

Financial Projections

Income Statement

Pro Forma Profit And Loss			
	Year 1	Year 2	Year 3
Sales	\$38,601,765	\$47,464,730	\$58,362,632
Direct Cost of Sales	\$37,994,884	\$44,302,035	\$49,308,165
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$37,994,884	\$44,302,035	\$49,308,165
Gross Margin	\$606,881	\$3,162,695	\$9,054,468
Gross Margin %	1.57%	6.66%	15.51%
Expenses			
Payroll	\$259,000	\$284,900	\$313,390
Sales and Marketing and Other Expenses	\$133,000	\$136,000	\$138,000
Depreciation	\$2,100	\$2,200	\$2,400
Leased Equipment	\$0	\$0	\$0
Utilities	\$2,850	\$2,900	\$3,000
Insurance	\$2,150	\$2,100	\$2,100
Rent	\$3,500	\$3,500	\$3,600
Payroll Taxes	\$22,000	\$23,000	\$24,000
Other	\$0	\$0	\$0
Total Operating Expenses	\$424,600	\$454,600	\$486,490
Profit Before Interest and Taxes	\$182,281	\$2,708,095	\$8,567,978
EBITDA	\$182,281	\$2,708,095	\$8,567,978
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$36,456	\$541,619	\$1,713,596
Net Profit	\$145,825	\$2,166,476	\$6,854,382
Net Profit/Sales	0.38%	4.56%	11.74%

Balance Sheet

Pro Forma Balance Sheet			
Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$311,642	\$349,039	\$383,943
Accounts Receivable	\$13,877	\$15,542	\$17,469
Inventory	\$6,811	\$7,628	\$4,900
Other Current Assets	\$2,327	\$2,707	\$2,707
TOTAL CURRENT ASSETS	\$334,657	\$374,917	\$409,019
Long-term Assets			
Long-term Assets	\$9,755	\$9,755	\$9,755
Accumulated Depreciation	\$18,822	\$21,081	\$23,716
TOTAL LONG-TERM ASSETS	\$28,600	\$32,032	\$36,036
TOTAL ASSETS	\$363,257	\$406,949	\$445,055
Liabilities and Capital	Year 4	Year 5	Year 6
Current Liabilities			
Accounts Payable	\$14,800	\$16,576	\$18,631
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$19,800	\$22,176	\$24,926
Long-term Liabilities	\$0	\$0	\$0
TOTAL LIABILITIES	\$26,700	\$29,904	\$33,612
Paid-in Capital	\$13,137	\$33,578	\$31,982
Retained Earnings	\$40,120	\$43,731	\$48,104
Earnings	\$212,000	\$231,080	\$254,188
TOTAL CAPITAL	\$326,557	\$377,045	\$411,443
TOTAL LIABILITIES AND CAPITAL	\$353,257	\$406,949	\$445,055
Net Worth	\$248,760	\$271,148	\$298,263

Cash Flow Statement

Pro Forma Cash Flow			
	Year 1	Year 2	Year 3
Cash Received			
Cash from Operations			
Cash Sales	\$35,500	\$38,340	\$41,407
Cash from Receivables	\$27,050	\$29,214	\$31,551
SUBTOTAL CASH FROM OPERATIONS	\$62,550	\$68,180	\$73,634
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	\$85,000	\$87,050	\$93,050
Expenditures	Year 1	Year 2	Year 3
Expenditures from Operations			
Cash Spending	\$37,000	\$38,000	\$40,000
Bill Payments	\$24,050	\$27,050	\$28,050
SUBTOTAL SPENT ON OPERATIONS	\$61,050	\$65,050	\$68,050
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	\$62,000	\$66,960	\$72,317
Net Cash Flow	\$21,000	\$24,000	\$25,000
Cash Balance	\$27,000	\$30,000	\$32,000

