

Financial Projections

Income Statement

Pro Forma Profit And Loss			
	Year 1	Year 2	Year 3
Sales	\$15,145,675	\$18,623,122	\$22,898,991
Direct Cost of Sales	\$14,970,787	\$17,455,938	\$19,428,459
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$14,970,787	\$17,455,938	\$19,428,459
Gross Margin	\$174,888	\$1,167,184	\$3,470,532
Gross Margin %	1.15%	6.27%	15.16%
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	(\$249,712)	\$712,584	\$2,984,042
EBITDA	(\$249,712)	\$712,584	\$2,984,042
Interest Expense	\$0	\$0	\$0
Taxes Incurred	(\$49,942)	\$142,517	\$596,808
Net Profit	(\$199,770)	\$570,067	\$2,387,234
Net Profit/Sales	-1.32%	3.06%	10.43%

Balance Sheet

Pro Forma Balance Sheet			
Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$201,642	\$225,839	\$248,423
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	\$224,657	\$251,717	\$273,499
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	\$253,257	\$283,749	\$309,535
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	\$19,378	\$16,362
Retained Earnings	\$40,120	\$43,731	\$48,104
Earnings	\$112,000	\$122,080	\$134,288
TOTAL CAPITAL	\$226,557	\$253,845	\$275,923
TOTAL LIABILITIES AND CAPITAL	\$253,257	\$283,749	\$309,535
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	\$45,500	\$49,140	\$53,071
Cash from Receivables	\$27,050	\$29,214	\$31,551
SUBTOTAL CASH FROM OPERATIONS	\$72,550	\$79,080	\$85,406
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