

Start-up Expenses	
Legal	\$3,000
Consultants	\$1,500
Insurance	\$15,000
Rent	\$12,000
Research and Development	\$10,000
Expensed Equipment	\$8,000
Signs	\$3,000
TOTAL START-UP EXPENSES	\$52,500
Start-up Assets	\$0
Cash Required	\$90,000
Start-up Inventory	\$35,000
Other Current Assets	\$15,000
Long-term Assets	\$7,000
TOTAL ASSETS	\$18,000
Total Laundry Business Requirements	\$20,000
START-UP FUNDING	\$0
START-UP FUNDING	\$70,000
Start-up Expenses to Fund	\$30,000
Start-up Assets to Fund	\$20,000
TOTAL FUNDING REQUIRED	\$0
Assets	\$18,000
Non-cash Assets from Start-up	\$12,000
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$42,000
Cash Balance on Starting Date	\$18,000
TOTAL ASSETS	\$0
Liabilities and Capital	\$0
Liabilities	\$0
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
TOTAL LIABILITIES	\$0
Capital	\$0
Planned Investment	\$0
Investor 1	\$15,000
Investor 2	\$18,000
Other	\$0
Additional Investment Requirement	\$0
TOTAL PLANNED INVESTMENT	\$95,000
Loss at Start-up (Start-up Expenses)	\$42,000

TOTAL CAPITAL	\$45,000
TOTAL CAPITAL AND LIABILITIES	\$30,000
Total Funding	\$120,000

Market Analysis							
Potential Customers	Growth	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	CAGR
Corporate Executives	25%	23,000	26,000	29,000	32,000	35,000	10.00%
Middle Class Households	22%	20,000	23,000	26,000	29,000	32,000	12.00%
Business Owners	20%	17,000	20,000	23,000	26,000	29,000	9.00%
Visitors	18%	14,000	17,000	20,000	23,000	26,000	11.00%
Sport Clubs	15%	11,000	14,000	17,000	20,000	23,000	12.00%
Total	100%	80,000	95,000	110,000	125,000	140,000	15.00%

Sales Forecast			
Unit Sales	Year 1	Year 2	Year 3
Self-service washing services	250,000	270,000	290,000
Dry cleaning services	230,000	250,000	270,000
Ironing and folding of clothes	200,000	220,000	240,000
Snack and coffee bar	180,000	200,000	220,000
TOTAL UNIT SALES	0	0	0
Unit Prices	Year 1	Year 2	Year 3
Self-service washing services	\$200.00	\$220.00	\$240.00
Dry cleaning services	\$150.00	\$170.00	\$190.00
Ironing and folding of clothes	\$130.00	\$150.00	\$170.00
Snack and coffee bar	\$100.00	\$120.00	\$140.00
Sales			
Self-service washing services	\$240,000	\$260,000	\$280,000
Dry cleaning services	\$200,000	\$220,000	\$240,000
Ironing and folding of clothes	\$150,000	\$170,000	\$190,000
Snack and coffee bar	\$100,000	\$120,000	\$140,000
TOTAL SALES			
Direct Unit Costs	Year 1	Year 2	Year 3
Self-service washing services	\$2.00	\$3.00	\$4.00
Dry cleaning services	\$1.80	\$2.80	\$3.80
Ironing and folding of clothes	\$1.20	\$2.20	\$3.20
Snack and coffee bar	\$1.00	\$2.00	\$3.00
Direct Cost of Sales			

Books	\$140,000	\$160,000	\$180,000
Self-service washing services	\$45,000	\$60,000	\$75,000
Dry cleaning services	\$20,000	\$30,000	\$40,000
Ironing and folding of clothes	\$42,000	\$55,000	\$68,000
Snack and coffee bar	\$247,000	\$305,000	\$363,000

7.2 Average Salaries

Personnel Plan			
	Year 1	Year 2	Year 3
Manager	\$50,000	\$70,000	\$90,000
Cashier	\$25,000	\$27,000	\$30,000
2 Laundromat Assitants	\$50,000	\$55,000	\$60,000
1 Sales and Marketing Executive	\$32,000	\$34,000	\$36,000
1 Snack bar Attendant	\$25,000	\$28,000	\$31,000
1 Security Guard	\$25,000	\$28,000	\$31,000
2 Cleaners	\$45,000	\$48,000	\$51,000
Assitant Manager	\$40,000	\$44,000	\$48,000
Total Salaries	\$292,000	\$334,000	\$377,000

8.1 Important Assumptions

General Assumptions			
	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10.00%	12.00%	14.00%
Long-term Interest Rate	6.00%	6.00%	6.00%
Tax Rate	12.00%	14.00%	16.00%
Other	0	0	0

8.2 Brake-even Analysis

Brake-Even Analysis	
Monthly Units Break-even	10,000
Monthly Revenue Break-even	\$250,000
Assumptions:	
Average Per-Unit Revenue	\$200.00
Average Per-Unit Variable Cost	\$3.00
Estimated Monthly Fixed Cost	\$300,000

8.3 Projected Profit and Loss

Pro Forma Profit And Loss			
	Year 1	Year 2	Year 3
Sales	\$400,000	\$450,000	\$500,000
Direct Cost of Sales	\$50,000	\$60,000	\$70,000
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$50,000	\$60,000	\$70,000
Gross Margin	\$300,000	\$350,000	\$400,000
Gross Margin %	75.00%	80.00%	85.00%
Expenses			
Payroll	\$300,000	\$320,000	\$340,000
Sales and Marketing and Other Expenses	\$6,000	\$8,000	\$10,000
Depreciation	\$1,000	\$2,000	\$3,000
Leased Equipment	\$0	\$0	\$0
Utilities	\$4,000	\$4,000	\$4,000
Insurance	\$2,000	\$3,000	\$4,000
Rent	\$15,000	\$15,000	\$15,000
Payroll Taxes	\$25,000	\$30,000	\$35,000
Other	\$0	\$0	\$0
Total Operating Expenses	\$230,000	\$260,000	\$290,000
Profit Before Interest and Taxes	\$40,000	\$50,000	\$60,000
EBITDA	\$12,000	\$14,000	\$16,000
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$22,000	\$26,000	\$30,000
Net Profit	\$120,000	\$130,000	\$140,000
Net Profit/Sales	25.00%	35.00%	45.00%

Pro Forma Cash Flow			
	Year 1	Year 2	Year 3
Cash Received			
Cash from Operations			
Cash Sales	\$60,000	\$75,000	\$90,000
Cash from Receivables	\$10,000	\$14,000	\$18,000
SUBTOTAL CASH FROM OPERATIONS	\$70,000	\$89,000	\$108,000
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	\$60,000	\$70,000	\$80,000
Expenditures	Year 1	Year 2	Year 3
Expenditures from Operations			
Cash Spending	\$22,000	\$25,000	\$28,000
Bill Payments	\$12,000	\$16,000	\$20,000
SUBTOTAL SPENT ON OPERATIONS	\$34,000	\$41,000	\$48,000
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	\$34,000	\$41,000	\$48,000
Net Cash Flow	\$15,000	\$18,000	\$21,000
Cash Balance	\$20,000	\$25,000	\$30,000

8.5 Projected Balance Sheet

Pro Forma Balance Sheet			
Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$280,000	\$320,000	\$360,000
Accounts Receivable	\$20,000	\$22,000	\$25,000
Inventory	\$4,000	\$5,500	\$6,500
Other Current Assets	\$5,000	\$3,000	\$3,000
TOTAL CURRENT ASSETS	\$309,000	\$350,000	\$394,500
Long-term Assets			
Long-term Assets	\$15,000	\$20,000	\$25,000
Accumulated Depreciation	\$15,000	\$20,000	\$23,000
TOTAL LONG-TERM ASSETS	\$3,000	\$2,000	\$1,000
TOTAL ASSETS	\$300,000	\$350,000	\$400,000
Liabilities and Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	\$18,000	\$23,000	\$28,000
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$12,000	\$16,000	\$20,000
Long-term Liabilities	\$0	\$0	\$0

TOTAL LIABILITIES	\$12,000	\$16,000	\$20,000
Paid-in Capital	\$20,000	\$20,000	\$20,000
Retained Earnings	\$20,000	\$30,000	\$50,000
Earnings	\$80,000	\$100,000	\$120,000
TOTAL CAPITAL	\$230,000	\$280,000	\$260,000
TOTAL LIABILITIES AND CAPITAL	\$180,000	\$210,000	\$240,000
Net Worth	\$220,000	\$250,000	\$290,000

8.6 Business Ratios

Ratio Analysis				
	Year 1	Year 2	Year 3	INDUSTRY PROFILE
Sales Growth	12.00%	38.00%	45.00%	6.00%
Percent of Total Assets				
Accounts Receivable	7.00%	6.00%	5.00%	9.00%
Inventory	5.00%	3.5	2.00%	10.00%
Other Current Assets	5.00%	4.00%	3.20%	27.00%
Total Current Assets	105.00%	120.00%	135.40%	60.00%
Long-term Assets	-6.00%	-18.00%	-24.00%	45.60%
TOTAL ASSETS	100.00%	100.00%	100.00%	100.00%
Current Liabilities	7.00%	5.00%	3.00%	27.80%
Long-term Liabilities	0.00%	0.00%	0.00%	32.00%
Total Liabilities	6.00%	3.00%	1.70%	50.00%
NET WORTH	85.00%	75.00%	105.00%	38.00%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	80.00%	70.00%	76.00%	0.00%
Selling, General & Administrative Expenses	50.00%	65.00%	70.00%	75.00%
Advertising Expenses	5.00%	3.00%	1.50%	3.20%
Profit Before Interest and Taxes	25.00%	30.00%	32.10%	2.50%
Main Ratios				
Current	8	12	16	2.1
Quick	20	25	30	3.2
Total Debt to Total Assets	5.05%	3.00%	2.50%	44.00%
Pre-tax Return on Net Worth	70.00%	80.00%	90.00%	2.50%
Pre-tax Return on Assets	66.00%	50.00%	70.00%	5.00%
Additional Ratios	Year 1	Year 2	Year 3	
Net Profit Margin	23.00%	26.00%	29.00%	N.A.
Return on Equity	55.00%	60.00%	65.00%	N.A.
Activity Ratios				
Accounts Receivable Turnover	5	7	9	N.A.

Collection Days	90	100	110	N.A.
Inventory Turnover	12	17	22	N.A.
Accounts Payable Turnover	10.1	15.5	20.4	N.A.
Payment Days	20	20	20	N.A.
Total Asset Turnover	3.2	2.6	2	N.A.
Debt Ratios				
Debt to Net Worth	0	-0.06	-0.04	N.A.
Current Liab. to Liab.	0	0	0	N.A.
Liquidity Ratios				
Net Working Capital	\$300,000	\$320,000	\$340,000	N.A.
Interest Coverage	0	0	0	N.A.
Additional Ratios				
Assets to Sales	1.45	2.48	3.32	N.A.
Current Debt/Total Assets	8%	5%	3%	N.A.
Acid Test	28	32	35	N.A.
Sales/Net Worth	3.3	2.5	1.7	N.A.
Dividend Payout	0	0	0	N.A.