

Establishments primarily engaged in manufacturing portland cement concrete, manufactured and delivered to a purchaser in a plastic and unhardened steel.

Estimated number of U.S. establishments	5,798
Number of people employed in this industry	89,662
Total annual sales in this industry	\$19 million
Average employees per establishment	17
Average sales per establishment	\$7 million

4.3 Main Competitors

Competition

Competitive threats come from other concrete fabrication companies in the area. Specifically, competitors include Jones Construction, James Boyd Construction, Jerry Manuel Construction, Quality Construction, and Charles Johnson, Inc.

5.0 Strategy

The company's overall strategy is based on a continuous improvement process of setting objectives, measuring results, and providing feedback to facilitate further growth and progress. Included are detailed quarterly and annual reporting and crisis management plans for medical, product, and natural disaster emergencies.

***Note: Report has been removed from this sample plan for confidentiality.*

The company plans to rapidly develop marketing alliances with industry leaders and pursue new sales of its services to residential and commercial builders. The market strategy is to capitalize on Concrete Fabricators' alliances by securing city, parish, state, and government contracts.

Concrete Fabricators is committed to ensuring that the products used on its customers' job sites are safe and approved by the Occupational Safety and Health Administration (OSHA). Along with its clients, the company believes in a health and safety initiative that is all pervasive, managing any potential loss in the work environment.

Concrete Fabricators has adopted a corporate strategy that is dedicated to improving the performance of activities on the critical path of its customers' projects. The company does this

Concrete Fabricators, Inc.

by building on its core strengths, innovative equipment, design engineering expertise, and project and site management, within an environment of safety excellence. From the customers' point of view, this strategy translates into these benefits:

- Reduction of set-up time for trades.
- Increased site safety.
- Project cost reduction.
- Quality construction practices.
- Resolve punch list immediately after concrete placement.
- Review of structural plans.

5.1 Value Propositions

The company plans to become the leading provider of formwork and foundation services in the area. This means always having the best and most efficient facilities, processes, and people. To achieve this, Concrete Fabricators is investing in many ways that will pay off in competitive advantages for its customers, for example:

- **Review of structural drawings.** The company eliminates possible structural problems and delays.
- **Pre-job conferencing upon request.** The company thoroughly understands the construction business and the science of formwork and laying foundations. Recommendations are made, and customers are alerted when things could be done better. A partnership is based on trust and includes planning and teamwork.
- **Delivery.** Material placement is of cardinal concern to the company. Concrete Fabricators constantly upgrades and rotates its vehicles to maximize efficiency on the job.
- **Forming, reinforcing, and aftermarket products.** One of the things the company does for its customers is to help streamline the ordering process. Concrete Fabricators offers a large variety of concrete forming and foundation materials.

5.2 Marketing Strategy and Plan

Marketing Strategy and Plan. The overall marketing plan for Concrete Fabricator's service is based on the following fundamentals:

- Segmentation of the market(s) planned to reach.
- Distribution channels planned to reach market segments: television, radio, sales associates, and mailings.
- Share of the market expected to capture over a fixed period of time.

Market Responsibilities. Concrete Fabricators is committed to an extensive promotional campaign. This is done aggressively and on a broad scale. To accomplish initial sales goals, the company has implemented an effective promotional campaign to accomplish two primary objectives:

- Attract a quality work force that has a desire to be successful.
- Attract customers who will constantly look to Concrete Fabricators for their construction projects.

In addition, Concrete Fabricators advertises in the yellow pages, newspapers, radio, and on billboards throughout the state.

Promotion. In addition to standard advertisement practices, Concrete Fabricators gains

Concrete Fabricators, Inc.

considerable recognition through these additional promotional mediums:

- Caps and T-shirts.
- Signs located strategically throughout the state.
- Word of mouth from satisfied customers.

Incentives. As an extra incentive for customers (and potential customers) to remember the name, Concrete Fabricators plans to distribute coffee mugs, T-shirts, pens, and other advertising specialties with the company logo. This will be an ongoing program for the company, when appropriate and where it is identified as beneficial.

Brochures. The objective of brochures is to portray Concrete Fabricators' goals and products as an attractive functionality. It is also to show customers how to use the latest in technology as it relates to construction and building services.

Investment in Advertising and Promotion. Concrete Fabricators hopes to allocate ten percent of revenues for the ongoing, state-wide advertising campaign.

5.3 Sales Strategy

The following chart and table show our estimated sales forecast for this plan.

Sales Monthly (Planned)

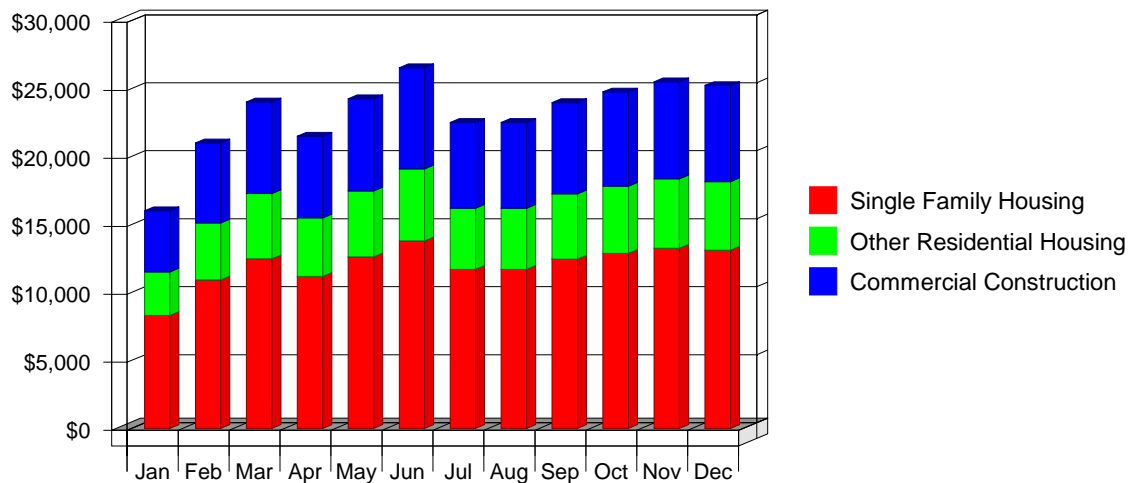


Table: Sales Forecast (Planned)

Sales Forecast			
Sales	2000	2001	2002
Single Family Housing	\$144,399	\$216,600	\$324,900
Other Residential Housing	\$55,538	\$83,308	\$124,961
Commercial Construction	\$77,755	\$116,631	\$174,946
Total Sales	\$277,692	\$416,539	\$624,807
Direct Cost of Sales			
Single Family Housing	\$5,200	\$10,400	\$20,800
Other Residential Housing	\$2,000	\$4,000	\$8,000
Commercial Construction	\$2,800	\$5,600	\$11,200

7.0 Finance

Financial Projections

Summary of three-year projections

Financial projections are based on sales volume at the levels described in the revenue section; it presents, to the best of management's knowledge and belief, the company's expected assets, liabilities, capital, revenues, and expenses. Further, the projections reflect management's judgement of the expected conditions and its expected course of action, given the hypothetical assumptions.

- Financial notes and assumptions

Revenues will be derived from sales of services for the installation of reinforced-concrete utilizing formwork, reinforcing steel, embedded items, concrete placement, and engineering. Concrete Fabricators plans to bid and receive contracts for commercial concrete projects at all levels throughout the state. Management also expects to achieve a small percentage of revenues resulting from consulting services arising out of training.

- Annual Growth

The company expects annual growth to increase by 110%, on the basis that the company will be stepping up its sales efforts, as well as initiating new partnerships and alliances that will foster growth and extensions of our existing markets. These strategies are designed to build momentum and critical mass within the company and its overall sales results.

- Cost of Goods

Concrete Fabricators expects that its services will bear a reasonably high markup, which translates to a relatively low cost of goods. Cost of goods includes consideration for cost of equipment, cost of products, bank charges due to credit card transactions (not passed along to the consumer), and labor.

- Operating Expenses

Concrete Fabricators groups sales and marketing expenses, and general and administrative expense items under this category.

Concrete Fabricators, Inc.

7.1 Projected Profit and Loss

The following table outlines our expected profit and loss for fiscal years 2000-2002.

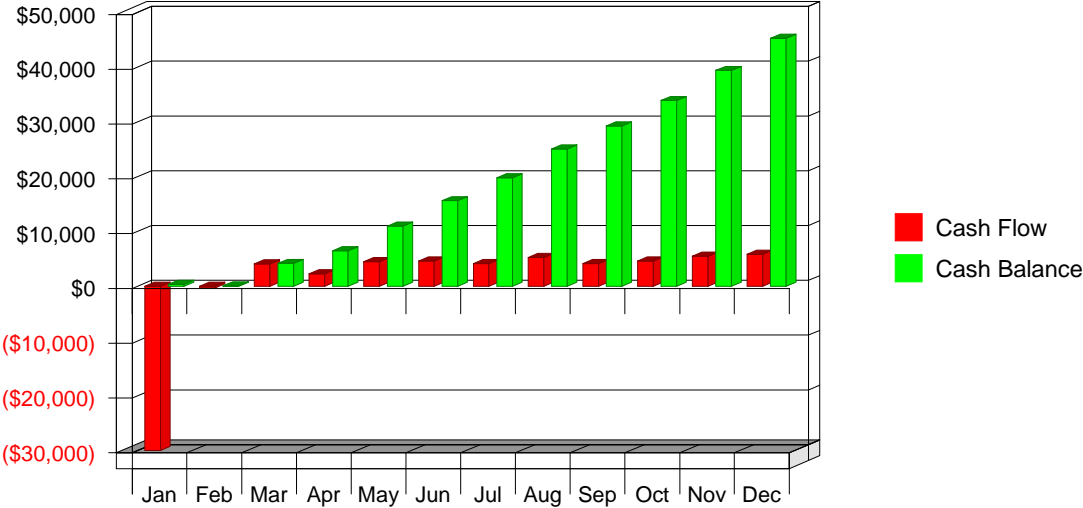
Table: Profit and Loss (Planned)

Pro Forma Profit and Loss	2000	2001	2002
Sales	\$277,692	\$416,539	\$624,807
Direct Cost of Sales	\$10,000	\$20,000	\$40,000
Other	\$3,000	\$6,000	\$12,000
	-----	-----	-----
Total Cost of Sales	\$13,000	\$26,000	\$52,000
Gross Margin	\$264,692	\$390,539	\$572,807
Gross Margin %	95.32%	93.76%	91.68%
Operating Expenses:			
Advertising	\$7,000	\$14,000	\$28,000
Promotion	\$4,000	\$4,000	\$4,000
Other Sales and Marketing	\$3,000	\$3,000	\$3,000
Payroll Expense	\$66,312	\$72,000	\$84,000
Payroll Burden	\$9,947	\$10,800	\$12,600
Depreciation	\$47,997	\$50,333	\$52,668
Rent/Mortgage	\$12,420	\$12,420	\$12,420
Supplies and Equipment	\$9,926	\$19,851	\$39,702
Insurance	\$14,459	\$21,688	\$32,533
Services	\$2,833	\$2,833	\$2,833
Utilities	\$1,602	\$2,403	\$3,604
Telephone	\$7,810	\$7,810	\$7,810
Repairs and Maintenance	\$10,932	\$16,397	\$24,596
	-----	-----	-----
Total Operating Expenses	\$198,237	\$237,536	\$307,766
Profit Before Interest and Taxes	\$66,455	\$153,003	\$265,041
Interest Expense Short-term	(\$1,252)	(\$3,763)	(\$6,475)
Interest Expense Long-term	\$753	(\$1,126)	(\$3,218)
Taxes Incurred	\$16,739	\$39,473	\$68,684
Extraordinary Items	\$0	\$0	\$0
Net Profit	\$50,216	\$118,419	\$206,051
Net Profit/Sales	18.08%	28.43%	32.98%

7.2 Projected Cash Flow

The following chart and table show our estimated cash flow for this plan.

Cash (Planned)



Concrete Fabricators, Inc.

Table: Cash Flow (Planned)

Pro Forma Cash Flow	2000	2001	2002
Cash Received			
Cash from Operations:			
Cash Sales	\$69,423	\$104,135	\$156,202
From Receivables	\$203,755	\$298,484	\$447,725
Subtotal Cash from Operations	\$273,178	\$402,619	\$603,927
Additional Cash Received			
Extraordinary Items	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$2,000	\$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
Capital Input	\$0	\$0	\$0
Subtotal Cash Received	\$275,178	\$402,619	\$603,927
Expenditures			
Expenditures from Operations:			
Cash Spent on Costs and Expenses	\$10,597	\$17,099	\$28,149
Wages, Salaries, Payroll Taxes, etc.	\$76,259	\$82,800	\$96,600
Payment of Accounts Payable	\$127,929	\$148,955	\$244,955
Subtotal Spent on Operations	\$214,785	\$248,854	\$369,704
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$26,501	\$26,250	\$28,000
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$18,900	\$20,250	\$21,600
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	\$260,185	\$295,354	\$419,304
Net Cash Flow	\$14,993	\$107,265	\$184,623
Cash Balance	\$45,301	\$152,566	\$337,189

Concrete Fabricators, Inc.

7.3 Balance Sheets - Projected

The following table provides Concrete Fabricator's projected balance sheets for 2000-2002.

Table: Balance Sheet (Planned)

Pro Forma Balance Sheet

Assets			
	2000	2001	2002
Short-term Assets			
Cash	\$45,301	\$152,566	\$337,189
Accounts Receivable	\$27,840	\$41,760	\$62,640
Other Short-term Assets	\$8,830	\$8,830	\$8,830
Total Short-term Assets	\$81,971	\$203,156	\$408,659
Long-term Assets			
Long-term Assets	\$507,687	\$507,687	\$507,687
Accumulated Depreciation	\$93,688	\$144,021	\$196,689
Total Long-term Assets	\$413,999	\$363,667	\$310,999
Total Assets	\$495,970	\$566,822	\$719,657
Liabilities and Capital			
	2000	2001	2002
Accounts Payable			
Accounts Payable	\$8,041	\$12,974	\$21,359
Current Borrowing			
Current Borrowing	(\$24,501)	(\$50,751)	(\$78,751)
Other Short-term Liabilities			
Other Short-term Liabilities	\$22,785	\$22,785	\$22,785
Subtotal Short-term Liabilities	\$6,325	(\$14,991)	(\$34,607)
Long-term Liabilities			
Long-term Liabilities	(\$1,134)	(\$21,384)	(\$42,984)
Total Liabilities	\$5,191	(\$36,375)	(\$77,591)
Paid-in Capital			
Paid-in Capital	\$0	\$0	\$0
Retained Earnings			
Retained Earnings	\$443,313	\$493,529	\$611,947
Earnings			
Earnings	\$50,216	\$118,419	\$206,051
Total Capital	\$493,529	\$611,947	\$817,998
Total Liabilities and Capital	\$498,720	\$575,572	\$740,407
Net Worth	\$490,779	\$603,197	\$797,248

7.4 Business Ratios

The following table includes Industry Profile statistics for the concrete work industry, as determined by the Standard Industrial Classifications (SIC) Index code 1799. These statistics show a comparison of industry standards and the key ratios for this plan.

Concrete Fabricators, Inc.

Table: Ratios (Planned)

Ratio Analysis	2000	2001	2002	Industry Profile
Sales Growth	42.86%	50.00%	50.00%	7.50%
Percent of Total Assets				
Accounts Receivable	5.61%	7.37%	8.70%	34.20%
Inventory	0.00%	0.00%	0.00%	5.60%
Other Short-term Assets	1.78%	1.56%	1.23%	27.20%
Total Short-term Assets	16.53%	35.84%	56.79%	67.00%
Long-term Assets	83.47%	64.16%	43.21%	33.00%
Total Assets	100.00%	100.00%	100.00%	100.00%
Other Short-term Liabilities				
Other Short-term Liabilities	4.59%	4.02%	3.17%	42.20%
Subtotal Short-term Liabilities	1.28%	-2.64%	-4.81%	35.80%
Long-term Liabilities	-0.23%	-3.77%	-5.97%	12.30%
Total Liabilities	1.05%	-6.42%	-10.78%	54.50%
Net Worth	98.95%	106.42%	110.78%	45.50%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	95.32%	93.76%	91.68%	33.10%
Selling, General & Administrative Expenses	77.24%	65.33%	58.70%	18.10%
Advertising Expenses	2.52%	3.36%	4.48%	0.30%
Profit Before Interest and Taxes	23.93%	36.73%	42.42%	3.20%
Main Ratios				
Current	12.96	-13.55	-11.81	1.63
Quick	12.96	-13.55	-11.81	1.30
Total Debt to Total Assets	1.05%	-6.42%	-10.78%	54.50%
Pre-tax Return on Net Worth	13.44%	24.55%	32.03%	8.60%
Pre-tax Return on Assets	13.30%	26.13%	35.48%	18.80%
Business Vitality Profile				
Sales per Employee	2000 \$92,564	2001 \$104,135	2002 \$124,961	Industry \$0
Survival Rate				0.00%
Additional Ratios				
Net Profit Margin	2000 18.08%	2001 28.43%	2002 32.98%	n.a
Return on Equity	10.23%	19.63%	25.85%	n.a
Activity Ratios				
Accounts Receivable Turnover	7.48	7.48	7.48	n.a
Collection Days	45	41	41	n.a
Inventory Turnover	0.00	0.00	0.00	n.a
Accounts Payable Turnover	11.86	11.86	11.86	n.a
Total Asset Turnover	0.56	0.73	0.87	n.a
Debt Ratios				
Debt to Net Worth	0.01	-0.06	-0.10	n.a
Short-term Liab. to Liab.	1.22	0.00	0.00	n.a
Liquidity Ratios				
Net Working Capital	\$75,646	\$218,147	\$443,265	n.a
Interest Coverage	0.00	0.00	0.00	n.a
Additional Ratios				
Assets to Sales	1.79	1.36	1.15	n.a
Current Debt/Total Assets	1%	-3%	-5%	n.a
Acid Test	8.56	0.00	0.00	n.a
Sales/Net Worth	0.57	0.69	0.78	n.a
Dividend Payout	\$0	0.00	0.00	n.a

Appendix

Appendix Table: Sales Forecast (Planned)

Sales Forecast	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sales												
Single Family Housing	\$8,320	\$10,920	\$12,480	\$11,180	\$12,610	\$13,790	\$11,700	\$11,700	\$12,455	\$12,870	\$13,260	\$13,114
Other Residential Housing	\$3,200	\$4,200	\$4,800	\$4,300	\$4,850	\$5,304	\$4,500	\$4,500	\$4,790	\$4,950	\$5,100	\$5,044
Commercial Construction	\$4,480	\$5,880	\$6,720	\$6,020	\$6,790	\$7,426	\$6,300	\$6,300	\$6,707	\$6,930	\$7,140	\$7,062
Total Sales	\$16,000	\$21,000	\$24,000	\$21,500	\$24,250	\$26,520	\$22,500	\$22,500	\$23,952	\$24,750	\$25,500	\$25,220
Direct Cost of Sales												
Single Family Housing	\$433	\$433	\$433	\$433	\$433	\$433	\$433	\$433	\$433	\$433	\$433	\$433
Other Residential Housing	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167
Commercial Construction	\$233	\$233	\$233	\$233	\$233	\$233	\$233	\$233	\$233	\$233	\$233	\$233
Subtotal Direct Cost of Sales	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833

Appendix

Appendix Table: Personnel (Planned)

Personnel Plan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cement Layer No. 1	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842
Cement Layer No. 2	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842
Cement Layer No. 3	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842	\$1,842
Part time Cement Layer No.4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Part time Cement Layer No. 5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Payroll	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526
Total Headcount	3	3	3	3	3	3	3	3	3	3	3	3
Payroll Burden	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829
Total Payroll Expenditures	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355

Appendix

Appendix Table: Profit and Loss (Planned)

Pro Forma Profit and Loss	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sales	\$16,000	\$21,000	\$24,000	\$21,500	\$24,250	\$26,520	\$22,500	\$22,500	\$23,952	\$24,750	\$25,500	\$25,220
Direct Cost of Sales	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833
Other	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Total Cost of Sales	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083	\$1,083
Gross Margin	\$14,917	\$19,917	\$22,917	\$20,417	\$23,167	\$25,437	\$21,417	\$21,417	\$22,869	\$23,667	\$24,417	\$24,137
Gross Margin %	93.23%	94.84%	95.49%	94.96%	95.53%	95.92%	95.19%	95.19%	95.48%	95.62%	95.75%	95.70%
Operating Expenses:												
Advertising	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583
Promotion	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333
Other Sales and Marketing	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Payroll Expense	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526	\$5,526
Payroll Burden	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829	\$829
Depreciation	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Rent/Mortgage	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035	\$1,035
Supplies and Equipment	\$827	\$827	\$827	\$827	\$827	\$827	\$827	\$827	\$827	\$827	\$827	\$827
Insurance	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205	\$1,205
Services	\$236	\$236	\$236	\$236	\$236	\$236	\$236	\$236	\$236	\$236	\$236	\$236
Utilities	\$133	\$133	\$133	\$133	\$133	\$133	\$133	\$133	\$133	\$133	\$133	\$133
Telephone	\$651	\$651	\$651	\$651	\$651	\$651	\$651	\$651	\$651	\$651	\$651	\$651
Repairs and Maintenance	\$911	\$911	\$911	\$911	\$911	\$911	\$911	\$911	\$911	\$911	\$911	\$911
Total Operating Expenses	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520	\$16,520
Profit Before Interest and Taxes	(\$1,603)	\$3,397	\$6,397	\$3,897	\$6,647	\$8,917	\$4,897	\$4,897	\$6,349	\$7,147	\$7,897	\$7,617
Interest Expense Short-term	(\$0)	(\$17)	(\$34)	(\$60)	(\$77)	(\$94)	(\$119)	(\$136)	(\$153)	(\$170)	(\$187)	(\$204)
Interest Expense Long-term	\$135	\$122	\$109	\$96	\$82	\$69	\$56	\$43	\$30	\$17	\$4	(\$9)
Taxes Incurred	(\$434)	\$823	\$1,581	\$965	\$1,660	\$2,235	\$1,240	\$1,247	\$1,618	\$1,825	\$2,020	\$1,958
Extraordinary Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	(\$1,303)	\$2,469	\$4,742	\$2,896	\$4,981	\$6,706	\$3,720	\$3,742	\$4,854	\$5,475	\$6,060	\$5,873
Net Profit/Sales	-8.15%	11.76%	19.76%	13.47%	20.54%	25.29%	16.53%	16.63%	20.27%	22.12%	23.77%	23.29%

Appendix

Appendix Table: Cash Flow (Planned)

Pro Forma Cash Flow	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash Received												
Cash from Operations:												
Cash Sales	\$4,000	\$5,250	\$6,000	\$5,375	\$6,063	\$6,630	\$5,625	\$5,625	\$5,988	\$6,188	\$6,375	\$6,305
From Receivables	\$15,551	\$11,584	\$16,592	\$16,950	\$17,000	\$17,225	\$19,096	\$18,282	\$16,875	\$17,456	\$18,283	\$18,863
Subtotal Cash from Operations	\$19,551	\$16,834	\$22,592	\$22,325	\$23,063	\$23,855	\$24,721	\$23,907	\$22,863	\$23,643	\$24,658	\$25,168
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	\$2,000	\$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
Capital Input	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$21,551	\$16,834	\$22,592	\$22,325	\$23,063	\$23,855	\$24,721	\$23,907	\$22,863	\$23,643	\$24,658	\$25,168
Expenditures												
Expenditures from Operations:												
Cash Spent on Costs and Expenses	\$695	\$843	\$915	\$850	\$916	\$971	\$868	\$865	\$899	\$917	\$934	\$924
Wages, Salaries, Payroll Taxes, etc.	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355	\$6,355
Payment of Accounts Payable	\$40,804	\$6,298	\$7,605	\$8,218	\$7,670	\$8,264	\$8,707	\$7,807	\$7,798	\$8,099	\$8,258	\$8,399
Subtotal Spent on Operations	\$47,854	\$13,496	\$14,875	\$15,423	\$14,941	\$15,590	\$15,930	\$15,027	\$15,052	\$15,371	\$15,547	\$15,678
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	\$2,042	\$2,042	\$2,042	\$3,042	\$2,042	\$2,042	\$3,042	\$2,042	\$2,042	\$2,042	\$2,042	\$2,042
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575	\$1,575
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	\$51,471	\$17,112	\$18,492	\$20,040	\$18,558	\$19,207	\$20,547	\$18,644	\$18,669	\$18,988	\$19,163	\$19,295
Net Cash Flow	(\$29,920)	(\$279)	\$4,100	\$2,285	\$4,505	\$4,648	\$4,174	\$5,263	\$4,194	\$4,655	\$5,495	\$5,873
Cash Balance	\$388	\$109	\$4,209	\$6,493	\$10,998	\$15,647	\$19,820	\$25,083	\$29,277	\$33,933	\$39,428	\$45,301

Appendix

Appendix Table: Balance Sheet (Planned)

Pro Forma Balance Sheet

Assets	Starting Balances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Short-term Assets													
Cash	\$30,308	\$388	\$109	\$4,209	\$6,493	\$10,998	\$15,647	\$19,820	\$25,083	\$29,277	\$33,933	\$39,428	\$45,301
Accounts Receivable	\$23,326	\$19,775	\$23,942	\$25,350	\$24,525	\$25,713	\$28,378	\$26,157	\$24,750	\$25,839	\$26,946	\$27,788	\$27,840
Other Short-term Assets	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830	\$8,830
Total Short-term Assets	\$62,464	\$28,993	\$32,881	\$38,389	\$39,848	\$45,541	\$52,854	\$54,807	\$58,663	\$63,946	\$69,709	\$76,045	\$81,971
Long-term Assets													
Long-term Assets	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687	\$507,687
Accumulated Depreciation	\$45,691	\$49,691	\$53,691	\$57,690	\$61,690	\$65,690	\$69,690	\$73,689	\$77,689	\$81,689	\$85,689	\$89,688	\$93,688
Total Long-term Assets	\$461,996	\$457,996	\$453,997	\$449,997	\$445,997	\$441,997	\$437,998	\$433,998	\$429,998	\$425,998	\$421,999	\$417,999	\$413,999
Total Assets	\$524,460	\$486,989	\$486,877	\$488,386	\$485,845	\$487,538	\$490,852	\$488,805	\$488,661	\$489,945	\$491,707	\$494,044	\$495,970
Liabilities and Capital													
Accounts Payable	\$40,596	\$6,045	\$7,331	\$7,963	\$7,395	\$7,973	\$8,447	\$7,548	\$7,528	\$7,824	\$7,978	\$8,122	\$8,041
Current Borrowing	\$0	(\$42)	(\$2,083)	(\$4,125)	(\$7,167)	(\$9,209)	(\$11,250)	(\$14,292)	(\$16,334)	(\$18,376)	(\$20,417)	(\$22,459)	(\$24,501)
Other Short-term Liabilities	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785	\$22,785
Subtotal Short-term Liabilities	\$63,381	\$28,789	\$28,032	\$26,623	\$23,013	\$21,549	\$19,982	\$16,040	\$13,979	\$12,234	\$10,346	\$8,448	\$6,325
Long-term Liabilities	\$17,766	\$16,191	\$14,616	\$13,041	\$11,466	\$9,891	\$8,316	\$6,741	\$5,166	\$3,591	\$2,016	\$441	(\$1,134)
Total Liabilities	\$81,147	\$44,980	\$42,648	\$39,664	\$34,479	\$31,440	\$28,298	\$22,781	\$19,145	\$15,825	\$12,362	\$8,889	\$5,191
Paid-in Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained Earnings	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313	\$443,313
Earnings	\$0	(\$1,303)	\$1,166	\$5,908	\$8,804	\$13,785	\$20,491	\$24,211	\$27,953	\$32,807	\$38,282	\$44,343	\$50,216
Total Capital	\$443,313	\$442,010	\$444,479	\$449,221	\$452,117	\$457,098	\$463,804	\$467,524	\$471,266	\$476,120	\$481,595	\$487,656	\$493,529
Total Liabilities and Capital	\$524,460	\$486,989	\$487,127	\$488,886	\$486,595	\$488,538	\$492,102	\$490,305	\$490,411	\$491,945	\$493,957	\$496,544	\$498,720
Net Worth	\$443,313	\$442,010	\$444,229	\$448,721	\$451,367	\$456,098	\$462,554	\$466,024	\$469,516	\$474,120	\$479,345	\$485,156	\$490,779