



**SAGE'S
CARE**

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1.0 Executive Summary

The purpose of this business plan is to raise \$125,000 for the continued development of an in-home healthcare service based in Houston, Texas. Sage's Care, LLC ("the Company") was founded by Jane Jones. The business will provide comprehensive in-home care via registered nurses and in-home care aides. In most instances, the Company will have these retained personnel as independent contractors. The business will provide services for elderly people, people with developmental disabilities, and people that are in need of temporary care.

1.1 The Services

The primary revenue center for the business will come from the ongoing in-home care services that will be rendered by registered nurses and properly qualified aides. The business will provide both skilled care and general in-home help services to its client base. The Company will typically charge \$25 to \$50 per hour depending on the level of care needed.

In regards to billing, the Company anticipates that it will receive about 30% of its fees directly from patients. The remaining revenue will come from publicly funded healthcare systems (Medicare and Medicaid) as well as private insurance.

The third section of the business plan will further document the in-home care services offered by Sage's Care, LLC.

1.2 Financing

Mr. Doe is seeking to raise \$125,000 via a loan from a financial institution. This document assumes that the Company will receive a ten-year loan carrying a 9.25% interest rate on the principal. The funding will be used for the following:

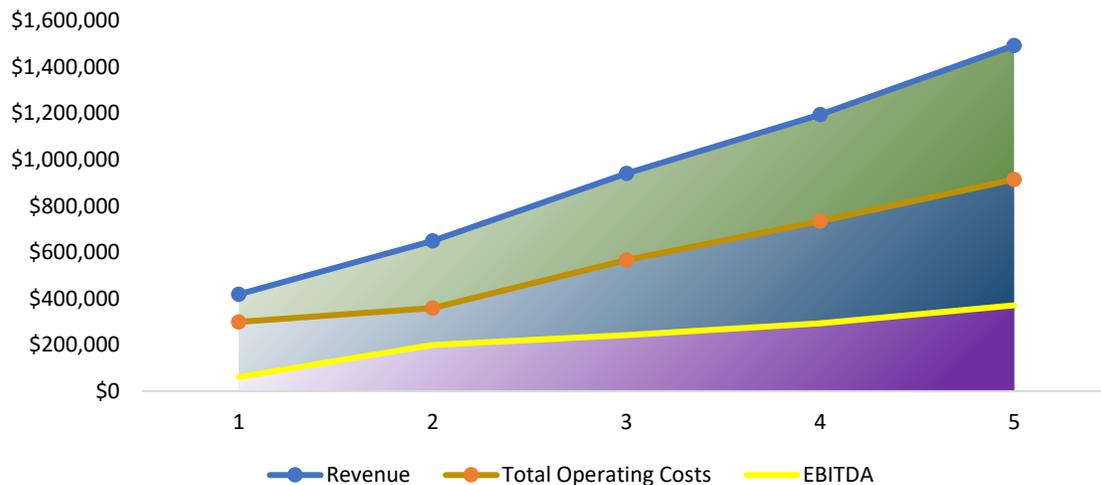
- Location development in Houston, Texas
- Initial marketing
- General working capital
- Furniture, fixtures, and equipment

Given the highly predictable streams of revenue generated on a monthly basis, the Company is in a strong position to acquire additional rounds of funding as necessary. This additional capital would allow the Company to expand its operational infrastructure while potentially acquiring home healthcare services that can be acquired.

1.3 Sales Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	\$418,473	\$648,633	\$940,518	\$1,194,458	\$1,493,072
Cost of Revenue	\$58,441	\$90,584	\$131,347	\$166,811	\$208,514
Gross Profit	\$360,031	\$558,049	\$809,171	\$1,027,647	\$1,284,558
Total Operating Costs	\$299,024	\$358,656	\$567,012	\$734,621	\$913,940
EBITDA	\$61,008	\$199,393	\$242,159	\$293,026	\$370,619

Revenue, Operating Costs, EBITDA



1.4 Expansion Plan

The Company will continue to expand the geographical scope in the greater Houston area in which the business conducts its operations. Management may acquire existing home healthcare agencies that can be integrated into the Company's ecosystem. A potential acquisition would not occur until after the fifth year of operation. The Company will also continue to expand the scope of its marketing with a focus on targeted social media, pay per click advertising, and search engine optimization. The business will make sustained investments into these marketing channels on a yearly basis.

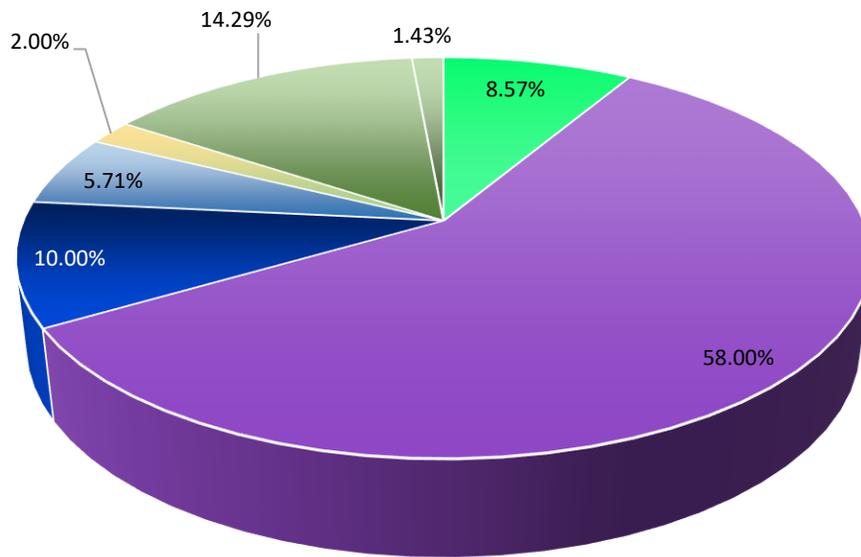
2.0 Financing Summary

2.1 Required Funds

Ms. Jones is currently seeking \$125,000 of capital via a loan in order to commence full scale operations. The funding will be used as follows:

Use of Funds	
Location Development	\$15,000
Working Capital	\$101,500
Initial Marketing	\$17,500
Professional Fees	\$10,000
Website Development	\$3,500
Furniture, Fixtures, and Equipment	\$25,000
Misc. Costs	\$2,500
Total	\$175,000

Use of Funds Breakdown



- Location Development
- Working Capital
- Initial Marketing
- Professional Fees
- Website Development
- Furniture, Fixtures, and Equipment
- Misc. Costs

2.2 Investor Equity

Ms. Jones is not seeking equity capital at this time, The business is a strong candidate for private investor financing in the future.

2.3 Management Equity

Jane Jones is the sole owner of Sage's Care, LLC.

2.4 Exit Strategy

As home healthcare agencies are wholly immune from negative changes in the economy, these businesses are able to receive a substantial price to earnings multiple. Generally, these companies can be sold for up to four times their previous year's net income. Ms. Jones has no plans on selling to the business for at least five to seven years.

3.0 Home Healthcare Services

As stated in the executive summary, Sage's Care will provide a broad range of in-home care that covers the entire spectrum of what a client could possibly need. As it relates to skilled care, these services will be rendered by retained registered nurses. These individuals will be able to directly administer medicines while taking vital signs. It is expected that these individuals will help people that have recently undergone surgery or are in need of round-the-clock support as it relates to their day-to-day care which involves medical intervention. Skilled care services will be billed at \$50 per hour. These fees may be higher if the nurse requires specialized education.

As it relates to aides that will provide support for clients, these individuals will assist with dressing, provide companionship, prepare meals, and provide incidental transportation as needed. The fees for these services will be approximately \$25 per hour.

It should be noted that all provider retained by Sage's Care will be required to undergo both a comprehensive background check as well as a drug test. The Company will use a third-party service to verify the information that each candidate provides on their application.

The business will carry all necessary insurance policies that will protect the business in the event that an injury occurs. The business will retain legal counsel that will ensure that the business remains within the letter of the law at all times.

4.0 Overview of the Organization

4.1 Registered Name

Sage's Care LLC. The business is registered as a limited liability company in the State of Texas.

4.2 Commencement of Operations

Management anticipates that full scale revenue generating operations will commence in the fourth quarter of this year.

4.3 Mission Statement

The Company's mission is to provide comprehensive care at an affordable rate for its clients.

4.4 Vision Statement

By the fifth year of operation, the Company will generate \$1.49 million of revenue while employing nine healthcare staff.

4.5 Organizational Objectives

- Use targeted advertisements that will bring the attention of families with senior members to Sage's Care.
- Establish ongoing relationships with referring healthcare professionals in Houston.
- Hire a regional search engine optimization firm that will increase the online awareness of the business organically.
- Provide gainful employment opportunities for the Company's healthcare and administrative staff.
- Remain within the letter of the law regarding all services rendered.
- Expand the scope of the types of care that can be rendered through Sage's Care.
- Implement proper fiscal controls so that the business remains profitable in any economic climate.

5.0 Strategic and Market Analysis

5.1 Economic Outlook

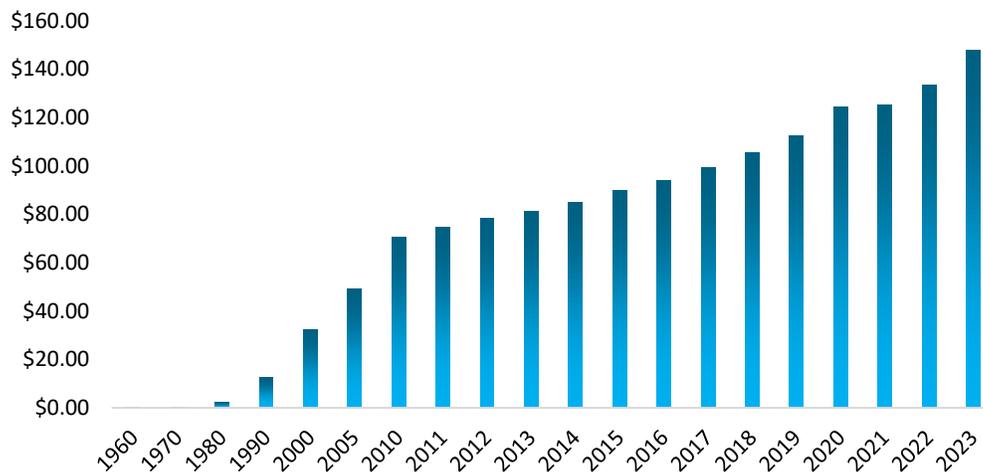
Currently, the economic outlook for the United States is moderate. There has been significant market volatility over the past quarter as a result of changes in global trade policy. Interest rates are continuing to remain steady, and the US Federal Reserve continues to implement appropriate fiscal policy to ensure that the economy continues to grow.

It should be noted that any ongoing issues with the economy will not impact the Company's ability to generate revenue and remain profitable. Home healthcare agencies and services remain in demand during all economic climates. Additionally, in many cases – private insurance and publicly funded healthcare systems will pay the services rendered to clients.

5.2 Industry Analysis

There are over 507,000 in home care service companies in the United States. Each year, the industry generates over \$155 billion in billable revenue. The industry employs 2.1 million people (with 1.6 million directly rendering care). The compounded annual growth rate of the industry will remain near 8.6% over the next ten years.

Historical Industry Revenues (in billions)

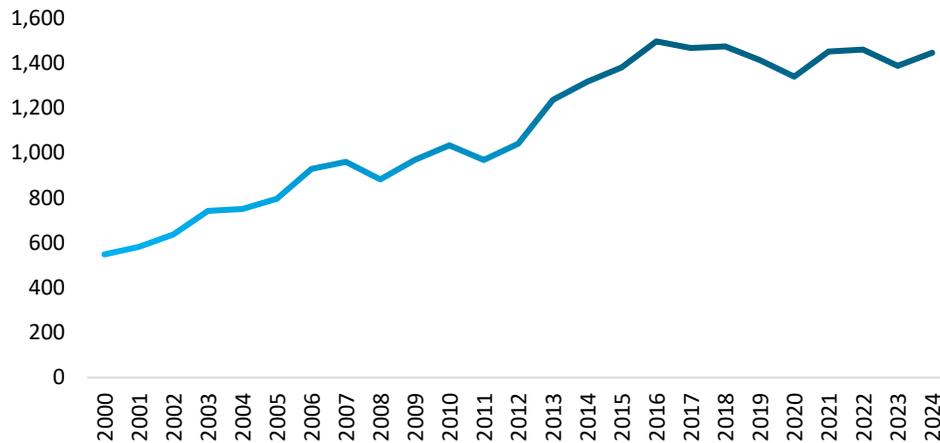


As the Baby Boomer generation moves into their older age years, Management expects that the increase in demand will skyrocket. According to the American Society of Aging, more than 70% of Americans over the age of 65 will require some form of in-home assistance during their later years. By 2025, the number of Americans over the age of 65 will comprise 17% of the US population.

The revenues of the industry have substantially expanded over the past 25 years. By 2034, it is expected that the number of people over the age of 65 will outnumber of the number of people that are under the age of 18. This will be the first time in American history where

the older segment of the population is larger than the youngest segment. As a result of this matter, many government agencies are taking a proactive approach to ensure that proper apparatuses are in place in order to effectively render care to the ongoing aging population. The complexity of this matter will increase as at least 60% of this population segment will have at least one chronic disease that needs to be managed.

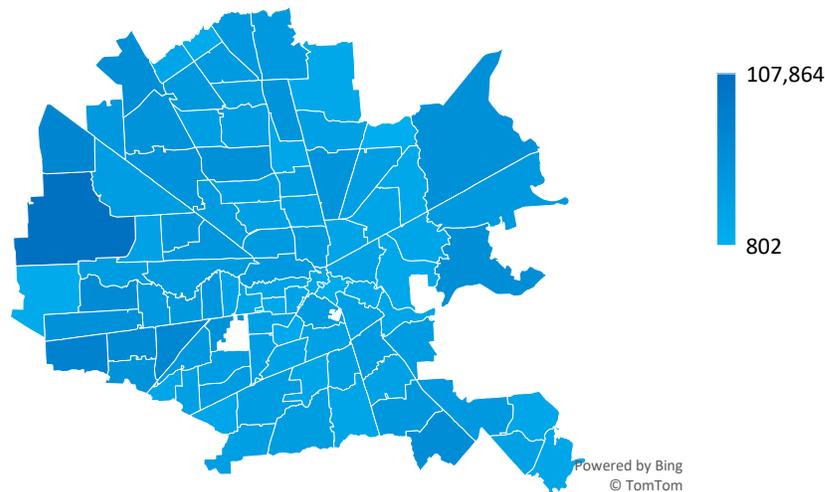
Home Healthcare Employes (in thousands)



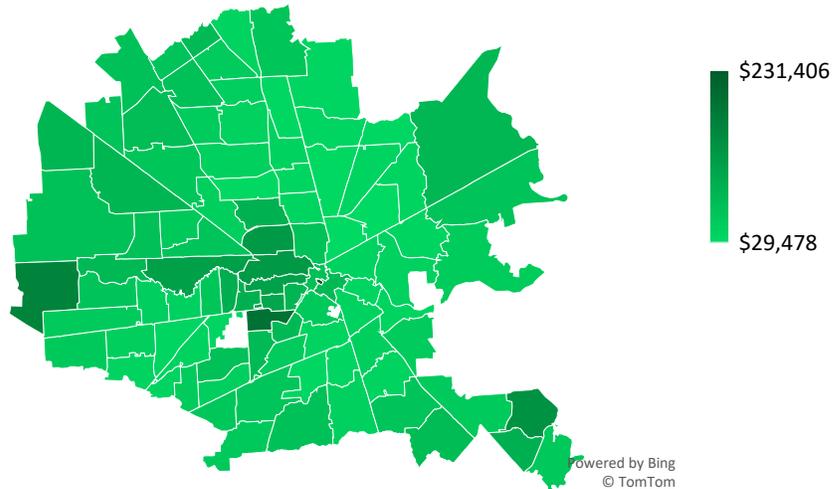
5.3 Customer Profile

Any person that requires ongoing care within their home is a potential client of Sage’s Care, LLC. The Company’s client base will include elderly people, people recovering from major surgery, and people with special needs that need ongoing support through their daily lives. Management anticipates that the average client will have a median household income of \$75,000 to \$125,000 per year. The business will provide its services throughout the entirety of the Houston metropolitan area.

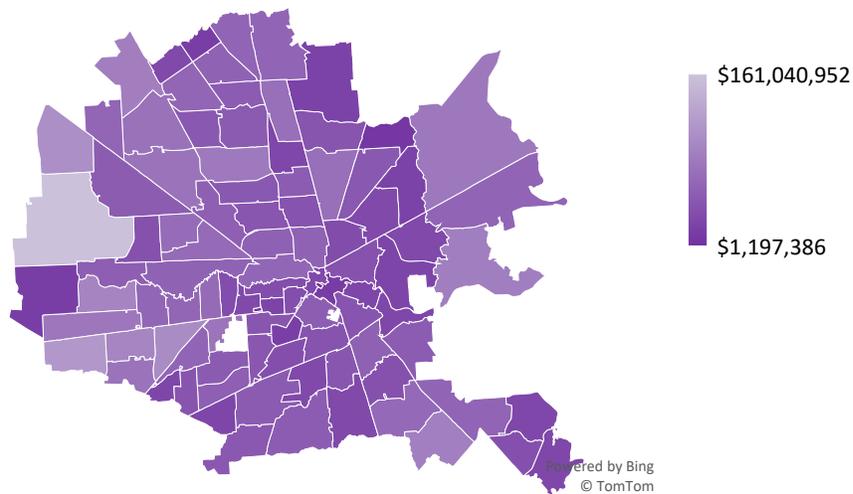
Target Market Population (by Zip Code)



Target Market Household Income (by Zip Code)



Target Market Home Healthcare Demand (by Zip Code)



5.4 Competition

The ongoing competition that most home healthcare agencies and services face in their respective markets is substantial. This is due to the fact that these enterprises produce highly recurring streams of revenue and they remain economically viable at all times. As this business plan is only a sample, no formal analysis was conducted. If this was an actual plan for a real company, a full analysis regarding every competitor would be completed.

6.0 Key Strategic Issues

6.1 Sustainable Operations

The Company will be able to maintain successful business operations because of the following:

- Immense demand for in-home care in the Houston market.
- Low operating costs will allow Sage's Care to become profitable quickly.
- The business will be able to remain profitable in any economic climate.
- The Company can scale its operations to include other markets in Texas.
- For specific services, the Company will receive reimbursement from private insurance companies and publicly funded healthcare systems.

6.2 Basis for Growth

Sage's Care will grow through four avenues:

- Continued expansion of the Company's marketing campaigns.
- Hiring of additional skilled care staff which will boost revenue in the coming years.
- Expansion into other markets that have substantial wealth and population density.
- Expansion through acquisition.

7.0 Marketing Plan

7.1 Marketing Objectives

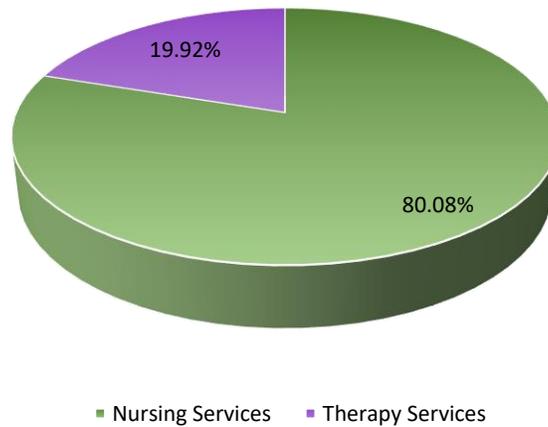
- Develop ongoing relationships with referring hospitals, medical practices, and among allied healthcare practitioners.
- Maintain a content-rich website that will showcase the operations of Sage’s Care, LLC.
- Create direct outreach programs among social workers that may recommend in home care for their respective clients.

7.2 Revenue Generation

Yearly Sales Forecast					
Year	1	2	3	4	5
Nursing Services	\$335,100	\$519,405	\$753,137	\$956,484	\$1,195,605
Therapy Services	\$83,373	\$129,228	\$187,381	\$237,973	\$297,467
Totals	\$418,473	\$648,633	\$940,518	\$1,194,458	\$1,493,072

Gross Profit					
Year	1	2	3	4	5
Total	\$360,031	\$558,049	\$809,171	\$1,027,647	\$1,284,558

Revenue Breakdown (by service type)



7.3 Marketing Strategies

First, the Company intends to inform medical and allied healthcare practitioners of the services that are offered. In many cases, a physician or related practitioner must prescribe in home care for the patient if they want to be able to receive insurance reimbursement.

The Company, via its staff, will directly reach out to medical practice offices, social workers, psychologists, psychiatrists, and other professionals that will be supportive when these types of services are needed.

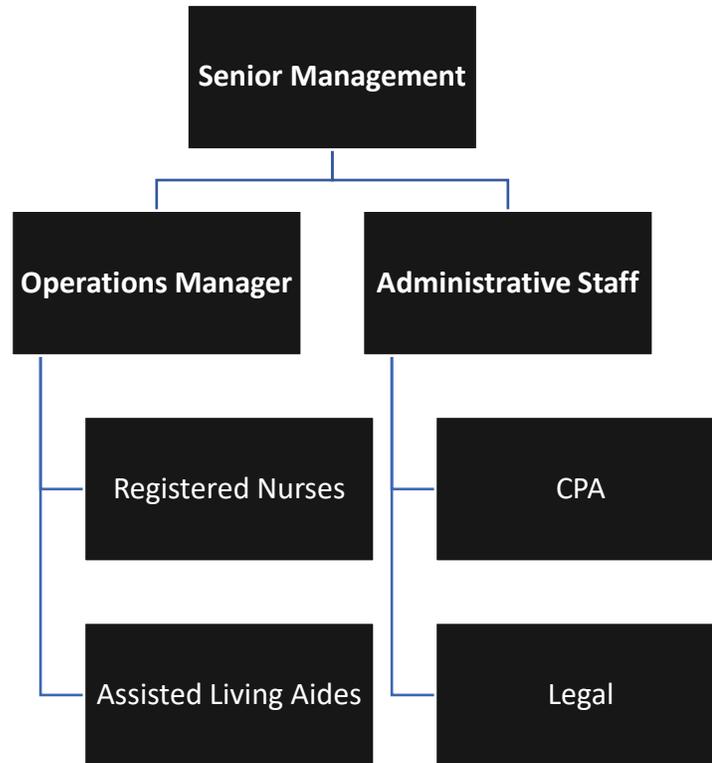
The Company's website will showcase all of the skilled and in-home aide care services that can be provided by the business. Most importantly, the Company will hire a firm that specializes in regional search engine optimization. Most likely, this firm will be based in the greater Houston metropolitan area. This business will ensure that when searches for home healthcare agencies or home healthcare services are completed for this market – the business will appear frequently in the body of the search results.

Sage's Care, LLC will also maintain a moderate presence among social media platforms. This is important for two reasons. First, it will further increase the brand name visibility of the business. It will also allow the Company to more easily recruit nurses and in-home care aides that can render services on behalf of the business.

The Company will also engage specialized print advertisements that circulate throughout the greater Houston metropolitan area.

8.0 Organizational Plan and Personnel Summary

8.1 Corporate Organization



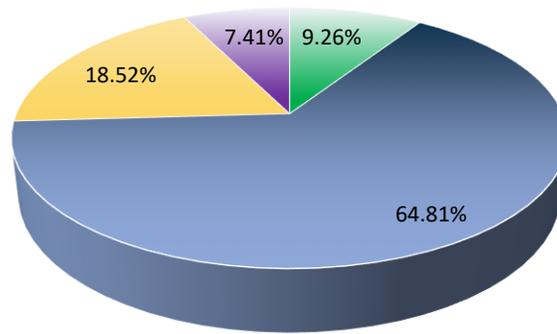
8.2 Organizational Budget

Personnel Plan - Yearly					
Year	1	2	3	4	5
Senior Management	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Registered Nurses	\$84,000	\$129,780	\$267,347	\$367,156	\$472,714
In Home Aides (CNAs)	\$30,000	\$30,900	\$63,654	\$98,345	\$135,061
Administrative Staff	\$48,000	\$49,440	\$50,923	\$52,451	\$54,024
Total	\$222,000	\$271,920	\$445,578	\$583,516	\$729,330

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Senior Management	1	1	1	1	1
Registered Nurses	1	2	3	4	5
In Home Aides (CNAs)	1	1	2	3	4
Administrative Staff	1	1	1	1	1
Total	4	5	7	9	11

8.2 Organizational Budget (Cont.)

Personnel Summary



■ Senior Management ■ Registered Nurses ■ In Home Aides (CNAs) ■ Administrative Staff

9.0 Financial Plan

9.1 Underlying Assumptions

The Company has based its proforma financial statements on the following:

- The Owner will acquire \$125,000 of capital via an SBA loan.
- Jane Jones will contribute \$50,000 towards the venture.
- The business will settle all short-term payables on a monthly basis.
- The business will use a third-party billing agent when processing its accounts receivables.

9.2 Sensitivity Analysis

Sage's Care's revenues are not sensitive to negative changes in the economy. People that have specialized medical needs will continue to use the Company's services in all economic climates. The business will have highly controllable operating costs that will further ensure that the Company remains economically viable while servicing all underlying financial obligations.

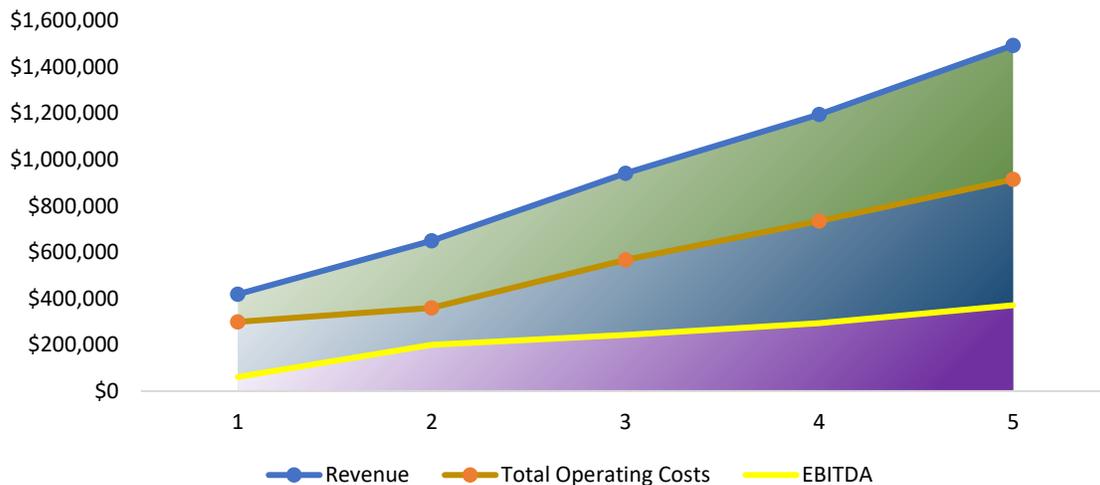
9.3 Source of Funds

Financing	
Equity	
Equity Capitalization	\$50,000.00
Total Equity Financing	\$50,000.00
Banks and Lenders	
SBA Loan	\$125,000.00
Total Debt Financing	\$125,000.00
Total Financing	\$175,000.00

9.4 Profit and Loss Statements

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	\$418,473	\$648,633	\$940,518	\$1,194,458	\$1,493,072
Cost of Revenue	\$58,441	\$90,584	\$131,347	\$166,811	\$208,514
Gross Margin	86.03%	86.03%	86.03%	86.03%	86.03%
Gross Profit	\$360,031	\$558,049	\$809,171	\$1,027,647	\$1,284,558
Expenses					
Payroll	\$222,000	\$271,920	\$445,578	\$583,516	\$729,330
General and Administrative	\$6,277	\$9,729	\$14,108	\$17,917	\$22,396
Business Development	\$7,323	\$11,351	\$16,459	\$20,903	\$26,129
Professional Fees and Licensure	\$7,500	\$8,625	\$9,919	\$11,407	\$13,118
Insurance	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
Marketing	\$5,440	\$8,432	\$12,227	\$15,528	\$19,410
Facility Costs	\$20,000	\$13,621	\$19,751	\$25,084	\$31,355
Travel Costs	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
Payroll Taxes	\$16,983	\$20,802	\$34,087	\$44,639	\$55,794
Total Operating Costs	\$299,024	\$358,656	\$567,012	\$734,621	\$913,940
EBITDA	\$61,008	\$199,393	\$242,159	\$293,026	\$370,619
Federal Income Tax	\$11,519	\$46,133	\$56,861	\$69,609	\$89,061
State Income Tax	\$2,304	\$9,227	\$11,372	\$13,922	\$17,812
Interest Expense	\$11,230	\$10,460	\$9,616	\$8,691	\$7,676
Depreciation Expenses	\$3,700	\$4,400	\$5,100	\$5,900	\$6,700
Net Profit	\$32,255	\$129,173	\$159,210	\$194,904	\$249,370
Profit Margin	7.71%	19.91%	16.93%	16.32%	16.70%

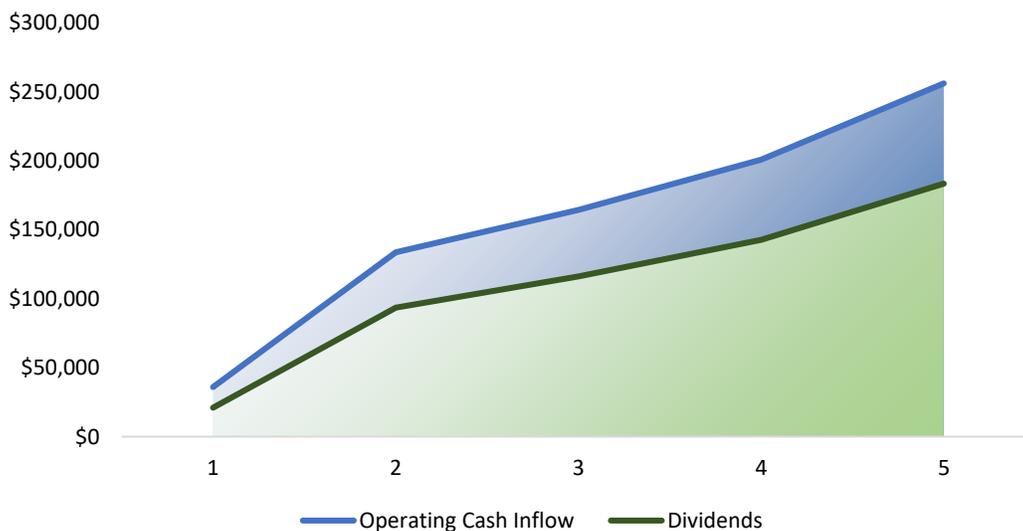
Revenue, Operating Costs, EBITDA



9.5 Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$35,955	\$133,573	\$164,310	\$200,804	\$256,070
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$35,955	\$133,573	\$164,310	\$200,804	\$256,070
Other Cash Inflows					
Equity Investment	\$50,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$125,000	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
Total Other Cash Inflows	\$176,000	\$1,050	\$1,103	\$1,158	\$1,216
Total Cash Inflow	\$211,955	\$134,623	\$165,412	\$201,962	\$257,286
Cash Outflows					
Repayment of Principal	\$7,975	\$8,745	\$9,589	\$10,514	\$11,529
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$56,000	\$10,686	\$13,145	\$16,064	\$20,486
Dividends	\$20,985	\$93,621	\$116,041	\$142,718	\$183,406
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$85,660	\$113,787	\$139,546	\$170,107	\$216,271
Net Cash Flow	\$126,295	\$20,836	\$25,866	\$31,855	\$41,014
Cash Balance	\$126,295	\$147,131	\$172,997	\$204,853	\$245,867

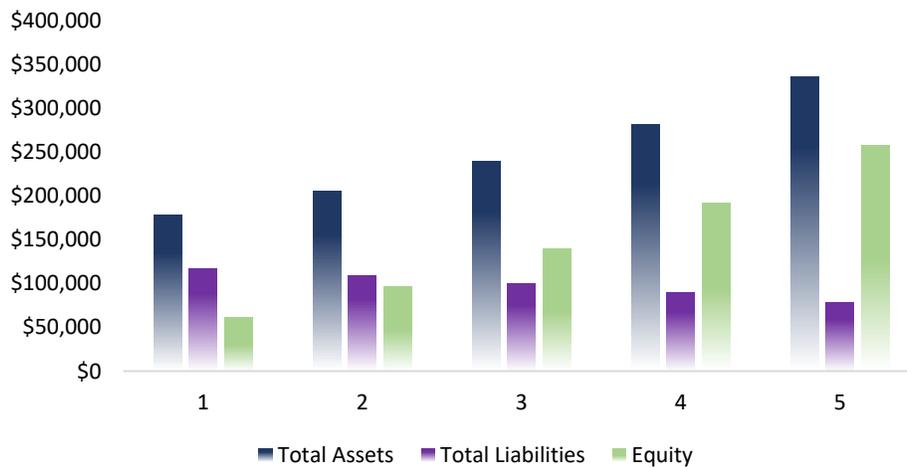
Cash Flow Analysis



9.6 Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
Assets					
Cash	\$126,295	\$147,131	\$172,997	\$204,853	\$245,867
Fixed Assets	\$56,000	\$66,686	\$79,831	\$95,895	\$116,381
Accumulated Depreciation	(\$3,700)	(\$8,100)	(\$13,200)	(\$19,100)	(\$25,800)
Total Assets	\$178,595	\$205,717	\$239,628	\$281,648	\$336,448
Liabilities and Equity					
Accounts Payable	\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities	\$117,025	\$108,280	\$98,692	\$88,177	\$76,648
Other Liabilities	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$117,325	\$108,895	\$99,637	\$89,471	\$78,306
Equity	\$61,270	\$96,821	\$139,991	\$192,177	\$258,142
Total Liabilities and Equity	\$178,595	\$205,717	\$239,628	\$281,648	\$336,448

Balance Sheet



9.7 Expanded Sensitivity Analysis

Sensitivity Analysis (20% Higher)					
Year	1	2	3	4	5
Revenue	\$502,167	\$778,360	\$1,128,621	\$1,433,349	\$1,791,686
Cost of Revenue	\$70,130	\$108,701	\$157,617	\$200,173	\$250,216
Gross Profit	\$432,038	\$669,658	\$971,005	\$1,233,176	\$1,541,470
Total Operating Costs	\$299,024	\$358,656	\$567,012	\$734,621	\$913,940
EBITDA	\$133,014	\$311,003	\$403,993	\$498,555	\$627,531

Sensitivity Analysis (10% Higher)					
Year	1	2	3	4	5
Revenue	\$460,320	\$713,496	\$1,034,570	\$1,313,903	\$1,642,379
Cost of Revenue	\$64,286	\$99,643	\$144,482	\$183,492	\$229,365
Gross Profit	\$396,035	\$613,854	\$890,088	\$1,130,411	\$1,413,014
Total Operating Costs	\$299,024	\$358,656	\$567,012	\$734,621	\$913,940
EBITDA	\$97,011	\$255,198	\$323,076	\$395,790	\$499,075

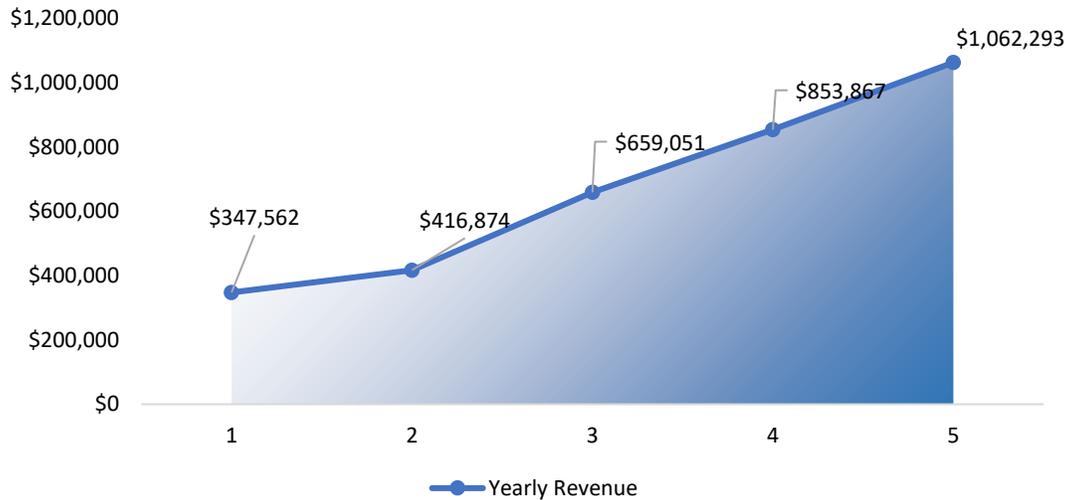
Sensitivity Analysis (10% Lower)					
Year	1	2	3	4	5
Revenue	\$376,626	\$583,770	\$846,466	\$1,075,012	\$1,343,765
Cost of Revenue	\$52,597	\$81,526	\$118,212	\$150,130	\$187,662
Gross Profit	\$324,028	\$502,244	\$728,254	\$924,882	\$1,156,103
Total Operating Costs	\$299,024	\$358,656	\$567,012	\$734,621	\$913,940
EBITDA	\$25,005	\$143,588	\$161,242	\$190,261	\$242,163

Sensitivity Analysis (20% Lower)					
Year	1	2	3	4	5
Revenue	\$334,778	\$518,906	\$752,414	\$955,566	\$1,194,458
Cost of Revenue	\$46,753	\$72,467	\$105,078	\$133,449	\$166,811
Gross Profit	\$288,025	\$446,439	\$647,337	\$822,117	\$1,027,647
Total Operating Costs	\$299,024	\$358,656	\$567,012	\$734,621	\$913,940
EBITDA	-\$10,998	\$87,783	\$80,325	\$87,496	\$113,707

9.8 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	\$28,963	\$34,740	\$54,921	\$71,156	\$88,524
Yearly Revenue	\$347,562	\$416,874	\$659,051	\$853,867	\$1,062,293

Breakeven Analysis



9.9 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
Revenue					
Sales Growth	0.0%	55.0%	45.0%	27.0%	25.0%
Gross Margin	86.0%	86.0%	86.0%	86.0%	86.0%
Financials					
Profit Margin	7.71%	19.91%	16.93%	16.32%	16.70%
Assets to Liabilities	1.52	1.89	2.40	3.15	4.30
Equity to Liabilities	0.52	0.89	1.40	2.15	3.30
Assets to Equity	2.91	2.12	1.71	1.47	1.30
Liquidity					
Acid Test	1.08	1.35	1.74	2.29	3.14
Cash to Assets	0.71	0.72	0.72	0.73	0.73

Appendix A - SWOT Analysis

Strengths

- Controllable operating costs will allow for rapid expansion throughout Houston.
- Immense demand given the larger number of older people in the Houston market.
- The operations of Sage's Care are highly scalable, and the Company will be able to reach hundreds of thousands of people in the coming years.
- The ability to provide all types of care depending on the needs of the client will provide the Company with a major differentiating factor.

Weaknesses

- Operational complexity given the scale and scope of the Company's operations.
- Ongoing competition from established home healthcare agencies in the market.

Opportunities

- Continued expansion of the Company's regional marketing efforts.
- Organic growth through continued increases in the number of people that need in-home care.
- Expansion into other markets in Texas.
- Expansion of the scope of services offered.
- Acquire existing home healthcare agencies.

Threats

- Inflation could cause the operating costs of the business to increase.
- Changes in reimbursement schedules could impact revenue.

Appendix B - Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	\$32,469	\$32,906	\$33,343	\$33,780	\$34,217	\$34,654	\$35,091
Cost of Revenue	\$4,534	\$4,595	\$4,656	\$4,718	\$4,779	\$4,840	\$4,901
Gross Profit	\$27,934	\$28,310	\$28,686	\$29,063	\$29,439	\$29,815	\$30,191
Expenses							
Payroll	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500
General and Administrative	\$523	\$523	\$523	\$523	\$523	\$523	\$523
Business Development	\$610	\$610	\$610	\$610	\$610	\$610	\$610
Professional Fees and Licensure	\$625	\$625	\$625	\$625	\$625	\$625	\$625
Insurance	\$667	\$667	\$667	\$667	\$667	\$667	\$667
Marketing	\$453	\$453	\$453	\$453	\$453	\$453	\$453
Facility Costs	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667
Travel Costs	\$458	\$458	\$458	\$458	\$458	\$458	\$458
Payroll Taxes	\$1,415	\$1,415	\$1,415	\$1,415	\$1,415	\$1,415	\$1,415
Total Operating Costs	\$24,919						
EBITDA	\$3,016	\$3,392	\$3,768	\$4,144	\$4,520	\$4,896	\$5,272
Federal Income Tax	\$894	\$906	\$918	\$930	\$942	\$954	\$966
State Income Tax	\$179	\$181	\$184	\$186	\$188	\$191	\$193
Interest Expense	\$964	\$959	\$954	\$949	\$944	\$939	\$934
Depreciation Expenses	\$308	\$308	\$308	\$308	\$308	\$308	\$308
Net Profit	\$671	\$1,038	\$1,404	\$1,771	\$2,138	\$2,504	\$2,871

Profit and Loss Statement (First Year Cont.)

Month	8	9	10	11	12	Year 1
Revenue	\$35,528	\$35,965	\$36,403	\$36,840	\$37,277	\$418,473
Cost of Revenue	\$4,962	\$5,023	\$5,084	\$5,145	\$5,206	\$58,441
Gross Profit	\$30,567	\$30,943	\$31,319	\$31,695	\$32,071	\$360,031
Expenses						
Payroll	\$18,500	\$18,500	\$18,500	\$18,500	\$18,500	\$222,000
General and Administrative	\$523	\$523	\$523	\$523	\$523	\$6,277
Business Development	\$610	\$610	\$610	\$610	\$610	\$7,323
Professional Fees and Licensure	\$625	\$625	\$625	\$625	\$625	\$7,500
Insurance	\$667	\$667	\$667	\$667	\$667	\$8,000
Marketing	\$453	\$453	\$453	\$453	\$453	\$5,440
Facility Costs	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$20,000
Travel Costs	\$458	\$458	\$458	\$458	\$458	\$5,500
Payroll Taxes	\$1,415	\$1,415	\$1,415	\$1,415	\$1,415	\$16,983
Total Operating Costs	\$24,919	\$24,919	\$24,919	\$24,919	\$24,919	\$299,024
EBITDA	\$5,648	\$6,024	\$6,400	\$6,776	\$7,152	\$61,008
Federal Income Tax	\$978	\$990	\$1,002	\$1,014	\$1,026	\$11,519
State Income Tax	\$196	\$198	\$200	\$203	\$205	\$2,304
Interest Expense	\$928	\$923	\$918	\$913	\$907	\$11,230
Depreciation Expenses	\$308	\$308	\$308	\$308	\$308	\$3,700
Net Profit	\$3,238	\$3,605	\$3,971	\$4,338	\$4,705	\$32,255

Profit and Loss Statement (Second Year)					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
Revenue	\$157,293	\$160,537	\$163,780	\$167,023	\$648,633
Cost of Revenue	\$21,967	\$22,420	\$22,873	\$23,325	\$90,584
Gross Profit	\$135,327	\$138,117	\$140,907	\$143,698	\$558,049
Expenses					
Payroll	\$57,165	\$57,165	\$78,795	\$78,795	\$271,920
General and Administrative	\$2,432	\$2,432	\$2,432	\$2,432	\$9,729
Business Development	\$2,753	\$2,809	\$2,866	\$2,923	\$11,351
Professional Fees and Licensure	\$2,092	\$2,135	\$2,178	\$2,221	\$8,625
Insurance	\$2,100	\$2,100	\$2,100	\$2,100	\$8,400
Marketing	\$2,045	\$2,087	\$2,129	\$2,171	\$8,432
Facility Costs	\$3,405	\$3,405	\$3,405	\$3,405	\$13,621
Travel Costs	\$1,400	\$1,429	\$1,458	\$1,487	\$5,775
Payroll Taxes	\$5,044	\$5,148	\$5,252	\$5,356	\$20,802
Total Operating Costs	\$78,437	\$78,712	\$100,616	\$100,891	\$358,656
EBITDA	\$56,890	\$59,406	\$40,291	\$42,806	\$199,393
Federal Income Tax	\$11,187	\$11,418	\$11,649	\$11,879	\$46,133
State Income Tax	\$2,237	\$2,284	\$2,330	\$2,376	\$9,227
Interest Expense	\$2,690	\$2,641	\$2,590	\$2,539	\$10,460
Depreciation Expenses	\$1,100	\$1,100	\$1,100	\$1,100	\$4,400
Net Profit	\$39,675	\$41,963	\$22,622	\$24,912	\$129,173

Profit and Loss Statement (Third Year)					
Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
Revenue	\$228,076	\$232,778	\$237,481	\$242,183	\$940,518
Cost of Revenue	\$31,852	\$32,508	\$33,165	\$33,822	\$131,347
Gross Profit	\$196,224	\$200,270	\$204,316	\$208,361	\$809,171
Expenses					
Payroll	\$111,395	\$111,395	\$111,395	\$111,395	\$445,578
General and Administrative	\$3,421	\$3,492	\$3,562	\$3,633	\$14,108
Business Development	\$3,991	\$4,074	\$4,156	\$4,238	\$16,459
Professional Fees and Licensure	\$2,405	\$2,455	\$2,504	\$2,554	\$9,919
Insurance	\$2,205	\$2,205	\$2,205	\$2,205	\$8,820
Marketing	\$2,965	\$3,026	\$3,087	\$3,148	\$12,227
Facility Costs	\$4,938	\$4,938	\$4,938	\$4,938	\$19,751
Travel Costs	\$1,470	\$1,501	\$1,531	\$1,561	\$6,064
Payroll Taxes	\$8,522	\$8,522	\$8,522	\$8,522	\$34,087
Total Operating Costs	\$141,312	\$141,606	\$141,900	\$142,194	\$567,012
EBITDA	\$54,912	\$58,664	\$62,416	\$66,168	\$242,159
Federal Income Tax	\$13,789	\$14,073	\$14,357	\$14,642	\$56,861
State Income Tax	\$2,758	\$2,815	\$2,871	\$2,928	\$11,372
Interest Expense	\$2,486	\$2,432	\$2,377	\$2,321	\$9,616
Depreciation Expenses	\$1,275	\$1,275	\$1,275	\$1,275	\$5,100
Net Profit	\$34,604	\$38,069	\$41,535	\$45,002	\$159,210

Profit and Loss Statement (Fourth Year)					
Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
Revenue	\$289,656	\$295,628	\$301,601	\$307,573	\$1,194,458
Cost of Revenue	\$40,452	\$41,286	\$42,120	\$42,954	\$166,811
Gross Profit	\$249,204	\$254,343	\$259,481	\$264,619	\$1,027,647
Expenses					
Payroll	\$145,879	\$145,879	\$145,879	\$145,879	\$583,516
General and Administrative	\$4,345	\$4,434	\$4,524	\$4,614	\$17,917
Business Development	\$5,069	\$5,173	\$5,278	\$5,383	\$20,903
Professional Fees and Licensure	\$2,766	\$2,823	\$2,880	\$2,937	\$11,407
Insurance	\$2,315	\$2,315	\$2,315	\$2,315	\$9,261
Marketing	\$3,766	\$3,843	\$3,921	\$3,998	\$15,528
Facility Costs	\$6,271	\$6,271	\$6,271	\$6,271	\$25,084
Travel Costs	\$1,544	\$1,576	\$1,608	\$1,639	\$6,367
Payroll Taxes	\$11,160	\$11,160	\$11,160	\$11,160	\$44,639
Total Operating Costs	\$183,114	\$183,475	\$183,836	\$184,196	\$734,621
EBITDA	\$66,090	\$70,868	\$75,645	\$80,423	\$293,026
Federal Income Tax	\$16,880	\$17,228	\$17,576	\$17,924	\$69,609
State Income Tax	\$3,376	\$3,446	\$3,515	\$3,585	\$13,922
Interest Expense	\$2,263	\$2,204	\$2,143	\$2,081	\$8,691
Depreciation Expenses	\$1,475	\$1,475	\$1,475	\$1,475	\$5,900
Net Profit	\$42,096	\$46,515	\$50,936	\$55,358	\$194,904

Profit and Loss Statement (Fifth Year)					
Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
Revenue	\$362,070	\$369,535	\$377,001	\$384,466	\$1,493,072
Cost of Revenue	\$50,565	\$51,607	\$52,650	\$53,692	\$208,514
Gross Profit	\$311,505	\$317,928	\$324,351	\$330,774	\$1,284,558
Expenses					
Payroll	\$182,332	\$182,332	\$182,332	\$182,332	\$729,330
General and Administrative	\$5,431	\$5,543	\$5,655	\$5,767	\$22,396
Business Development	\$6,336	\$6,467	\$6,598	\$6,728	\$26,129
Professional Fees and Licensure	\$3,181	\$3,247	\$3,312	\$3,378	\$13,118
Insurance	\$2,431	\$2,431	\$2,431	\$2,431	\$9,724
Marketing	\$4,707	\$4,804	\$4,901	\$4,998	\$19,410
Facility Costs	\$7,839	\$7,839	\$7,839	\$7,839	\$31,355
Travel Costs	\$1,621	\$1,655	\$1,688	\$1,721	\$6,685
Payroll Taxes	\$13,948	\$13,948	\$13,948	\$13,948	\$55,794
Total Operating Costs	\$227,827	\$228,266	\$228,704	\$229,143	\$913,940
EBITDA	\$83,679	\$89,663	\$95,647	\$101,631	\$370,619
Federal Income Tax	\$21,597	\$22,043	\$22,488	\$22,933	\$89,061
State Income Tax	\$4,319	\$4,409	\$4,498	\$4,587	\$17,812
Interest Expense	\$2,018	\$1,953	\$1,887	\$1,819	\$7,676
Depreciation Expenses	\$1,675	\$1,675	\$1,675	\$1,675	\$6,700
Net Profit	\$54,069	\$59,584	\$65,100	\$70,617	\$249,370

Appendix C – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	\$980	\$1,346	\$1,713	\$2,079	\$2,446	\$2,813	\$3,179	\$3,546
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$980	\$1,346	\$1,713	\$2,079	\$2,446	\$2,813	\$3,179	\$3,546
Other Cash Inflows								
Equity Investment	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83
Total Other Cash Inflows	\$175,083	\$83						
Total Cash Inflow	\$176,063	\$1,430	\$1,796	\$2,163	\$2,529	\$2,896	\$3,263	\$3,629
Cash Outflows								
Repayment of Principal	\$637	\$642	\$647	\$652	\$657	\$662	\$667	\$672
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$56,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$56,695	\$700	\$705	\$710	\$715	\$720	\$725	\$730
Net Cash Flow	\$119,368	\$729	\$1,091	\$1,453	\$1,814	\$2,176	\$2,537	\$2,899
Cash Balance	\$119,368	\$120,097	\$121,188	\$122,641	\$124,455	\$126,631	\$129,168	\$132,067

Cash Flow Analysis (First Year Cont.)

Month	9	10	11	12	Year 1
Cash From Operations	\$3,913	\$4,280	\$4,647	\$5,013	\$35,955
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$3,913	\$4,280	\$4,647	\$5,013	\$35,955
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$50,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$125,000
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$1,000
Total Other Cash Inflows	\$83	\$83	\$83	\$83	\$176,000
Total Cash Inflow	\$3,996	\$4,363	\$4,730	\$5,097	\$211,955
Cash Outflows					
Repayment of Principal	\$677	\$682	\$688	\$693	\$7,975
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$56,000
Dividends	\$0	\$0	\$0	\$20,985	\$20,985
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$736	\$741	\$746	\$21,736	\$85,660
Net Cash Flow	\$3,261	\$3,622	\$3,984	-\$16,639	\$126,295
Cash Balance	\$135,328	\$138,950	\$142,934	\$126,295	\$126,295

Cash Flow Analysis (Second Year)

Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$40,775	\$43,063	\$23,722	\$26,012	\$133,573
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$40,775	\$43,063	\$23,722	\$26,012	\$133,573
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	\$255	\$260	\$265	\$270	\$1,050
Total Other Cash Inflows	\$255	\$260	\$265	\$270	\$1,050
Total Cash Inflow	\$41,030	\$43,323	\$23,987	\$26,282	\$134,623
Cash Outflows					
Repayment of Principal	\$2,111	\$2,160	\$2,211	\$2,262	\$8,745
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$5,343	\$5,343	\$0	\$0	\$10,686
Dividends	\$0	\$0	\$0	\$93,621	\$93,621
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$7,632	\$7,685	\$2,396	\$96,073	\$113,787
Net Cash Flow	\$33,398	\$35,638	\$21,591	-\$69,790	\$20,836
Cash Balance	\$159,693	\$195,330	\$216,921	\$147,131	\$147,131

Cash Flow Analysis (Third Year)

Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$35,879	\$39,344	\$42,810	\$46,277	\$164,310
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$35,879	\$39,344	\$42,810	\$46,277	\$164,310
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	\$267	\$273	\$278	\$284	\$1,103
Total Other Cash Inflows	\$267	\$273	\$278	\$284	\$1,103
Total Cash Inflow	\$36,146	\$39,617	\$43,088	\$46,561	\$165,412
Cash Outflows					
Repayment of Principal	\$2,315	\$2,369	\$2,424	\$2,481	\$9,589
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$3,286	\$3,286	\$3,286	\$3,286	\$13,145
Dividends	\$0	\$0	\$0	\$116,041	\$116,041
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$5,788	\$5,846	\$5,905	\$122,007	\$139,546
Net Cash Flow	\$30,358	\$33,771	\$37,183	-\$75,445	\$25,866
Cash Balance	\$177,489	\$211,260	\$248,443	\$172,997	\$172,997

Cash Flow Analysis (Fourth Year)

Quarter	Year 4				Year 4
	Q1	Q2	Q3	Q4	
Cash From Operations	\$43,571	\$47,990	\$52,411	\$56,833	\$200,804
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$43,571	\$47,990	\$52,411	\$56,833	\$200,804
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	\$281	\$287	\$292	\$298	\$1,158
Total Other Cash Inflows	\$281	\$287	\$292	\$298	\$1,158
Total Cash Inflow	\$43,852	\$48,277	\$52,703	\$57,131	\$201,962
Cash Outflows					
Repayment of Principal	\$2,538	\$2,598	\$2,658	\$2,720	\$10,514
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$4,016	\$4,016	\$4,016	\$4,016	\$16,064
Dividends	\$0	\$0	\$0	\$142,718	\$142,718
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$6,751	\$6,814	\$6,879	\$149,662	\$170,107
Net Cash Flow	\$37,101	\$41,462	\$45,824	-\$92,532	\$31,855
Cash Balance	\$210,098	\$251,561	\$297,385	\$204,853	\$204,853

Cash Flow Analysis (Fifth Year)

Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$55,744	\$61,259	\$66,775	\$72,292	\$256,070
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$55,744	\$61,259	\$66,775	\$72,292	\$256,070
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	\$295	\$301	\$307	\$313	\$1,216
Total Other Cash Inflows	\$295	\$301	\$307	\$313	\$1,216
Total Cash Inflow	\$56,039	\$61,560	\$67,082	\$72,605	\$257,286
Cash Outflows					
Repayment of Principal	\$2,783	\$2,848	\$2,915	\$2,983	\$11,529
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$5,121	\$5,121	\$5,121	\$5,121	\$20,486
Dividends	\$0	\$0	\$0	\$183,406	\$183,406
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$8,111	\$8,180	\$8,251	\$191,729	\$216,271
Net Cash Flow	\$47,928	\$53,379	\$58,831	-\$119,123	\$41,014
Cash Balance	\$252,781	\$306,160	\$364,991	\$245,867	\$245,867