

Start-up Expenses	
Legal	\$153,200
Consultants	\$0
Insurance	\$23,200
Rent	\$31,300
Research and Development	\$10,000
Expensed Equipment	\$53,200
Signs	\$3,400
TOTAL START-UP EXPENSES	\$274,300
Start-up Assets	\$232,400
Cash Required	\$181,000
Start-up Inventory	\$35,100
Other Current Assets	\$251,000
Long-term Assets	\$232,300
TOTAL ASSETS	\$931,800
Total Requirements	\$1,206,100
START-UP FUNDING	
Start-up Expenses to Fund	\$274,300
Start-up Assets to Fund	\$931,800
TOTAL FUNDING REQUIRED	\$1,206,100
Assets	
Non-cash Assets from Start-up	\$1,199,300
Cash Requirements from Start-up	\$132,300
Additional Cash Raised	\$50,000
Cash Balance on Starting Date	\$31,300
TOTAL ASSETS	\$1,412,900
Liabilities and Capital	
Liabilities	\$18,200
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$63,200
Other Current Liabilities (interest-free)	\$0
TOTAL LIABILITIES	\$81,400
Capital	
Planned Investment	\$1,206,100
Investor 1	\$0

Investor 2	\$0
Other	\$0
Additional Investment Requirement	\$0
TOTAL PLANNED INVESTMENT	\$1,206,100
Loss at Start-up (Start-up Expenses)	\$125,400
TOTAL CAPITAL	\$1,331,500
TOTAL CAPITAL AND LIABILITIES	\$1,412,900
Total Funding	\$1,206,100

Market Analysis						
Potential Customers	Growth	Year 1	Year 2	Year 3	Year 4	Year 5
Retailers	34%	43,220	51,864	62,237	74,684	89,621
Hotels & Restaurants	26%	23,100	27,720	33,264	39,917	47,900
Bakeries	22%	21,130	25,356	30,427	36,513	43,815
Food & Agri Industries	18%	18,310	21,972	26,366	31,640	37,968
Total	100%	105,760	126,912	152,294	182,753	219,304

Sales Forecast			
Unit Sales	Year 1	Year 2	Year 3
Eggs (Cartons)	18,500	19,610	20,787
Chicken Meat (Packs)	22,500	23,850	25,281
Litter & Fertilizer (Packs)	12,500	13,250	14,045
Turkey Meat (Packs)	10,500	11,130	11,798
TOTAL UNIT SALES	64,000	67,840	71,910
Unit Prices	Year 1	Year 2	Year 3
Eggs (Cartons)	\$52.50	\$60.90	\$70.64
Chicken Meat (Packs)	\$35.00	\$40.60	\$47.10
Litter & Fertilizer (Packs)	\$65.00	\$75.40	\$87.46
Turkey Meat (Packs)	\$75.00	\$87.00	\$100.92
Sales			

Eggs (Cartons)	\$971,250.00	\$1,194,249.00	\$1,468,448.57
Chicken Meat (Packs)	\$787,500.00	\$968,310.00	\$1,190,633.98
Litter & Fertilizer (Packs)	\$812,500.00	\$999,050.00	\$1,228,431.88
Turkey Meat (Packs)	\$787,500.00	\$968,310.00	\$1,190,633.98
TOTAL SALES	\$3,358,750.00	\$4,129,919.00	\$5,078,148.40
Direct Unit Costs	Year 1	Year 2	Year 3
Eggs (Cartons)	\$15.00	\$16.50	\$17.33
Chicken Meat (Packs)	\$12.00	\$13.20	\$13.86
Litter & Fertilizer (Packs)	\$15.00	\$16.50	\$17.33
Turkey Meat (Packs)	\$15.00	\$16.50	\$17.33
Direct Cost of Sales			
Eggs (Cartons)	\$277,500.00	\$323,565.00	\$360,127.85
Chicken Meat (Packs)	\$270,000.00	\$314,820.00	\$350,394.66
Litter & Fertilizer (Packs)	\$187,500.00	\$218,625.00	\$243,329.63
Turkey Meat (Packs)	\$157,500.00	\$183,645.00	\$204,396.89
Subtotal Direct Cost of Sales	\$892,500.00	\$1,040,655.00	\$1,158,249.02

7.2 Average Salary of Employees

Personnel Plan			
	Year 1	Year 2	Year 3
Manager	\$32,500	\$35,750	\$39,325
Sales Executives	\$55,000	\$60,500	\$66,550
Farm Workers	\$245,000	\$269,500	\$296,450
Accountant	\$22,450	\$24,695	\$27,165
Veterinary Doctor	\$26,450	\$29,095	\$32,005
Farmer	\$22,450	\$24,695	\$27,165
Delivery Drivers	\$42,500	\$46,750	\$51,425
Total Salaries	\$446,350	\$490,985	\$540,084

8.1 Important Assumptions

General Assumptions			
	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	8.12%	8.20%	8.26%
Long-term Interest Rate	8.40%	8.44%	8.47%
Tax Rate	24.03%	24.21%	24.60%
Other	0	0	0

Break-Even Analysis	
Monthly Units Break-even	5340
Monthly Revenue Break-even	\$132,500
Assumptions:	
Average Per-Unit Revenue	\$231.00
Average Per-Unit Variable Cost	\$0.62
Estimated Monthly Fixed Cost	\$163,800

8.3 Projected Profit and Loss

Pro Forma Profit And Loss			
	Year 1	Year 2	Year 3
Sales	\$3,358,750	\$4,129,919	\$5,078,148
Direct Cost of Sales	\$892,500	\$1,040,655	\$1,158,249
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$892,500	\$1,040,655	\$1,158,249
Gross Margin	\$2,466,250	\$3,089,264	\$3,919,899
Gross Margin %	73.43%	74.80%	77.19%
Expenses			
Payroll	\$446,350	\$490,985	\$540,084
Sales and Marketing and Other Expenses	\$145,000	\$148,000	\$156,000
Depreciation	\$2,300	\$2,350	\$2,500
Leased Equipment	\$0	\$0	\$0
Utilities	\$2,900	\$3,000	\$3,100
Insurance	\$2,100	\$2,100	\$2,100
Rent	\$2,900	\$3,000	\$3,200
Payroll Taxes	\$24,000	\$25,000	\$27,000
Other	\$0	\$0	\$0
Total Operating Expenses	\$625,550	\$674,435	\$733,984
Profit Before Interest and Taxes	\$1,840,700	\$2,414,829	\$3,185,916

EBITDA	\$1,840,700	\$2,414,829	\$3,185,916
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$368,140	\$482,966	\$637,183
Net Profit	\$1,472,560	\$1,931,863	\$2,548,733
Net Profit/Sales	43.84%	46.78%	50.19%

Pro Forma Cash Flow			
Cash Received	Year 1	Year 2	Year 3
Cash from Operations			
Cash Sales	\$51,000	\$55,080	\$59,486
Cash from Receivables	\$22,000	\$23,760	\$25,661
SUBTOTAL CASH FROM OPERATIONS	\$73,000	\$79,570	\$85,936
Additional Cash Received			
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 Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
SUBTOTAL CASH RECEIVED	\$74,000	\$79,000	\$85,000
Expenditures	Year 1	Year 2	Year 3
Expenditures from Operations			
Cash Spending	\$42,000	\$42,000	\$45,000
Bill Payments	\$27,000	\$28,000	\$31,000
SUBTOTAL SPENT ON OPERATIONS	\$69,000	\$70,000	\$76,000
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	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0

Dividends	\$0	\$0	\$0
SUBTOTAL CASH SPENT	\$69,000	\$74,520	\$80,482
Net Cash Flow	\$21,000	\$23,000	\$25,000
Cash Balance	\$27,000	\$30,000	\$33,000

8.5 Projected Balance Sheet

Pro Forma Balance Sheet			
Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$275,000	\$308,000	\$338,800
Accounts Receivable	\$24,000	\$26,880	\$30,213
Inventory	\$4,300	\$4,816	\$4,900
Other Current Assets	\$1,000	\$1,000	\$1,000
TOTAL CURRENT ASSETS	\$282,000	\$315,840	\$355,004
Long-term Assets			
Long-term Assets	\$10,000	\$10,000	\$10,000
Accumulated Depreciation	\$19,400	\$21,728	\$24,444
TOTAL LONG-TERM ASSETS	\$24,400	\$27,328	\$30,744
TOTAL ASSETS	\$294,000	\$329,280	\$370,440
Liabilities and Capital	Year 4	Year 5	Year 6
Current Liabilities			
Accounts Payable	\$18,700	\$20,944	\$23,541
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$19,000	\$21,280	\$23,919
Long-term Liabilities	\$0	\$0	\$0
TOTAL LIABILITIES	\$15,000	\$16,800	\$18,883
Paid-in Capital	\$30,000	\$30,000	\$31,000
Retained Earnings	\$53,000	\$57,770	\$63,547
Earnings	\$193,400	\$210,806	\$231,887
TOTAL CAPITAL	\$285,000	\$310,650	\$341,715
TOTAL LIABILITIES AND CAPITAL	\$300,000	\$329,280	\$370,440
Net Worth	\$293,400	\$319,806	\$351,787

8.6 Business Ratios

Ratio Analysis

	Year 1	Year 2	Year 3	INDUSTRY PROFILE
Sales Growth	7.25%	8.03%	8.90%	3.00%
Percent of Total Assets				
Accounts Receivable	9.21%	10.20%	11.31%	9.80%
Inventory	5.39%	5.97%	6.62%	9.90%
Other Current Assets	2.11%	2.34%	2.59%	2.40%
Total Current Assets	149.80%	151.00%	152.00%	158.00%
Long-term Assets	11.55%	11.60%	11.64%	12.00%
TOTAL ASSETS	100.00%	100.00%	100.00%	100.00%
Current Liabilities	4.90%	4.94%	4.98%	4.34%
Long-term Liabilities	0.00%	0.00%	0.00%	0.00%
Total Liabilities	7.59%	7.65%	7.72%	7.38%
NET WORTH	100.45%	101.25%	102.19%	110.00%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	94.60%	97.15%	99.87%	99.00%
Selling, General & Administrative Expenses	93.56%	96.09%	98.78%	97.80%
Advertising Expenses	1.52%	1.56%	1.60%	1.40%
Profit Before Interest and Taxes	41.50%	42.62%	43.81%	33.90%
Main Ratios				
Current	34	35	36	32
Quick	33	33.8	34.645	33
Total Debt to Total Assets	0.18%	0.18%	0.17%	0.40%
Pre-tax Return on Net Worth	74.08%	74.89%	75.00%	75.00%
Pre-tax Return on Assets	96.30%	101.12%	106.17%	111.30%
Additional Ratios	Year 1	Year 2	Year 3	
Net Profit Margin	33.56%	34.60%	35.67%	N.A.
Return on Equity	55.80%	57.53%	59.31%	N.A.
Activity Ratios				
Accounts Receivable Turnover	7.7	7.8	7.8	N.A.
Collection Days	100	100	100	N.A.
Inventory Turnover	32.4	34.02	35	N.A.
Accounts Payable Turnover	15.6	16	16.3	N.A.
Payment Days	27	27	27	N.A.
Total Asset Turnover	2.5	2.5	2.6	N.A.
Debt Ratios				
Debt to Net Worth	-0.04	-0.03	-0.04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
Liquidity Ratios				

Net Working Capital	\$244,000	\$257,664	\$272,093	N.A.
Interest Coverage	0	0	0	N.A.
Additional Ratios				
Assets to Sales	0.85	0.87	0.89	N.A.
Current Debt/Total Assets	1%	0%	0%	N.A.
Acid Test	29	29.12	29.16	N.A.
Sales/Net Worth	2.1	2.2	2.2	N.A.
Dividend Payout	0	0	0	N.A.