

# **Sample Hobby Shop Business Plan For Raising Capital from Investors, Banks, or Grant Companies!**

## **DISCLAIMER!**

Please note that the financials in this business plan are completely fictitious and may not match the text of the business plan below. This business plan is for demonstration purposes only.

It should be noted that there is no special software required to use these templates. All business plans come in Microsoft Word and Microsoft Excel format. Each business plan features:

- Executive Summary
- Company and Financing Summary
- Products and Services Overview
- Strategic Analysis with current research!
- Marketing Plan
- Personnel Plan
- 3 Year Advanced Financial Plan
- Expanded Financial Plan with Monthly Financials
- FREE 30 Page Sample Private Placement Memorandum
- FREE PowerPoint Presentation for Banks, Investors, or Grant Companies!

## **1.0 Executive Summary**

The purpose of this business plan is to raise \$100,000 for the development of a hobby products store while showcasing the expected financials and operations over the next three years. Hobby Store, Inc. ("the Company") is a New York based corporation that will provide sales of hobby products to customers in its targeted market. The Company was founded in 2009 by John Doe.

### **1.1 Products and Services**

As stated above, the Company will specialize in carrying a number of hobby related products through its retail location. These products include, but are not limited to paints, model rockets, model airplanes, radio controlled devices, and high end hobby products such as advanced model airplane kits and cars. The Company will generate substantial secondary revenues from sales of hobby products through an e-commerce platform. The third section of the business plan will further describe the services offered by the Hobby Store.

### **1.2 The Financing**

Mr. Doe is seeking to raise \$100,000 from as a bank loan. The interest rate and loan agreement are to be further discussed during negotiation. This business plan assumes that the business will receive a 10 year loan with a 9% fixed interest rate.

### **1.3 Mission Statement**

Hobby Store's mission is to become the recognized leader in its targeted market for having an expansive inventory of hobby shop products.

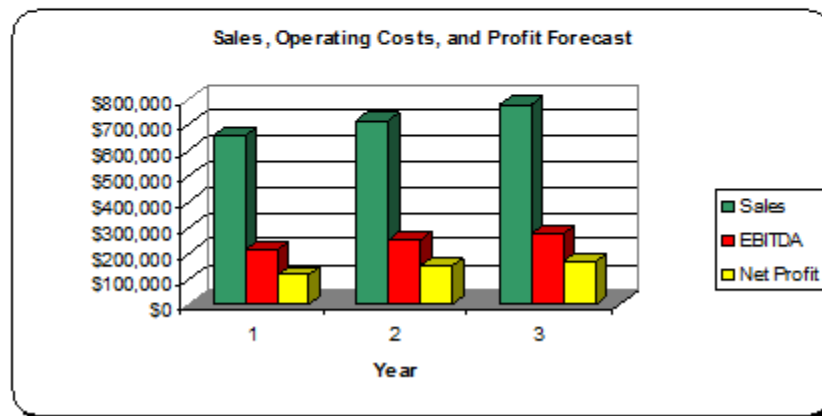
### **1.4 Management Team**

The Company was founded by John Doe. Mr. Doe has more than 10 years of experience in the retail management industry. Through his expertise, he will be able to bring the operations of the business to profitability within its first year of operations.

### 1.5 Sales Forecasts

Mr. Doe expects a strong rate of growth at the start of operations. Below are the expected financials over the next three years.

Proforma Profit and Loss (Yearly)			
Year	1	2	3
Sales	\$655,290	\$714,266	\$778,550
Operating Costs	\$377,526	\$391,666	\$424,768
EBITDA	\$212,235	\$251,173	\$275,927
Taxes, Interest, and Depreciation	\$99,649	\$108,901	\$117,691
Net Profit	\$112,586	\$148,165	\$164,129



### 1.6 Expansion Plan

The Founder expects that the business will aggressively expand during the first three years of operation. Mr. Doe intends to implement marketing campaigns that will effectively target individuals within the target market and on an online basis.

## 2.0 Company and Financing Summary

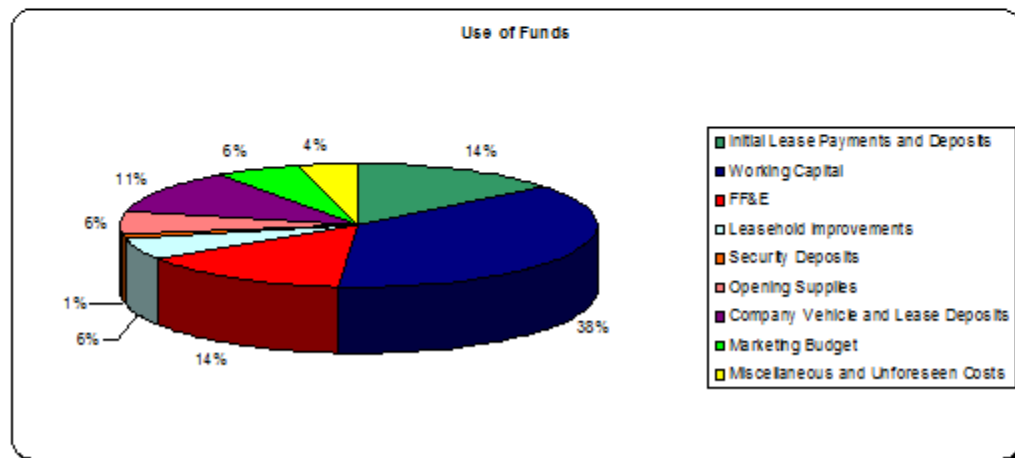
### 2.1 Registered Name and Corporate Structure

Hobby Store, Inc. The Company is registered as a corporation in the State of New York.

### 2.2 Required Funds

At this time, the Hobby Store requires \$100,000 of debt funds. Below is a breakdown of how these funds will be used:

Projected Startup Costs	
Initial Lease Payments and Deposits	\$25,000
Working Capital	\$65,000
FF&E	\$25,000
Leasehold Improvements	\$10,000
Security Deposits	\$2,500
Opening Supplies	\$10,000
Company Vehicle and Lease Deposits	\$20,000
Marketing Budget	\$10,000
Miscellaneous and Unforeseen Costs	\$7,500
<b>Total Startup Costs</b>	<b>\$175,000</b>



## 2.3 Investor Equity

Mr. Doe is not seeking an investment from a third party at this time.

## 2.4 Management Equity

John Doe owns 100% of the Hobby Store, Inc.

## 2.5 Exit Strategy

If the business is very successful, Mr. Doe may seek to sell the business to a third party for a significant earnings multiple. Most likely, the Company will hire a qualified business broker to sell the business on behalf of the Hobby Store. Based on historical numbers, the business could fetch a sales premium of up to 4 times earnings.

## 3.0 Products and Services

Below is a description of the products offered by the Hobby Store.

### 3.1 Sales of Hobby Products

As stated in the executive summary, the Hobby Store will carry a number of premium hobby products and brands that are in demand among the general public

### **3.2 Online Sales of Products**

The Company will generate secondary revenues from the sale of these products through a Company branded online platform. This online platform will be developed once Hobby Store, Inc. has developed its traditional retail operations. However, this is an extremely important aspect to the Company's operations as it will provide a significant amount of additional revenue for the business.

## **4.0 Strategic and Market Analysis**

### **4.1 Economic Outlook**

This section of the analysis will detail the economic climate, the hobby shop industry, the customer profile, and the competition that the business will face as it progresses through its business operations. Currently, the economic market condition in the United States is in recession. This slowdown in the economy has also greatly impacted real estate sales, which has halted to historical lows. Many economists expect that this recession will continue until mid-2010, at which point the economy will begin a prolonged recovery period. However, hobbies are extremely popular among their respective fan bases, and the customers that purchase these goods will continue to do so in any economic climate, including recessions, as it is a form of lower cost entertainment and enjoyment.

### **4.2 Industry Analysis**

Within the United States, there are approximately 11,000 stores that solely specialize in the sale of hobby products, specialized toys, and games. Each year, these businesses aggregately generate more than \$18 billion of sales while concurrently providing payrolls of \$2 billion. The industry employs approximately 150,000 people. This is a mature industry, but one of the most common trends is for hobby stores (especially individually owned stores) is to develop e-commerce capabilities. Hobby Store, Inc. intends to capitalize on this trend once its retail operations have been established.

### **4.3 Customer Profile**

In this section of the analysis, you should describe the type of customer you are seeking to acquire. These traits include income size, type of business/occupation; how far away from your business is to your customer, and what the customer is looking for. In this section, you can also put demographic information about your target market including population size, income demographics, level of education, etc.

### **4.4 Competitive Analysis**

This is one of the sections of the business plan that you must write completely on your own. The key to writing a strong competitive analysis is that you do your research on the local competition. Find out who your competitors are by searching online directories and searching in your local Yellow Pages. If there are a number of competitors in the same industry (meaning that it is not feasible to describe each one) then showcase the number of businesses that compete with you, and why your business will provide customers with service/products that are of better quality or less expensive than your competition.

## **5.0 Marketing Plan**

Hobby Store, Inc. intends to maintain an extensive marketing campaign that will ensure maximum visibility for the business in its targeted market. Below is an overview of the marketing strategies and objectives of the business.

### **5.1 Marketing Objectives**

- • Develop an online presence by developing a website and placing the Company's name and contact information with online directories.
- • Implement a local campaign with the Company's targeted market via the use of flyers, local newspaper advertisements, and word of mouth advertising.
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## 5.2 Marketing Strategies

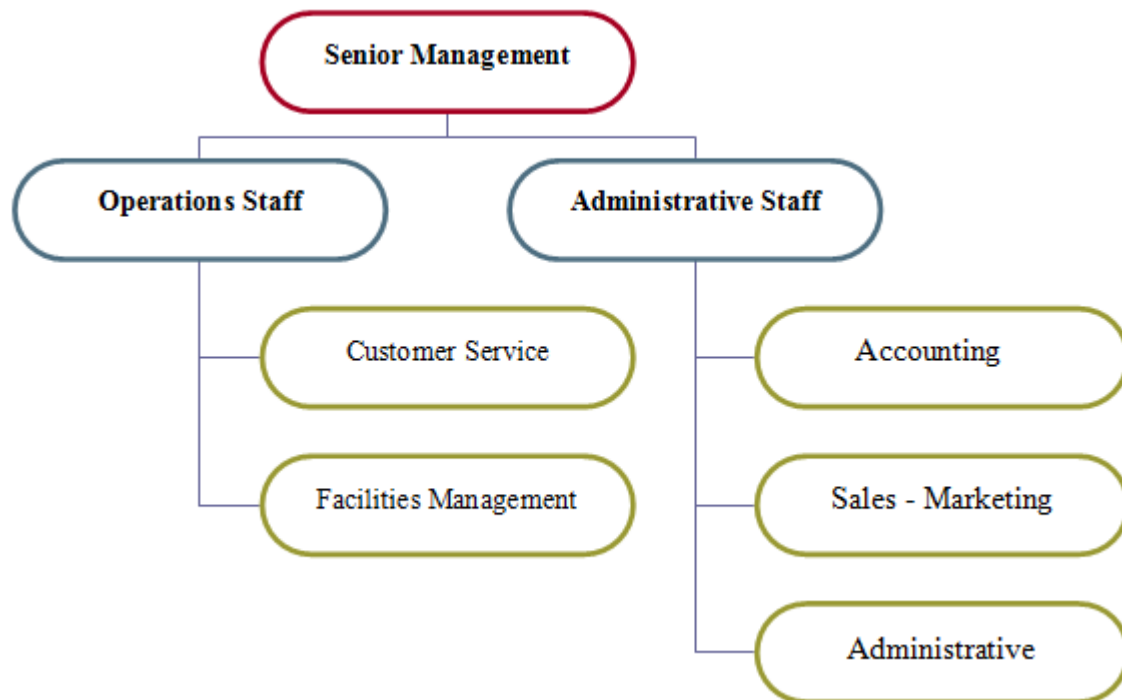
Mr. Doe intends on using a number of marketing strategies that will allow the Hobby Store to easily target men (and women to a lesser extent) within the target market. These strategies include traditional print advertisements and ads placed on search engines on the Internet. Below is a description of how the business intends to market its services to the general public. Hobby Store, Inc. will also use an internet based strategy. This is very important as many people seeking local retailers, such as hobby shops, now use the Internet to conduct their preliminary searches. Mr. Doe will register the Hobby Store with online portals so that potential customers can easily reach the business. The Company will also develop its own online website, which will feature e-commerce ordering functionality. Hobby Store, Inc. will maintain a sizable amount of print and traditional advertising methods within local markets to promote the hobby products and supplies that the Company is selling.

## 5.3 Pricing

In this section, describe the pricing of your services and products. You should provide as much information as possible about your pricing as possible in this section. However, if you have hundreds of items, condense your product list categorically. This section of the business plan should not span more than 1 page.

## 6.0 Organizational Plan and Personnel Summary

### 6.1 Corporate Organization

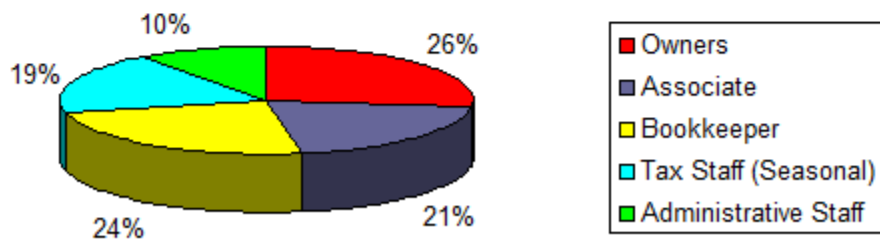


## 6.2 Organizational Budget

Personnel Plan - Yearly			
Year	1	2	3
Owners	\$65,000	\$66,950	\$68,959
Associate	\$50,000	\$51,500	\$53,045
Bookkeeper	\$58,000	\$59,740	\$61,532
Tax Staff (Seasonal)	\$45,000	\$46,350	\$63,654
Administrative Staff	\$25,000	\$25,750	\$26,523
<b>Total</b>	<b>\$243,000</b>	<b>\$250,290</b>	<b>\$273,712</b>

Numbers of Personnel			
Year	1	2	3
Owners	1	1	1
Associate	1	1	1
Bookkeeper	2	2	2
Tax Staff (Seasonal)	3	3	4
Administrative Staff	1	1	1
<b>Totals</b>	<b>8</b>	<b>8</b>	<b>9</b>

**Personnel Expense Breakdown**



## 6.3 Management Biographies

In this section of the business plan, you should write a two to four paragraph biography about your work experience, your education, and your skill set. For each owner or key employee, you should provide a brief biography in this section.

## 7.0 Financial Plan

## 7.1 Underlying Assumptions

- Hobby Store, Inc. will have an annual revenue growth rate of 8% per year.
- The Owner will acquire \$100,000 of debt funds to develop the business.
- The loan will have a 10 year term with a 9% interest rate.

## 7.2 Sensitivity Analysis

In the event of an economic downturn, the business may have a decline in its revenues. Hobby products and supplies are not necessities, and the current economic recession may have an impact on the Company's ability to generate sales as consumers have less discretionary income. However, the business will be able to remain profitable and cash flow positive given its high margins from both retail and online sales.

## 7.3 Source of Funds

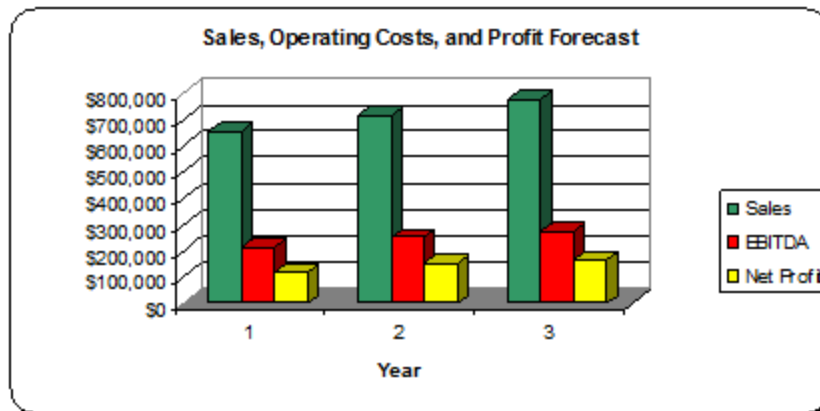
Financing	
Equity Contributions	
Management Investment	\$25,000.00
Total Equity Financing	\$25,000.00
Banks and Lenders	
Banks and Lenders	\$100,000.00
Total Debt Financing	\$100,000.00
Total Financing	\$125,000.00

## 7.4 General Assumptions

General Assumptions			
Year	1	2	3
Short Term Interest Rate	9.5%	9.5%	9.5%
Long Term Interest Rate	10.0%	10.0%	10.0%
Federal Tax Rate	33.0%	33.0%	33.0%
State Tax Rate	5.0%	5.0%	5.0%
Personnel Taxes	15.0%	15.0%	15.0%

## 7.5 Profit and Loss Statements

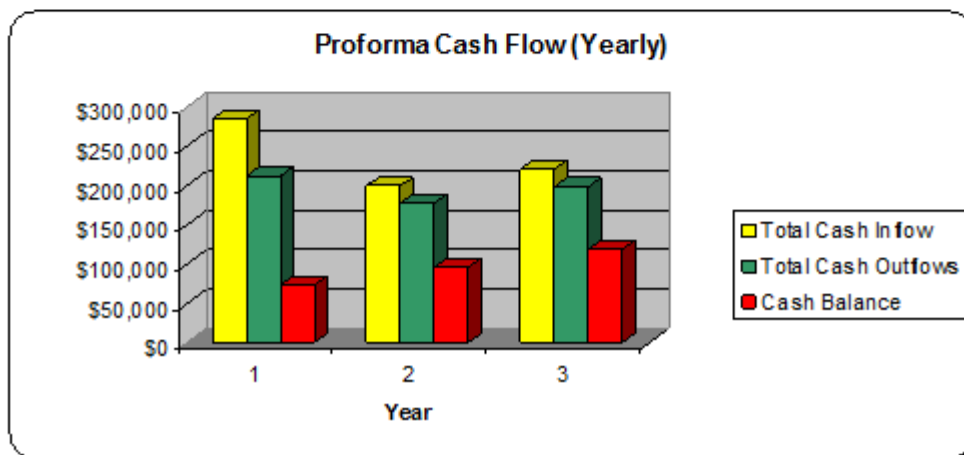
Proforma Profit and Loss (Yearly)			
Year	1	2	3
Sales	\$655,290	\$714,266	\$778,550
Cost of Goods Sold	\$65,529	\$71,427	\$77,855
Gross Margin	90.00%	90.00%	90.00%
Operating Income	\$589,761	\$642,839	\$700,695
Expenses			
Payroll	\$243,000	\$250,290	\$273,712
General and Administrative	\$14,400	\$14,976	\$15,575
Marketing Expenses	\$13,761	\$15,000	\$16,350
Professional Fees and Licensure	\$25,000	\$25,750	\$26,523
Insurance Costs	\$7,500	\$7,875	\$8,269
Travel and Vehicle Costs	\$15,000	\$16,500	\$18,150
Rent and Utilities	\$17,500	\$18,375	\$19,294
Miscellaneous Costs	\$4,915	\$5,357	\$5,839
Payroll Taxes	\$36,450	\$37,544	\$41,057
Total Operating Costs	\$377,526	\$391,666	\$424,768
EBITDA	\$212,235	\$251,173	\$275,927
Federal Income Tax	\$70,038	\$78,862	\$87,359
State Income Tax	\$10,612	\$11,949	\$13,236
Interest Expense	\$13,107	\$12,197	\$11,202
Depreciation Expenses	\$5,893	\$5,893	\$5,893
Net Profit	\$112,586	\$148,165	\$164,129
Profit Margin	17.18%	20.74%	21.08%



## 7.6 Cash Flow Analysis

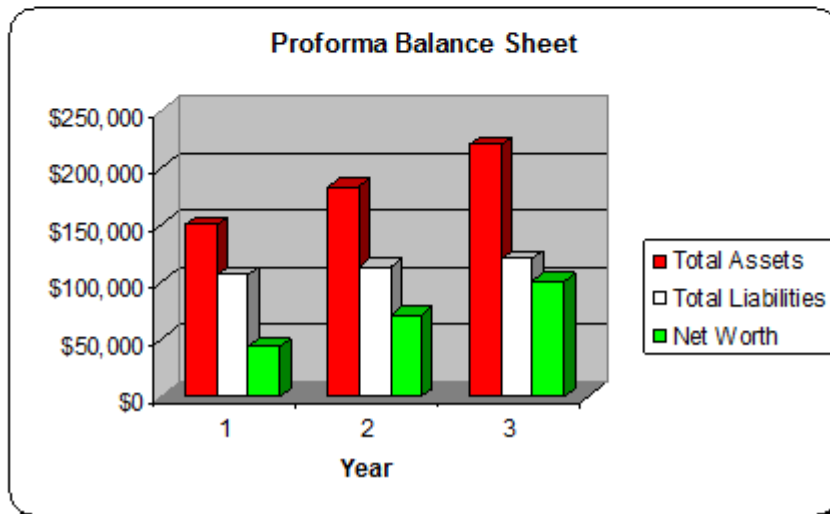


Proforma Cash Flow Analysis - Yearly			
Year	1	2	3
Cash From Operations	\$152,225	\$222,217	\$289,262
Cash From Receivables	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$152,225</b>	<b>\$222,217</b>	<b>\$289,262</b>
<b>Other Cash Inflows</b>			
Equity Investment	\$25,000	\$0	\$0
Increased Borrowings	\$125,000	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0
A/P Increases	\$37,902	\$43,587	\$50,125
<b>Total Other Cash Inflows</b>	<b>\$187,902</b>	<b>\$43,587</b>	<b>\$50,125</b>
<b>Total Cash Inflow</b>	<b>\$340,127</b>	<b>\$265,804</b>	<b>\$339,388</b>
<b>Cash Outflows</b>			
Repayment of Principal	\$8,079	\$8,837	\$9,666
A/P Decreases	\$24,897	\$29,876	\$35,852
A/R Increases	\$0	\$0	\$0
Asset Purchases	\$112,500	\$55,554	\$72,316
Dividends	\$106,558	\$155,552	\$202,484
<b>Total Cash Outflows</b>	<b>\$252,034</b>	<b>\$249,820</b>	<b>\$320,317</b>
<b>Net Cash Flow</b>	<b>\$88,093</b>	<b>\$15,985</b>	<b>\$19,071</b>
<b>Cash Balance</b>	<b>\$88,093</b>	<b>\$104,078</b>	<b>\$123,149</b>



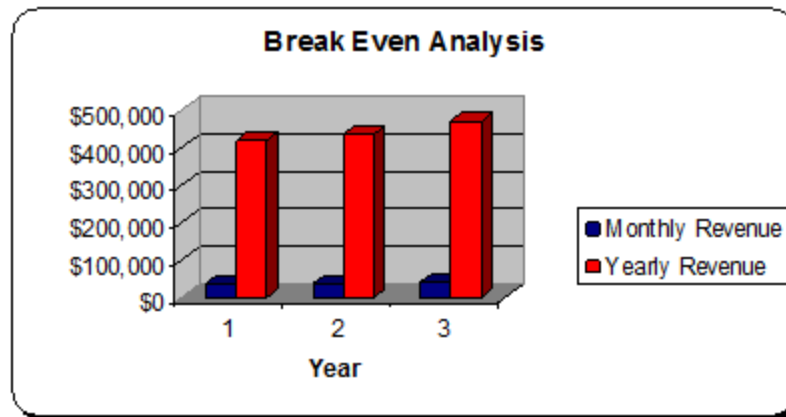
## 7.7 Balance Sheet

Proforma Balance Sheet - Yearly			
Year	1	2	3
<b>Assets</b>			
Cash	\$88,093	\$104,078	\$123,149
Amortized Development/Expansion Costs	\$52,500	\$58,055	\$65,287
Inventory	\$35,000	\$62,777	\$98,935
FF&E	\$25,000	\$47,222	\$76,148
Accumulated Depreciation	(\$8,036)	(\$16,071)	(\$24,107)
<b>Total Assets</b>	<b>\$192,558</b>	<b>\$256,061</b>	<b>\$339,411</b>
<b>Liabilities and Equity</b>			
Accounts Payable	\$13,005	\$26,716	\$40,990
Long Term Liabilities	\$116,921	\$108,084	\$99,247
Other Liabilities	\$0	\$0	\$0
<b>Total Liabilities</b>	<b>\$129,926</b>	<b>\$134,800</b>	<b>\$140,236</b>
<b>Net Worth</b>	<b>\$62,632</b>	<b>\$121,261</b>	<b>\$199,175</b>
<b>Total Liabilities and Equity</b>	<b>\$192,558</b>	<b>\$256,061</b>	<b>\$339,411</b>



## 7.8 General Assumptions

Monthly Break Even Analysis			
Year	1	2	3
Monthly Revenue	\$40,693	\$42,545	\$44,462
Yearly Revenue	\$488,319	\$510,540	\$533,545



## 7.9 Business Ratios

### Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
<b>Sales</b>	<b>\$67,375</b>	<b>\$67,550</b>	<b>\$67,725</b>	<b>\$67,900</b>	<b>\$44,735</b>	<b>\$44,850</b>	<b>\$44,965</b>
Cost of Goods Sold	\$6,738	\$6,755	\$6,773	\$6,790	\$4,474	\$4,485	\$4,497
Gross Margin	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
<b>Operating Income</b>	<b>\$60,638</b>	<b>\$60,795</b>	<b>\$60,953</b>	<b>\$61,110</b>	<b>\$40,262</b>	<b>\$40,365</b>	<b>\$40,469</b>
<b>Expenses</b>							
Payroll	\$20,250	\$20,250	\$20,250	\$20,250	\$20,250	\$20,250	\$20,250
General and Administrative	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Marketing Expenses	\$1,147	\$1,147	\$1,147	\$1,147	\$1,147	\$1,147	\$1,147
Professional Fees and Licensure	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083
Insurance Costs	\$625	\$625	\$625	\$625	\$625	\$625	\$625
Travel and Vehicle Costs	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Rent and Utilities	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458
Miscellaneous Costs	\$410	\$410	\$410	\$410	\$410	\$410	\$410
Payroll Taxes	\$3,038	\$3,038	\$3,038	\$3,038	\$3,038	\$3,038	\$3,038
<b>Total Operating Costs</b>	<b>\$31,460</b>	<b>\$31,460</b>	<b>\$31,460</b>	<b>\$31,460</b>	<b>\$31,460</b>	<b>\$31,460</b>	<b>\$31,460</b>
<b>EBITDA</b>	<b>\$29,177</b>	<b>\$29,335</b>	<b>\$29,492</b>	<b>\$29,650</b>	<b>\$8,801</b>	<b>\$8,905</b>	<b>\$9,008</b>
Federal Income Tax	\$7,201	\$7,220	\$7,238	\$7,257	\$4,781	\$4,794	\$4,806
State Income Tax	\$1,091	\$1,094	\$1,097	\$1,100	\$724	\$726	\$728
Interest Expense	\$1,125	\$1,119	\$1,113	\$1,107	\$1,101	\$1,095	\$1,089
Depreciation Expense	\$491	\$491	\$491	\$491	\$491	\$491	\$491
<b>Net Profit</b>	<b>\$19,269</b>	<b>\$19,411</b>	<b>\$19,552</b>	<b>\$19,694</b>	<b>\$1,703</b>	<b>\$1,798</b>	<b>\$1,893</b>

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	1
Sales	\$45,080	\$45,195	\$68,950	\$45,425	\$45,540	\$655,290
Cost of Goods Sold	\$4,508	\$4,520	\$6,895	\$4,543	\$4,554	\$65,529
Gross Margin	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Operating Income	\$40,572	\$40,676	\$62,055	\$40,883	\$40,986	\$589,761
Expenses						
Payroll	\$20,250	\$20,250	\$20,250	\$20,250	\$20,250	\$243,000
General and Administrative	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,400
Marketing Expenses	\$1,147	\$1,147	\$1,147	\$1,147	\$1,147	\$13,761
Professional Fees and Licensure	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$25,000
Insurance Costs	\$625	\$625	\$625	\$625	\$625	\$7,500
Travel and Vehicle Costs	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$15,000
Rent and Utilities	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$17,500
Miscellaneous Costs	\$410	\$410	\$410	\$410	\$410	\$4,915
Payroll Taxes	\$3,038	\$3,038	\$3,038	\$3,038	\$3,038	\$36,450
Total Operating Costs	\$31,460	\$31,460	\$31,460	\$31,460	\$31,460	\$377,526
EBITDA	\$9,112	\$9,215	\$30,595	\$9,422	\$9,526	\$212,235
Federal Income Tax	\$4,818	\$4,830	\$7,369	\$4,855	\$4,867	\$70,038
State Income Tax	\$730	\$732	\$1,117	\$736	\$737	\$10,612
Interest Expense	\$1,083	\$1,077	\$1,071	\$1,065	\$1,059	\$13,107
Depreciation Expense	\$491	\$491	\$491	\$491	\$491	\$5,893
Net Profit	\$1,989	\$2,084	\$20,546	\$2,275	\$2,371	\$112,586

Profit and Loss Statement (Second Year)					
		2			
Quarter	Q1	Q2	Q3	Q4	2
Sales	\$142,853	\$178,567	\$192,852	\$199,995	\$714,266
Cost of Goods Sold	\$14,285	\$17,857	\$19,285	\$19,999	\$71,427
Gross Margin	90.0%	90.0%	90.0%	90.0%	90.0%
Operating Income	\$128,568	\$160,710	\$173,567	\$179,995	\$642,839
Expenses					
Payroll	\$50,058	\$62,573	\$67,578	\$70,081	\$250,290
General and Administrative	\$2,995	\$3,744	\$4,044	\$4,193	\$14,976
Marketing Expenses	\$3,000	\$3,750	\$4,050	\$4,200	\$15,000
Professional Fees and Licensure	\$5,150	\$6,438	\$6,953	\$7,210	\$25,750
Insurance Costs	\$1,575	\$1,969	\$2,126	\$2,205	\$7,875
Travel and Vehicle Costs	\$3,300	\$4,125	\$4,455	\$4,620	\$16,500
Rent and Utilities	\$3,675	\$4,594	\$4,961	\$5,145	\$18,375
Miscellaneous Costs	\$1,071	\$1,339	\$1,446	\$1,500	\$5,357
Payroll Taxes	\$7,509	\$9,386	\$10,137	\$10,512	\$37,544
Total Operating Costs	\$78,333	\$97,917	\$105,750	\$109,667	\$391,666
EBITDA	\$50,235	\$62,793	\$67,817	\$70,329	\$251,173
Federal Income Tax	\$15,772	\$19,716	\$21,293	\$22,081	\$78,862
State Income Tax	\$2,390	\$2,987	\$3,226	\$3,346	\$11,949
Interest Expense	\$3,138	\$3,080	\$3,020	\$2,959	\$12,197
Depreciation Expense	\$1,473	\$1,473	\$1,473	\$1,473	\$5,893
Net Profit	\$27,462	\$35,538	\$38,804	\$40,469	\$142,272

Profit and Loss Statement (Third Year)					
	3				
Quarter	Q1	Q2	Q3	Q4	3
Sales	\$155,710	\$194,638	\$210,209	\$217,994	\$778,550
Cost of Goods Sold	\$15,571	\$19,464	\$21,021	\$21,799	\$77,855
Gross Margin	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Income	\$140,139	\$175,174	\$189,188	\$196,195	\$700,695
Expenses					
Payroll	\$54,742	\$68,428	\$73,902	\$76,639	\$273,712
General and Administrative	\$3,115	\$3,894	\$4,205	\$4,361	\$15,575
Marketing Expenses	\$3,270	\$4,087	\$4,414	\$4,578	\$16,350
Professional Fees and Licensure	\$5,305	\$6,631	\$7,161	\$7,426	\$26,523
Insurance Costs	\$1,654	\$2,067	\$2,233	\$2,315	\$8,269
Travel and Vehicle Costs	\$3,630	\$4,538	\$4,901	\$5,082	\$18,150
Rent and Utilities	\$3,859	\$4,823	\$5,209	\$5,402	\$19,294
Miscellaneous Costs	\$1,168	\$1,460	\$1,577	\$1,635	\$5,839
Payroll Taxes	\$8,211	\$10,264	\$11,085	\$11,496	\$41,057
Total Operating Costs	\$84,954	\$106,192	\$114,687	\$118,935	\$424,768
EBITDA	\$55,185	\$68,982	\$74,500	\$77,260	\$275,927
Federal Income Tax	\$17,472	\$21,840	\$23,587	\$24,461	\$87,359
State Income Tax	\$2,647	\$3,309	\$3,574	\$3,705	\$13,236
Interest Expense	\$2,897	\$2,834	\$2,769	\$2,702	\$11,202
Depreciation Expense	\$1,473	\$1,473	\$1,473	\$1,473	\$5,893
Net Profit	\$30,696	\$39,526	\$43,098	\$44,917	\$158,237

### Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	\$19,760	\$19,902	\$20,043	\$20,185	\$2,194	\$2,289	\$2,385	\$2,480
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$19,760</b>	<b>\$19,902</b>	<b>\$20,043</b>	<b>\$20,185</b>	<b>\$2,194</b>	<b>\$2,289</b>	<b>\$2,385</b>	<b>\$2,480</b>
Other Cash Inflows								
Equity Investment	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$3,159	\$3,159	\$3,159	\$3,159	\$3,159	\$3,159	\$3,159	\$3,159
<b>Total Other Cash Inflows</b>	<b>\$178,159</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$3,159</b>
Total Cash Inflow								
	<b>\$197,918</b>	<b>\$23,060</b>	<b>\$23,202</b>	<b>\$23,344</b>	<b>\$5,352</b>	<b>\$5,448</b>	<b>\$5,543</b>	<b>\$5,638</b>
Cash Outflows								
Repayment of Principal	\$775	\$781	\$787	\$793	\$799	\$805	\$811	\$817
A/P Decreases	\$2,075	\$2,075	\$2,075	\$2,075	\$2,075	\$2,075	\$2,075	\$2,075
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$82,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$85,350</b>	<b>\$2,856</b>	<b>\$2,862</b>	<b>\$2,867</b>	<b>\$2,873</b>	<b>\$2,879</b>	<b>\$2,885</b>	<b>\$2,892</b>
Net Cash Flow								
	<b>\$112,568</b>	<b>\$20,204</b>	<b>\$20,340</b>	<b>\$20,476</b>	<b>\$2,479</b>	<b>\$2,568</b>	<b>\$2,658</b>	<b>\$2,747</b>
<b>Cash Balance</b>	<b>\$112,568</b>	<b>\$132,773</b>	<b>\$153,113</b>	<b>\$173,590</b>	<b>\$176,069</b>	<b>\$178,637</b>	<b>\$181,295</b>	<b>\$184,041</b>

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	1
Cash From Operations	\$2,575	\$21,037	\$2,767	\$2,862	\$118,479
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$2,575</b>	<b>\$21,037</b>	<b>\$2,767</b>	<b>\$2,862</b>	<b>\$118,479</b>
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$25,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$150,000
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$3,159	\$3,159	\$3,159	\$3,159	\$37,902
<b>Total Other Cash Inflows</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$3,159</b>	<b>\$212,902</b>
Total Cash Inflow					
	<b>\$5,734</b>	<b>\$24,196</b>	<b>\$5,925</b>	<b>\$6,021</b>	<b>\$331,381</b>
Cash Outflows					
Repayment of Principal	\$823	\$829	\$835	\$842	\$9,695
A/P Decreases	\$2,075	\$2,075	\$2,075	\$2,075	\$24,897
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$82,500
Dividends	\$0	\$0	\$0	\$94,783	\$94,783
<b>Total Cash Outflows</b>	<b>\$2,898</b>	<b>\$2,904</b>	<b>\$2,910</b>	<b>\$97,699</b>	<b>\$211,876</b>
Net Cash Flow					
	<b>\$2,836</b>	<b>\$21,292</b>	<b>\$3,015</b>	<b>-\$91,679</b>	<b>\$119,506</b>
<b>Cash Balance</b>	<b>\$186,878</b>	<b>\$208,170</b>	<b>\$211,185</b>	<b>\$119,506</b>	<b>\$119,506</b>



Cash Flow Analysis (Second Year)					
		2			
Quarter	Q1	Q2	Q3	Q4	2
Cash From Operations	\$30,812	\$38,515	\$41,596	\$43,136	\$154,058
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$30,812</b>	<b>\$38,515</b>	<b>\$41,596</b>	<b>\$43,136</b>	<b>\$154,058</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$8,717	\$10,897	\$11,769	\$12,204	\$43,587
<b>Total Other Cash Inflows</b>	<b>\$8,717</b>	<b>\$10,897</b>	<b>\$11,769</b>	<b>\$12,204</b>	<b>\$43,587</b>
<b>Total Cash Inflow</b>	<b>\$39,529</b>	<b>\$49,411</b>	<b>\$53,364</b>	<b>\$55,341</b>	<b>\$197,645</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$2,563	\$2,621	\$2,680	\$2,741	\$10,605
A/P Decreases	\$5,975	\$7,469	\$8,067	\$8,365	\$29,876
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$3,081	\$3,851	\$4,160	\$4,314	\$15,406
Dividends	\$24,649	\$30,812	\$33,277	\$34,509	\$123,247
<b>Total Cash Outflows</b>	<b>\$36,268</b>	<b>\$44,753</b>	<b>\$48,183</b>	<b>\$49,929</b>	<b>\$179,133</b>
<b>Net Cash Flow</b>	<b>\$3,261</b>	<b>\$4,658</b>	<b>\$5,181</b>	<b>\$5,412</b>	<b>\$18,512</b>
<b>Cash Balance</b>	<b>\$122,766</b>	<b>\$127,425</b>	<b>\$132,606</b>	<b>\$138,018</b>	<b>\$138,018</b>

Cash Flow Analysis (Third Year)					
		3			
Quarter	Q1	Q2	Q3	Q4	3
Cash From Operations	\$34,004	\$42,506	\$45,906	\$47,606	\$170,022
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$34,004	\$42,506	\$45,906	\$47,606	\$170,022
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$10,025	\$12,531	\$13,534	\$14,035	\$50,125
Total Other Cash Inflows	\$10,025	\$12,531	\$13,534	\$14,035	\$50,125
Total Cash Inflow	\$44,030	\$55,037	\$59,440	\$61,641	\$220,148
Cash Outflows					
Repayment of Principal	\$2,803	\$2,867	\$2,932	\$2,998	\$11,599
A/P Decreases	\$7,170	\$8,963	\$9,680	\$10,038	\$35,852
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$3,400	\$4,251	\$4,591	\$4,761	\$17,002
Dividends	\$27,204	\$34,004	\$36,725	\$38,085	\$136,018
Total Cash Outflows	\$40,577	\$50,085	\$53,927	\$55,882	\$200,471
Net Cash Flow	\$3,452	\$4,952	\$5,513	\$5,759	\$19,677
Cash Balance	\$141,470	\$146,422	\$151,935	\$157,695	\$157,695