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Fantastic Florals, Inc.

1.0 Executive Summary

Fantastic Florals, Inc. (FFI) imports exclusively handmade flowers by artisans from Indonesia. The firm's main office is in Anytown, Oregon, and has a customs house broker in Seattle, Washington to deal with related matters.

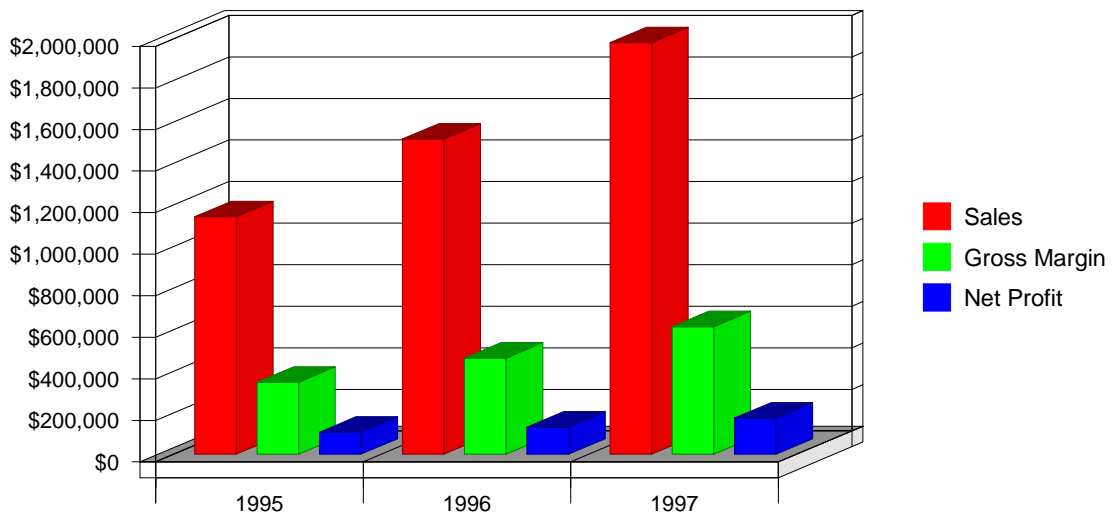
FFI quality products are unique and exclusive, and its target consumers are women with upper-middle to upper-end incomes. FFI's competitive edge is that the products are 100% handmade, unlike competitor's products. By this fact, the firm hopes to attract people that value the artistry of producing silk flowers. Since FFI products are mostly silk flowers and silk hair accessories, it considers itself to be in the retail gift market, although some consumers purchase the product for themselves.

For the starting year 1995, the company plans to attract manufacturer reps and retailers to distribute the products by attending the Silk '94 trade show in Chicago, Illinois. This trade show is where suppliers of silk flowers and other silk products and buyers meet and arrange deals to sell the product. FFI projected sales are approximately \$1.1 million by the end of the first year of operation. Also during this year, FFI plans to open an exclusive gift shop for our product in Anytown at the Third Street Public Market, leasing for five years.

For the following year, the company plans to expand to direct mail catalog sales by being in an established catalog, with a similar target market. FFI projects sales of \$1.5 million in 1996. During the third year, FFI plans to do both selling through suppliers, catalogs, and the exclusive gift store in Anytown, projecting sales to be nearly \$2 million.

The FFI family will expand in 1997 by adding 10 different kinds of flowers and flower arrangements. Maintaining an average gross margin of 25 percent is very realistic. The projected rate of annual growth in sales is 25 percent.

Highlights (Planned)



Fantastic Florals, Inc.

1.1 Objectives

1. Achieve 1995 sales of \$1.1 million.
2. Open gift shop in Anytown at Third Street Public Market with five-year lease.
3. For 1996, expand into direct mail catalogs.
4. Maintain gross margin of 25 percent.
5. Establish annual growth rate of 25 percent.
6. Expand product family by adding 10 different kinds of flowers and flower arrangements in 1997.

1.2 Mission

FFI's mission is to become a recognized importer of artisan quality silk gift items in the United States. The company guarantees 100 percent customer satisfaction and values friendly service.

FFI's purpose is to increase customer appreciation of handmade silk flowers and other silk products and to provide customers with beautiful unique artistic decorations.

1.3 Keys to Success

Keys to success for Fantastics Florals Inc. are:

1. Product quality.
2. Customer service.
3. Access to manufacturers and distribution channels.
4. Controlling fixed and variable costs during first two years.

2.0 Company Summary

Fantastic Florals, Inc. imports silk flowers and other silk accessories products from artisans in Indonesia and distributes the products to customers in the United States. The customers are retail stores and wholesalers who want imported silk flowers and accessories products, targeting women in middle-upper to upper-end income as the end user of the products.

2.1 Company Ownership

Fantastic Florals, Inc. is a privately held Anytown corporation. Suzy Rosemadder, FFI's founder, is the majority owner. Several members of the board of directors also hold minority stock positions.

Fantastic Florals, Inc.

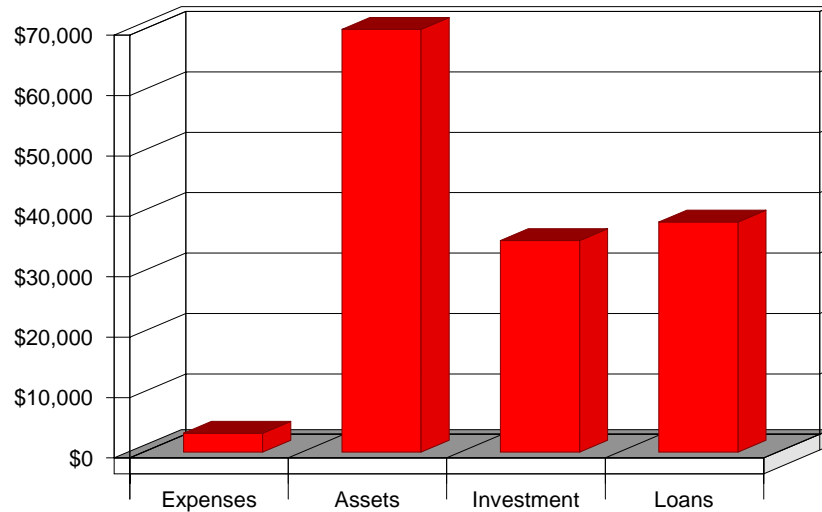
2.2 Start-up Summary

Start-up costs are approximated at \$75,000, which primarily consists of product costs and expenses associated with establishing a marketing program and opening up FFI's first distribution center.

Table: Start-up

Start-up	
Requirements	
Start-up Expenses	
Legal	\$1,000
Insurance	\$600
Rent	\$1,300
Other	\$200
Total Start-up Expense	\$3,100
Start-up Assets Needed	
Cash Requirements	\$70,000
Start-up inventory	\$0
Other Short-term Assets	\$0
Total Short-term Assets	\$70,000
Long-term Assets	\$0
Total Assets	\$70,000
Total Requirements	\$73,100
Funding	
Investment	
Investor 1	\$35,000
Investor 2	\$0
Other	\$0
Total Investment	\$35,000
Short-term Liabilities	
Unpaid Expenses	\$3,100
Short-term Loans	\$35,000
Interest-free Short-term Loans	\$0
Subtotal Short-term Liabilities	\$38,100
Long-term Liabilities	\$0
Total Liabilities	\$38,100
Loss at Start-up	(\$3,100)
Total Capital	\$31,900
Total Capital and Liabilities	\$70,000

Start-up



2.3 Company Locations and Facilities

FFI's headquarters are located in Anytown at the founder's home, 1234 Main Street, Anytown, OR 97440. It will also have a 600-square foot retail store at the Third Street Public Market, which will serve as both an outlet and test market.

3.0 Products

FFI imports silk flowers and other silk accessories. These products provide consumers with a wide variety of product lines and allows for individual customization of orders.

3.1 Product Description

Fantastic Florals, Inc. has a variety of silk flowers and products from which to choose. During the first two years, the product line will include:

- Tulips and roses.
- Two kinds of flower arrangements.
- Silk scarf and silk hair accessories.
- Seasonal bouquets.

3.2 Competitive Comparison

Fantastic Florals, Inc. products contain these features that distinguish them from those produced by competitors:

- FFI products are 100 percent handmade by Indonesian artisans and are then imported into the United States, which will be emphasized in all marketing efforts.
- The quality of the silk flowers is obvious, even to the untrained eye. There is no use of plastic stems, which makes FFI products look more realistic.
- FFI silk hair accessories are unique, and no similar product is available in the domestic market. These products will be protected by owning a patent. The product features beautiful embroidery on its edge, which will cost much more if it were to be produced in the United States.

3.3 Sales Literature

Copies of FFI products, more specifically bouquets and other arrangements are included. Upon production of advertisements and brochures, these will be added.

3.4 Sourcing

FFI imports products from artisans in Indonesia and then hires brokers in Seattle to take care of the legal requirements and paperwork. Currently, there are no significant obstacles in importing the products into the United States. According to the U.S. Customs Office in Seattle, there are no quotas for artificial products imported from Indonesia. FFI will benefit from the duty-free treatment under the new GSP rules.

3.5 Technology

Some FFI products are protected by patents, although the majority of products and services are not dependent on patentable inventions nor process technology.

3.6 Future Products

Fantastic Florals, Inc. plans to introduce ten new kinds of flowers and silk products every year for the first four years, with aggressive advertising at the beginning of each year that introduces these new flowers.

After establishing a firm reputation, FFI plans to import products other than silk products, but all will still be related to flowers. These will be produced by Indonesian artisans in various cities in the original region, all managed by the same artist. The products will include silk jewelry boxes, mirrors, and china, all with hand-painted flowers.

4.0 Market Analysis Summary

Currently, the market for permanent floral products is rapidly expanding. According to 1993 statistics, the value of permanent floral products for the 1992 fiscal year was over \$2.2 billion, and it still continues to grow.

The gift industry is also growing, as households headed by 45- to 54-year-olds are the biggest gift purchasers.

4.1 Market Segmentation

Since Fantastic Florals, Inc. only deals with a few, select products, segmentation is minimal. Two segments currently exist:

1. Gift purchasers-mostly women over 30 with a relatively large amount of discretionary income.
2. Floral collectors-same target as above, but with higher standards of quality.

Market Analysis (Pie)

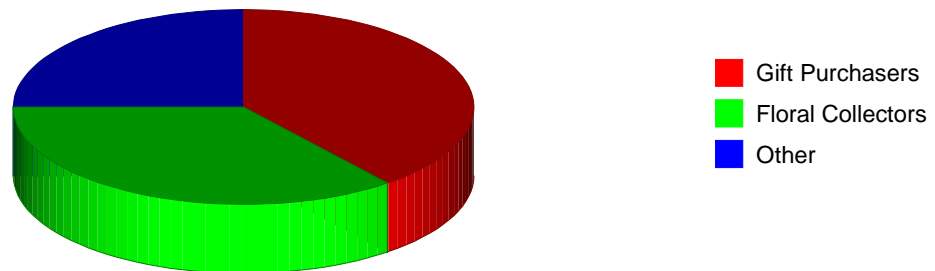


Table: Market Analysis

Market Analysis	Growth	1995	1996	1997	1998	1999	CAGR
Potential Customers							
Gift Purchasers	6%	275,000	291,500	308,990	327,529	347,181	6.00%
Floral Collectors	4%	250,000	260,000	270,400	281,216	292,465	4.00%
Other	3%	175,000	180,250	185,658	191,228	196,965	3.00%
Total	4.56%	700,000	731,750	765,048	799,973	836,611	4.56%

4.2 Industry Analysis

There are two industries for Fantastic Florals, Inc.: the gift market industry and the silk flower and accessories industry.

In 1991, the average American household gave 5.8 percent of its total spending to gifts, a 0.3 percent increase from 1988. Households headed by 45- to 54-year-olds are the biggest gift-givers. These consumers spend an average of \$1,450 on gifts, which is 62 percent more than the average household. In addition, married couples without children are the most generous gift-givers. These households spend 48 percent more than average on gifts. Households with incomes of over \$65,000 spent 135 percent more than average on gifts, while they also account for 58 percent of the glassware gift market and 62 percent of the plant and flower gift market. By the year 2000, it is estimated that households headed by 35- to 54-year-olds will account for 63 percent of the gift market.

In the silk flowers and accessories industry, flowers alone accumulated sales over \$1.95 billion in 1992. This category still continues to grow.

Considering the information and analysis of both industries, FFI believes that its products have the opportunity to be successful in the market. The growing gift industry and silk flower and accessories industry imply that there is a growing demand for these products. Because there is no similar product currently available in the U.S. market, FFI has a huge opportunity in the silk accessory industry.

4.2.1 Industry Participants

There are currently no direct competitors in the silk hair accessories market, and the silk flowers industry is very unconcentrated. Few wholesalers distribute directly to the consuming public, and the majority of retail stores only offer a minimal selection with varying quality.

Both industries, however, are predicted to develop further, while the gift industry also continues to grow. As the markets evolve, the key issue will be relations with suppliers. As there are few suppliers of silk flowers and accessories, competition is likely to increase substantially.

4.2.2 Distribution Patterns

Distribution channels are currently relatively simple. There is one artist in Indonesia who provides all products for FFI. The products are shipped directly to FFI facilities, which are then sold to consumers. There are no significant obstacles to importing these products, and there are no import quotas.

4.2.3 Competition and Buying Patterns

According to the information from Silk '94, the wholesale buyers of silk flowers and accessories are:

- 53 percent - Floral Wholesalers.
- 19 percent - Craft Chain Stores, Floral Chain Stores, Gift Chain Stores, Variety Chain Stores, Fabric Centers.
- 19 percent - Manufacturers/Assemblers.
- 9 percent - Home Centers, Membership Clubs, Nursery and Garden Centers, Catalog/Mail Order, etc.

4.2.4 Main Competitors

Fantastic Florals, Inc. current competitors in the surrounding area are:

- Flower markets.
- Floral wholesalers.
- Craft stores.
- Gift shops.

5.0 Strategy and Implementation Summary

FFI focuses on providing high-quality products to consumers with outstanding service. Customization of orders and specialization of services will create a competitive advantage.

FFI is developing the organization by beginning with few employees to reduce costs. All current employees are very motivated, resulting in a positive and strong company culture. This culture will carry over to all new trainees, which is a prime objective for the expansion of FFI.

The first year of service will be the most important, as FFI plans to establish strong relations with both suppliers and buyers. These relationships will help FFI to grow and evolve in this industry.

5.1 Marketing Strategy

- FFI is focusing on silk flowers and accessories, targeting women with upper-end income as the end customers, and targeting sales reps that distribute to exclusive gift retail stores and mail-order catalog companies.
- FFI plans to be an exhibitor at Silk '95, having already collected all the necessary information at Silk '94. This trade show is the largest international silk flower and accessories exhibition attended by multiple buyers including, but not limited to, catalog/mail-order, floral wholesalers, chain stores, craft stores and wholesalers, visual display companies, etc. This will be a good opportunity to start and get exposure to FFI's product. FFI plans to attract the right sales rep and mail-order company for its products through this trade show, which is realistic since Silk '95 is the biggest and most reputable permanent and silk accessories trade show in the United States.
- For the first year, FFI will both lease a space for a retail store at the Third Street Public Market and supply its products to buyers that FFI attains through Silk '95.
- FFI will also send some samples to "Blossom" catalog, who does mail orders for silk flowers and other silk accessories. The purpose of this is to reach more customers while

doing only minimal research.

5.1.1 Pricing Strategy

FFI sets standard prices for each product line. These prices are not expected to experience significant change over the next three years.

- Tulips and Roses - \$2.25
- Arranged Flower 1 - \$18.99
- Arranged Flower 2 - \$39.99
- Silk Scarf - \$15.99
- Other hair accessories - \$9.99
- Other/Seasonal bouquet - \$59.99

These prices exhibit quality products at reasonable costs to consumers.

5.1.2 Promotion Strategy

The goal of FFI is to promote its products as fine collectibles, either for the collector or the gift-buyer. This will be done through in-store promotions, direct-mail advertisements, appearances in related catalogs, and publicity events.

5.2 Sales Strategy

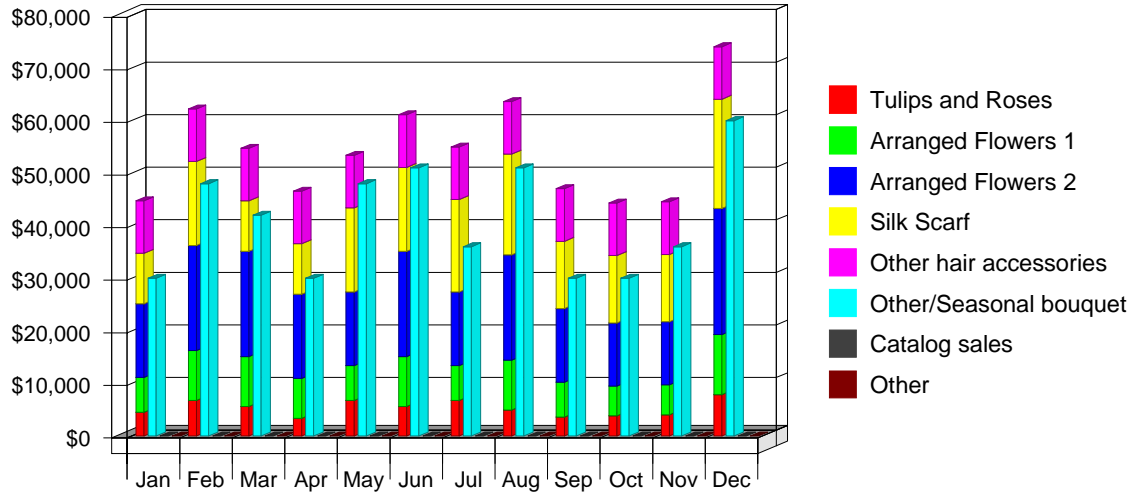
Products will be distributed through the retail store in Anytown at Third Street Market or by pre-orders until FFI is able to further expand. Sales is one area that needs to be developed in order to better serve the consumer and meet objectives.

5.2.1 Sales Forecast

As indicated in the table, sales are forecasted to remain relatively constant throughout 1995, with growth predicted in both 1996 and 1997. Sales, however, will tend to fluctuate depending on the month and the season.

Fantastic Florals, Inc.

Sales Monthly (Planned)



Fantastic Florals, Inc.

Table: Sales Forecast (Planned)

Sales Forecast			
Unit Sales	1995	1996	1997
Tulips and Roses	28,300	35,165	45,714
Arranged Flowers 1	5,000	6,501	8,451
Arranged Flowers 2	5,000	6,500	8,450
Silk Scarf	10,800	13,910	18,083
Other hair accessories	12,000	15,600	20,280
Other/Seasonal bouquet	8,200	10,660	13,858
Catalog sales	0	20,000	30,000
Other	0	0	0
Total Unit Sales	69,300	108,336	144,836
Unit Prices			
	1995	1996	1997
Tulips and Roses	\$2.25	\$2.00	\$2.00
Arranged Flowers 1	\$18.99	\$19.00	\$19.00
Arranged Flowers 2	\$39.99	\$40.00	\$40.00
Silk Scarf	\$15.99	\$16.00	\$16.00
Other hair accessories	\$9.99	\$10.00	\$10.00
Other/Seasonal bouquet	\$59.99	\$60.00	\$60.00
Catalog sales	\$0.00	\$2.25	\$2.25
Other	\$0.00	\$0.00	\$0.00
Sales			
	1995	1996	1997
Tulips and Roses	\$63,675	\$70,330	\$91,428
Arranged Flowers 1	\$94,950	\$123,519	\$160,569
Arranged Flowers 2	\$199,950	\$260,000	\$338,000
Silk Scarf	\$172,692	\$222,560	\$289,328
Other hair accessories	\$119,880	\$156,000	\$202,800
Other/Seasonal bouquet	\$491,918	\$639,600	\$831,480
Catalog sales	\$0	\$45,000	\$67,500
Other	\$0	\$0	\$0
Total Sales	\$1,143,065	\$1,517,009	\$1,981,105
Direct Unit Costs			
	1995	1996	1997
Tulips and Roses	\$1.50	\$1.50	\$1.50
Arranged Flowers 1	\$11.99	\$12.00	\$12.00
Arranged Flowers 2	\$27.99	\$28.00	\$28.00
Silk Scarf	\$8.50	\$8.50	\$8.50
Other hair accessories	\$6.50	\$6.50	\$6.50
Other/Seasonal bouquet	\$42.00	\$42.00	\$42.00
Catalog sales	\$0.00	\$1.49	\$1.49
Other	\$0.00	\$0.00	\$0.00
Direct Cost of Sales			
	1995	1996	1997
Tulips and Roses	\$42,450	\$52,748	\$68,571
Arranged Flowers 1	\$59,950	\$78,012	\$101,412
Arranged Flowers 2	\$139,950	\$182,000	\$236,600
Silk Scarf	\$91,800	\$118,235	\$153,706
Other hair accessories	\$78,000	\$101,400	\$131,820
Other/Seasonal bouquet	\$344,400	\$447,720	\$582,036
Catalog sales	\$0	\$29,800	\$44,700
Other	\$0	\$0	\$0
Subtotal Direct Cost of Sales	\$756,550	\$1,009,915	\$1,318,845

5.2.2 Sales Programs

- Floral wholesalers: Develop awareness about the quality of FFI's products in order to create demand within the first two months. For the next year, provide incentives and price-promotions to encourage wholesalers to purchase FFI products.
- Retail Stores: Offer low-priced products in exchange for significant shelf space and access to consumers. By the end of the first year, have FFI products distributed in selected stores with minimal constraints on price and location.
- Manufacturers/Assemblers: Provide FFI products at a reduced rate corresponding to volume of purchase.

5.2.3 Sales Goals

- End of 1995 - Sales of \$1.1 million.
- July 1995 - Open exclusive gift shop at Third Street Market in Anytown.
- 1996 - Sales of \$1.5 million.
- July 1996 - Expand distribution into catalog/direct mail.
- 1997 - Sales of \$2 million.

6.0 Management Summary

Fantastic Florals, Inc. will start with three qualified and experienced employees. An increase to six employees will likely be needed in three to five years. FFI will continue to have a customs-house broker in Seattle to take care of the import-related matters and sales representatives who are compensated based on commission.

6.1 Organizational Structure

Fantastic Florals, Inc. will be a Subchapter-S corporation. Legal matters and written agreements are being handled by an FFI consultant lawyer.

The company is organized into three main functional areas:

- Sales and marketing.
- Finance and administration.
- Communication.

Fantastic Florals, Inc.

6.2 Management Team

- Suzy Rosemadder: President and founder. Graduated from the University of North Carolina (major: management). Originally from Indonesia and has worked for a silk flower company there for five years. Familiar with the Indonesian government and key people there.
- Angela Stalks: On Board of Directors. Previously manager of an exclusive gift shop in Dallas, Texas for ten years. MBA in Finance from University of Minnesota.
- Steven Gardener: On Board of Directors. Will be in charge of marketing and sales. Graduated from Cornell University with B.S. degree in marketing and public relations.

6.3 Management Team Gaps

Each of the three employees is responsible for managing his or her area of expertise. The problems with having only one individual in charge of a department are as follows:

1. Lack of understanding of other departments.
2. Minimal management experience.
3. Sole control over all operations.

6.4 Personnel Plan

The personnel plan indicates one employee for each department:

- Production/Fulfillment.
- Sales and Marketing.
- Administration.

Beginning in 1996, there will be two employees in both Sales and Marketing and Administration.

Table: Personnel (Planned)

Personnel Plan	1995	1996	1997
Production	\$14,400	\$16,000	\$18,000
Sales and Marketing	\$14,400	\$32,000	\$54,000
Administration	\$14,400	\$32,000	\$36,000
Other	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Payroll	\$43,200	\$80,000	\$108,000
Total Headcount	0	0	0
Payroll Burden	\$7,776	\$14,400	\$19,440
Total Payroll Expenditures	\$50,976	\$94,400	\$127,440

7.0 Financial Plan

- Fantastic Florals, Inc. projects the gross margin to be at approximately 25 percent. Sales projection for 1995 is at \$1.1 million, increasing to \$1.5 million in 1996 and \$2 million in 1997.
- FFI is looking for an investor who would invest \$75,000 for 20 percent of the company.
- Cash-flow analysis, balance sheet, business ratio, break-even analysis, and other financial details are shown in the appendix.

7.1 Important Assumptions

General assumptions in FFI's financial plan indicate the assumption of a stable economy without any major recessions or booms in both the U.S. and Indonesian economies.

Table: General Assumptions

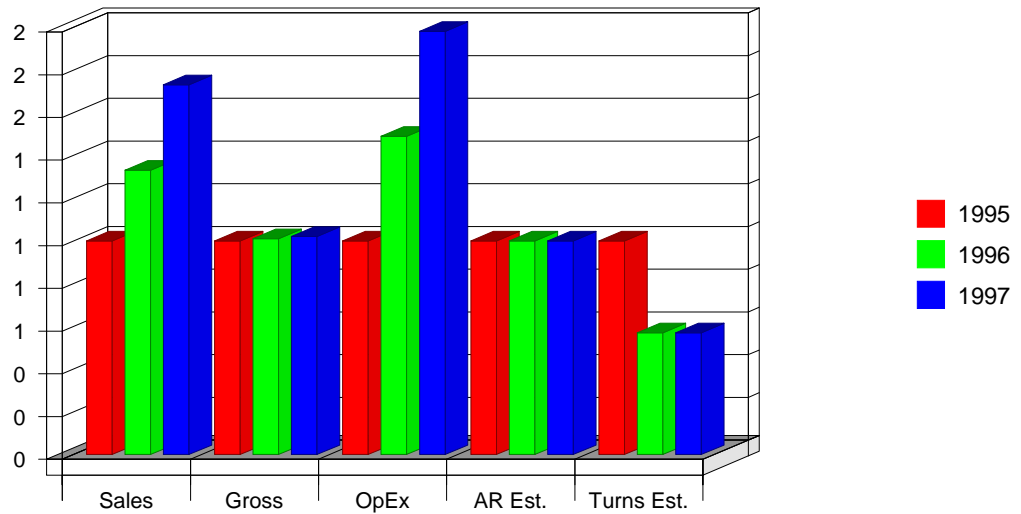
General Assumptions	1995	1996	1997
Short-term Interest Rate %	15.00%	15.00%	15.00%
Long-term Interest Rate %	10.00%	10.00%	10.00%
Tax Rate %	40.00%	40.00%	40.00%
Expenses in Cash %	12.00%	12.00%	12.00%
Sales on Credit %	50.00%	50.00%	50.00%
Personnel Burden %	18.00%	18.00%	18.00%

7.2 Key Financial Indicators

Key financial indicators for Fantastic Florals, Inc. include:

- Constant gross margins.
- Sales on credit.
- Net worth.
- Return on equity.

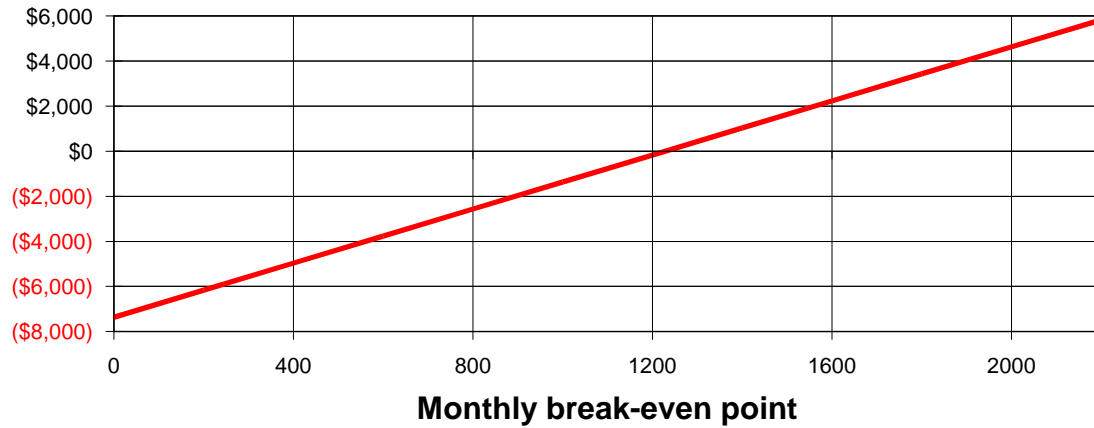
Benchmarks (Planned)



7.3 Break-even Analysis

FBI's break-even analysis indicates that the firm has a strong balance of costs and sales. The break-even point is at just over 1200 units and close to \$21,000.

Break-even Analysis



Break-even point = where line intersects with 0

Table: Break-even Analysis

Break-even Analysis:	
Monthly Units Break-even	1,228
Monthly Sales Break-even	\$20,870
Assumptions:	
Average Per-Unit Revenue	\$17.00
Average Per-Unit Variable Cost	\$11.00
Estimated Monthly Fixed Cost	\$7,366

Fantastic Florals, Inc.

7.4 Projected Profit and Loss

Fantastic Florals, Inc. projects profits for every month of 1995 and on into both 1996 and 1997, in addition to positive growth margins for the same time periods.

Table: Profit and Loss (Planned)

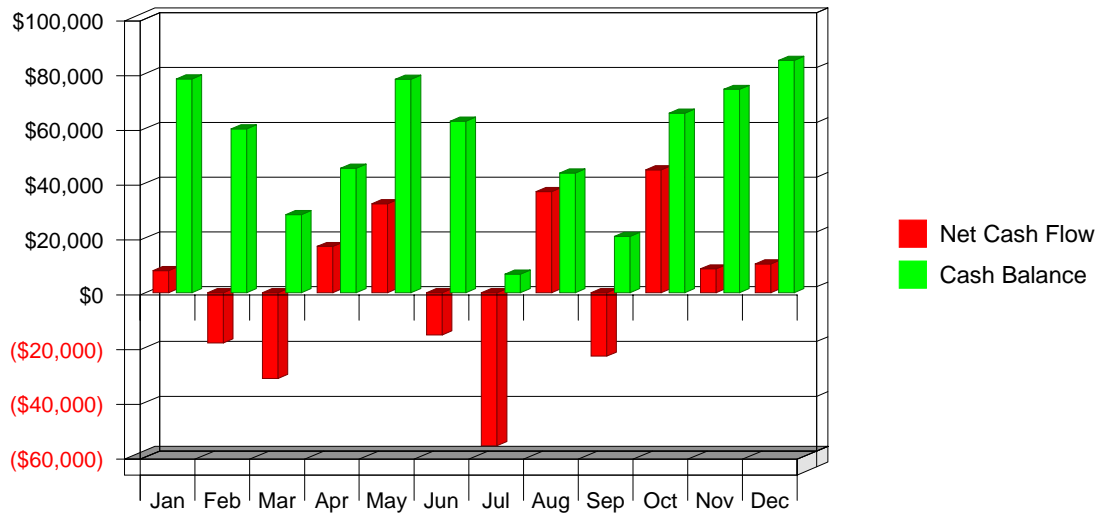
Pro Forma Profit and Loss	1995	1996	1997
Sales	\$1,143,065	\$1,517,009	\$1,981,105
Direct Cost of Sales	\$756,550	\$1,009,915	\$1,318,845
Shipping etc.	\$40,235	\$44,260	\$48,688
	-----	-----	-----
Total Cost of Sales	\$796,785	\$1,054,175	\$1,367,533
Gross Margin	\$346,280	\$462,835	\$613,573
Gross Margin %	30.29%	30.51%	30.97%
Operating Expenses:			
Advertising/Promotion	\$12,000	\$13,440	\$15,053
Miscellaneous	\$18,000	\$19,800	\$21,780
Sales/Marketing Salaries	\$14,400	\$32,000	\$54,000
Commissions	\$40,055	\$53,620	\$71,469
Payroll Expense	\$43,200	\$80,000	\$108,000
Payroll Burden	\$7,776	\$14,400	\$19,440
Depreciation	\$2,400	\$2,640	\$2,904
Leased Equipment	\$0	\$0	\$0
Utilities	\$2,400	\$2,640	\$2,904
Insurance	\$7,200	\$7,920	\$8,712
Rent	\$15,600	\$17,160	\$18,876
Other	\$0	\$0	\$0
	-----	-----	-----
Total Operating Expenses	\$163,031	\$243,620	\$323,138
Profit Before Interest and Taxes	\$183,249	\$219,215	\$290,435
Interest Expense Short-term	\$7,292	\$2,250	\$625
Interest Expense Long-term	\$0	\$0	\$0
Taxes Incurred	\$70,383	\$86,786	\$115,924
Extraordinary Items	\$0	\$0	\$0
Net Profit	\$105,574	\$130,179	\$173,886
Net Profit/Sales	9.24%	8.58%	8.78%

Fantastic Florals, Inc.

7.5 Projected Cash Flow

FFI's cash balance is expected to increase each year, providing the necessary capital for expansion into different product lines and distribution channels.

Cash (Planned)



Fantastic Florals, Inc.

Table: Cash Flow (Planned)

Pro Forma Cash Flow	1995	1996	1997
Cash Received			
Cash from Operations:			
Cash Sales	\$571,533	\$758,505	\$990,553
From Receivables	\$485,730	\$730,435	\$955,716
Subtotal Cash from Operations	\$1,057,262	\$1,488,939	\$1,946,268
Additional Cash Received			
Extraordinary Items	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$48,889	\$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	\$1,106,151	\$1,488,939	\$1,946,268
Expenditures			
Expenditures from Operations:			
Cash Spent on Costs and Expenses	\$134,076	\$160,127	\$207,751
Wages, Salaries, Payroll Taxes, etc.	\$50,976	\$94,400	\$127,440
Payment of Accounts Payable	\$844,021	\$1,146,616	\$1,472,962
Subtotal Spent on Operations	\$1,029,072	\$1,401,143	\$1,808,154
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$62,221	\$13,332	\$8,336
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
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	\$1,091,293	\$1,414,475	\$1,816,490
Net Cash Flow	\$14,858	\$74,464	\$129,779
Cash Balance	\$84,858	\$159,322	\$289,101

Fantastic Florals, Inc.

7.6 Projected Balance Sheet

The balance sheet indicates a positive and ever-increasing net worth for FFI, expected to reach close to \$440,000 by 1997.

Table: Balance Sheet (Planned)

Pro Forma Balance Sheet

Assets			
Short-term Assets	1995	1996	1997
Cash	\$84,858	\$159,322	\$289,101
Accounts Receivable	\$85,803	\$113,873	\$148,710
Inventory	\$133,182	\$177,784	\$232,168
Other Short-term Assets	\$0	\$0	\$0
Total Short-term Assets	\$303,843	\$450,979	\$669,978
Long-term Assets			
Long-term Assets	\$0	\$0	\$0
Accumulated Depreciation	\$2,400	\$5,040	\$7,944
Total Long-term Assets	(\$2,400)	(\$5,040)	(\$7,944)
Total Assets	\$301,443	\$445,939	\$662,034
Liabilities and Capital			
	1995	1996	1997
Accounts Payable	\$142,300	\$169,950	\$220,496
Current Borrowing	\$21,668	\$8,336	\$0
Other Short-term Liabilities	\$0	\$0	\$0
Subtotal Short-term Liabilities	\$163,968	\$178,286	\$220,496
Long-term Liabilities	\$0	\$0	\$0
Total Liabilities	\$163,968	\$178,286	\$220,496
Paid-in Capital	\$35,000	\$35,000	\$35,000
Retained Earnings	(\$3,100)	\$102,474	\$232,653
Earnings	\$105,574	\$130,179	\$173,886
Total Capital	\$137,474	\$267,653	\$441,538
Total Liabilities and Capital	\$301,443	\$445,939	\$662,034
Net Worth	\$137,474	\$267,653	\$441,538

7.7 Business Ratios

The ratios illustrated in the table indicate strong, consistent growth. Business ratios for the years of this plan are shown below. Industry profile ratios based on the Standard Industrial Classification (SIC) code 5193, Flowers and Florist's Supplies, are shown for comparison.

Fantastic Florals, Inc.

Table: Ratios (Planned)

Ratio Analysis	1995	1996	1997	Industry Profile
Sales Growth	0.00%	32.71%	30.59%	-8.50%
Percent of Total Assets				
Accounts Receivable	28.46%	25.54%	22.46%	6.70%
Inventory	44.18%	39.87%	35.07%	10.40%
Other Short-term Assets	0.00%	0.00%	0.00%	26.40%
Total Short-term Assets	100.80%	101.13%	101.20%	43.50%
Long-term Assets	-0.80%	-1.13%	-1.20%	56.50%
Total Assets	100.00%	100.00%	100.00%	100.00%
Other Short-term Liabilities	0.00%	0.00%	0.00%	19.50%
Subtotal Short-term Liabilities	54.39%	39.98%	33.31%	12.90%
Long-term Liabilities	0.00%	0.00%	0.00%	21.40%
Total Liabilities	54.39%	39.98%	33.31%	34.30%
Net Worth	45.61%	60.02%	66.69%	65.70%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	30.29%	30.51%	30.97%	50.80%
Selling, General & Administrative Expenses	21.06%	21.93%	22.19%	34.40%
Advertising Expenses	1.05%	0.89%	0.76%	0.20%
Profit Before Interest and Taxes	16.03%	14.45%	14.66%	1.50%
Main Ratios				
Current	1.85	2.53	3.04	2.09
Quick	1.04	1.53	1.99	1.03
Total Debt to Total Assets	54.39%	39.98%	33.31%	40.90%
Pre-tax Return on Net Worth	138.60%	82.74%	65.92%	1.10%
Pre-tax Return on Assets	63.21%	49.66%	43.96%	1.90%
Business Vitality Profile				
Sales per Employee	\$0	\$0	\$0	\$0
Survival Rate				0.00%
Additional Ratios				
Net Profit Margin	9.24%	8.58%	8.78%	n.a
Return on Equity	76.80%	48.64%	39.38%	n.a
Activity Ratios				
Accounts Receivable Turnover	6.66	6.66	6.66	n.a
Collection Days	27	48	48	n.a
Inventory Turnover	11.36	6.50	6.43	n.a
Accounts Payable Turnover	6.91	6.91	6.91	n.a
Total Asset Turnover	3.79	3.40	2.99	n.a
Debt Ratios				
Debt to Net Worth	1.19	0.67	0.50	n.a
Short-term Liab. to Liab.	1.00	1.00	1.00	n.a
Liquidity Ratios				
Net Working Capital	\$139,874	\$272,693	\$449,482	n.a
Interest Coverage	25.13	97.42	464.55	n.a
Additional Ratios				
Assets to Sales	0.26	0.29	0.33	n.a
Current Debt/Total Assets	54%	40%	33%	n.a
Acid Test	0.52	0.89	1.31	n.a
Sales/Net Worth	8.31	5.67	4.49	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
Unit Sales												
Tulips and Roses	2,000	3,000	2,500	1,500	3,000	2,500	3,000	2,200	1,600	1,700	1,800	3,500
Arranged Flowers 1	350	500	500	400	350	500	350	500	350	300	300	600
Arranged Flowers 2	350	500	500	400	350	500	350	500	350	300	300	600
Silk Scarf	600	1,000	600	600	1,000	1,000	1,100	1,200	800	800	800	1,300
Other hair accessories	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other/Seasonal bouquet	500	800	700	500	800	850	600	850	500	500	600	1,000
Catalog sales	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0
Total Unit Sales	4,800	6,800	5,800	4,400	6,500	6,350	6,400	6,250	4,600	4,600	4,800	8,000
Unit Prices												
Tulips and Roses	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25
Arranged Flowers 1	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99	\$18.99
Arranged Flowers 2	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99	\$39.99
Silk Scarf	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99	\$15.99
Other hair accessories	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99	\$9.99
Other/Seasonal bouquet	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99	\$59.99
Catalog sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sales												
Tulips and Roses	\$4,500	\$6,750	\$5,625	\$3,375	\$6,750	\$5,625	\$6,750	\$4,950	\$3,600	\$3,825	\$4,050	\$7,875
Arranged Flowers 1	\$6,647	\$9,495	\$9,495	\$7,596	\$6,647	\$9,495	\$6,647	\$9,495	\$6,647	\$5,697	\$5,697	\$11,394
Arranged Flowers 2	\$13,997	\$19,995	\$19,995	\$15,996	\$13,997	\$19,995	\$13,997	\$19,995	\$13,997	\$11,997	\$11,997	\$23,994
Silk Scarf	\$9,594	\$15,990	\$9,594	\$9,594	\$15,990	\$15,990	\$17,589	\$19,188	\$12,792	\$12,792	\$12,792	\$20,787
Other hair accessories	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990	\$9,990
Other/Seasonal bouquet	\$29,995	\$47,992	\$41,993	\$29,995	\$47,992	\$50,992	\$35,994	\$50,992	\$29,995	\$29,995	\$35,994	\$59,990
Catalog sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sales	\$74,722	\$110,212	\$96,692	\$76,546	\$101,365	\$112,087	\$90,966	\$114,610	\$77,020	\$74,296	\$80,520	\$134,030
Direct Unit Costs												
Tulips and Roses	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Arranged Flowers 1	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99	\$11.99
Arranged Flowers 2	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99	\$27.99
Silk Scarf	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50
Other hair accessories	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
Other/Seasonal bouquet	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00
Catalog sales	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Direct Cost of Sales												
Tulips and Roses	\$3,000	\$4,500	\$3,750	\$2,250	\$4,500	\$3,750	\$4,500	\$3,300	\$2,400	\$2,550	\$2,700	\$5,250
Arranged Flowers 1	\$4,197	\$5,995	\$5,995	\$4,796	\$4,197	\$5,995	\$4,197	\$5,995	\$4,197	\$3,597	\$3,597	\$7,194
Arranged Flowers 2	\$9,797	\$13,995	\$13,995	\$11,196	\$9,797	\$13,995	\$9,797	\$13,995	\$9,797	\$8,397	\$8,397	\$16,794
Silk Scarf	\$5,100	\$8,500	\$5,100	\$5,100	\$8,500	\$8,500	\$9,350	\$10,200	\$6,800	\$6,800	\$6,800	\$11,050
Other hair accessories	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500
Other/Seasonal bouquet	\$21,000	\$33,600	\$29,400	\$21,000	\$33,600	\$35,700	\$25,200	\$35,700	\$21,000	\$21,000	\$25,200	\$42,000
Catalog sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Direct Cost of Sales	\$49,593	\$73,090	\$64,740	\$50,842	\$67,093	\$74,440	\$59,543	\$75,690	\$50,693	\$48,844	\$53,194	\$88,788

Appendix

Appendix Table: Personnel (Planned)

Personnel Plan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Production	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Sales and Marketing	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Administration	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Payroll	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Total Headcount	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Burden	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648
Total Payroll Expenditures	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248

Appendix

Appendix Table: General Assumptions

General Assumptions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Short-term Interest Rate %	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Long-term Interest Rate %	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Tax Rate %	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%
Expenses in Cash %	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Sales on Credit %	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Personnel Burden %	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%

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	\$74,722	\$110,212	\$96,692	\$76,546	\$101,365	\$112,087	\$90,966	\$114,610	\$77,020	\$74,296	\$80,520	\$134,030
Direct Cost of Sales	\$49,593	\$73,090	\$64,740	\$50,842	\$67,093	\$74,440	\$59,543	\$75,690	\$50,693	\$48,844	\$53,194	\$68,788
Shipping etc.	\$3,000	\$3,060	\$3,121	\$3,184	\$3,247	\$3,312	\$3,378	\$3,446	\$3,515	\$3,585	\$3,657	\$3,730
Total Cost of Sales	\$52,593	\$76,150	\$67,861	\$54,026	\$70,340	\$77,752	\$62,921	\$79,136	\$54,208	\$52,429	\$56,851	\$92,518
Gross Margin	\$22,129	\$34,062	\$28,831	\$22,520	\$31,025	\$34,335	\$28,045	\$35,474	\$22,812	\$21,867	\$23,669	\$41,512
Gross Margin %	29.62%	30.91%	29.82%	29.42%	30.61%	30.63%	30.83%	30.95%	29.62%	29.43%	29.40%	30.97%
Operating Expenses:												
Advertising/Promotion	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Miscellaneous	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Sales/Marketing Salaries	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Commissions	\$2,655	\$4,088	\$3,460	\$2,557	\$3,579	\$3,976	\$3,020	\$4,115	\$2,590	\$2,480	\$2,695	\$4,840
Payroll Expense	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600
Payroll Burden	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648	\$648
Depreciation	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Leased Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Insurance	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Rent	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$12,903	\$14,336	\$13,708	\$12,805	\$13,827	\$14,224	\$13,268	\$14,363	\$12,838	\$12,728	\$12,943	\$15,088
Profit Before Interest and Taxes	\$9,226	\$19,726	\$15,123	\$9,715	\$17,198	\$20,111	\$14,777	\$21,111	\$9,974	\$9,139	\$10,726	\$26,424
Interest Expense Short-term	\$424	\$1,035	\$1,021	\$1,007	\$993	\$979	\$340	\$326	\$313	\$299	\$285	\$271
Interest Expense Long-term	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$3,521	\$7,477	\$5,641	\$3,483	\$6,482	\$7,653	\$5,775	\$8,314	\$3,865	\$3,536	\$4,177	\$10,461
Extraordinary Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	\$5,281	\$11,215	\$8,461	\$5,225	\$9,723	\$11,479	\$8,662	\$12,470	\$5,797	\$5,304	\$6,265	\$15,692
Net Profit/Sales	7.07%	10.18%	8.75%	6.83%	9.59%	10.24%	9.52%	10.88%	7.53%	7.14%	7.78%	11.71%

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	\$37,361	\$55,106	\$48,346	\$38,273	\$50,683	\$56,043	\$45,483	\$57,305	\$38,510	\$37,148	\$40,260	\$67,015
From Receivables	\$0	\$19,926	\$46,825	\$51,501	\$42,974	\$44,891	\$53,542	\$50,411	\$51,788	\$47,281	\$37,784	\$38,808
Subtotal Cash from Operations	\$37,361	\$75,032	\$95,171	\$89,774	\$93,656	\$100,935	\$99,025	\$107,716	\$90,298	\$84,429	\$78,044	\$105,823
Additional Cash Received												
Extraordinary Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$48,889	\$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	\$37,361	\$123,921	\$95,171	\$89,774	\$93,656	\$100,935	\$99,025	\$107,716	\$90,298	\$84,429	\$78,044	\$105,823
Expenditures												
Expenditures from Operations:												
Cash Spent on Costs and Expenses	\$16,726	\$15,575	\$8,551	\$5,523	\$13,388	\$12,862	\$6,661	\$14,629	\$3,514	\$7,412	\$9,160	\$20,074
Wages, Salaries, Payroll Taxes, etc.	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248	\$4,248
Payment of Accounts Payable	\$7,189	\$122,375	\$112,502	\$61,967	\$42,426	\$98,053	\$92,803	\$50,797	\$104,565	\$26,719	\$54,785	\$69,840
Subtotal Spent on Operations	\$28,162	\$142,198	\$125,301	\$71,738	\$60,062	\$115,163	\$103,712	\$69,674	\$112,327	\$38,380	\$68,193	\$94,162
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	\$1,111	\$0	\$1,111	\$1,111	\$1,111	\$1,111	\$51,111	\$1,111	\$1,111	\$1,111	\$1,111	\$1,111
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	\$29,273	\$142,198	\$126,412	\$72,849	\$61,173	\$116,274	\$154,823	\$70,785	\$113,438	\$39,491	\$69,304	\$95,273
Net Cash Flow	\$8,088	(\$18,277)	(\$31,241)	\$16,925	\$32,483	(\$15,339)	(\$55,799)	\$36,931	(\$23,140)	\$44,938	\$8,740	\$10,550
Cash Balance	\$78,088	\$59,810	\$28,569	\$45,494	\$77,977	\$62,638	\$6,839	\$43,770	\$20,630	\$65,568	\$74,308	\$84,858

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	\$70,000	\$78,088	\$59,810	\$28,569	\$45,494	\$77,977	\$62,638	\$6,839	\$43,770	\$20,630	\$65,568	\$74,308	\$84,858
Accounts Receivable	\$0	\$37,361	\$72,541	\$74,062	\$60,834	\$68,543	\$79,695	\$71,637	\$78,530	\$65,252	\$55,119	\$57,596	\$85,803
Inventory	\$0	\$74,390	\$109,635	\$97,110	\$76,263	\$100,640	\$111,660	\$89,315	\$113,535	\$76,040	\$73,266	\$79,791	\$133,182
Other Short-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Short-term Assets	\$70,000	\$189,838	\$241,986	\$199,741	\$182,591	\$247,160	\$253,993	\$167,790	\$235,835	\$161,922	\$193,954	\$211,695	\$303,843
Long-term Assets													
Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$200	\$400	\$600	\$800	\$1,000	\$1,200	\$1,400	\$1,600	\$1,800	\$2,000	\$2,200	\$2,400
Total Long-term Assets	\$0	(\$200)	(\$400)	(\$600)	(\$800)	(\$1,000)	(\$1,200)	(\$1,400)	(\$1,600)	(\$1,800)	(\$2,000)	(\$2,200)	(\$2,400)
Total Assets	\$70,000	\$189,638	\$241,586	\$199,141	\$181,791	\$246,160	\$252,793	\$166,390	\$234,235	\$160,122	\$191,954	\$209,495	\$301,443
Liabilities and Capital													
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Accounts Payable	\$3,100	\$118,568	\$110,412	\$60,617	\$39,153	\$94,909	\$91,175	\$47,221	\$103,706	\$24,907	\$52,546	\$64,933	\$142,300
Current Borrowing	\$35,000	\$33,889	\$82,778	\$81,667	\$80,556	\$79,445	\$78,334	\$27,223	\$26,112	\$25,001	\$23,890	\$22,779	\$21,668
Other Short-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Short-term Liabilities	\$38,100	\$152,457	\$193,190	\$142,284	\$119,709	\$174,354	\$169,509	\$74,444	\$129,818	\$49,908	\$76,436	\$87,712	\$163,968
Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$38,100	\$152,457	\$193,190	\$142,284	\$119,709	\$174,354	\$169,509	\$74,444	\$129,818	\$49,908	\$76,436	\$87,712	\$163,968
Paid-in Capital	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Retained Earnings	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)	(\$3,100)
Earnings	\$0	\$5,281	\$16,496	\$24,957	\$30,182	\$39,905	\$51,384	\$60,046	\$72,517	\$78,313	\$83,618	\$89,882	\$105,574
Total Capital	\$31,900	\$37,181	\$48,396	\$56,857	\$62,082	\$71,805	\$83,284	\$91,946	\$104,417	\$110,213	\$115,518	\$121,782	\$137,474
Total Liabilities and Capital	\$70,000	\$189,638	\$241,586	\$199,141	\$181,791	\$246,160	\$252,793	\$166,390	\$234,235	\$160,122	\$191,954	\$209,495	\$301,443
Net Worth	\$31,900	\$37,181	\$48,396	\$56,857	\$62,082	\$71,805	\$83,284	\$91,946	\$104,417	\$110,213	\$115,518	\$121,782	\$137,474