Matt's
RAPID TRANSPORT

Human Intelligence
Business Plans

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1.0 Executive Summary

The purpose of this business plan is to secure $100,000 for the development of a courier service based in Sacramento California. Matt's Rapid Transport LLC ("the Company") was founded by Matthew Deutsch. The business will specialize in providing rapid delivery of parcels and letters throughout this target area. The effective target market radius for the Company's couriering services is 50 miles. The business will launch its operations in the first quarter of next year.

Operations

The Company will principally bill its services on a per mile basis. Generally, the Company will be able to reach any destination with any sized parcel within 90 minutes. The business intends to work closely with law firms, healthcare businesses, and other entities that have extremely rapid parcel delivery needs.

The Company will directly employed drivers who will be compensated on a per hour basis plus a percentage of the total engagement. This will create the proper incentives in order to provide exceptional service to the Company's clients.

The third section of this document will further discuss the operations of Matt's Rapid Transport.

The Financing

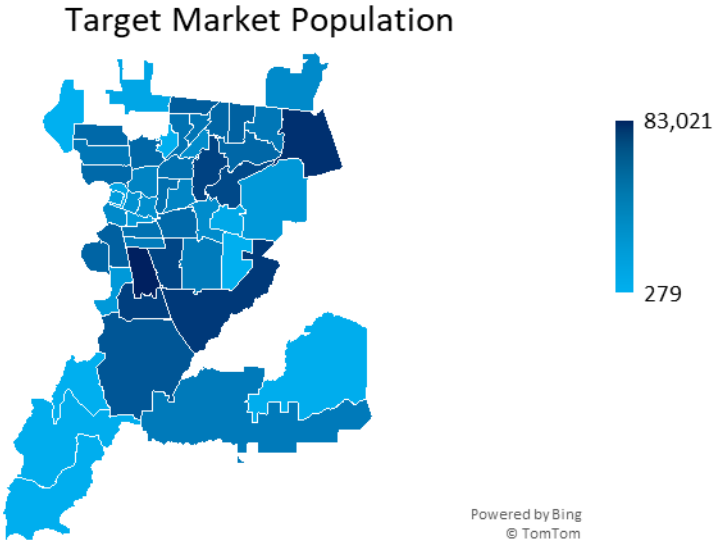
As noted above, the Company is currently seeking $100,000 as a business loan. A substantial portion of this funding will be used specifically for the acquisition of vehicles that will be used during the course of the couriering services. Matthew Deutsch will contribute $30,000 towards the venture.

As the Company expands its operations, the business could easily secure additional around a capital based on the fact that the business will have a substantial number of vehicles within its fleet. Furthermore, the Company will produce substantial contributions from each couriering service engagement.

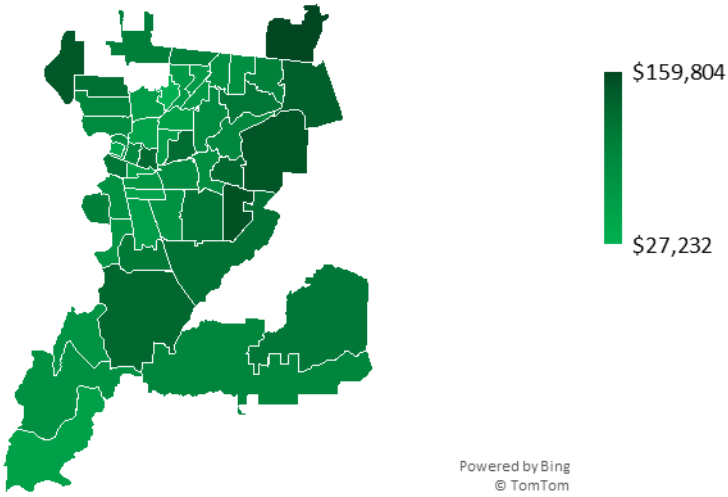
The Future

The Company intends to expand its operations on a year on your basis through the continued hiring of additional couriers as well as the acquisition of additional vehicles that can service a greater radius throughout the Sacramento metropolitan area. After the fifth year of operations, the Company may establish operations in other markets in California.

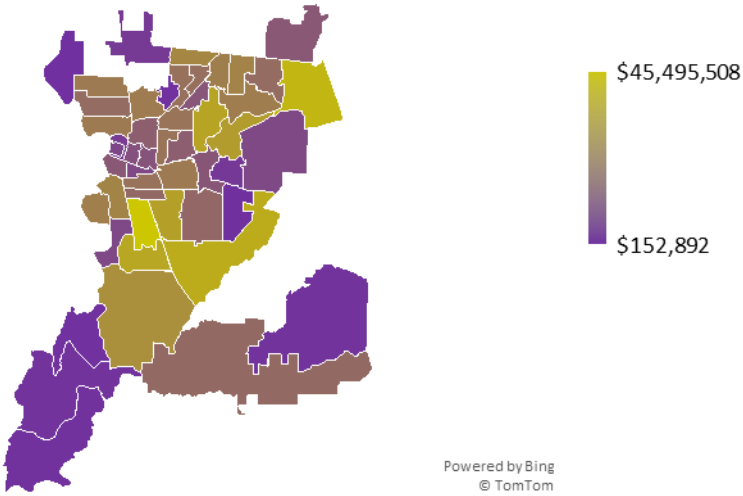
Market Overview



Target Market Household Income

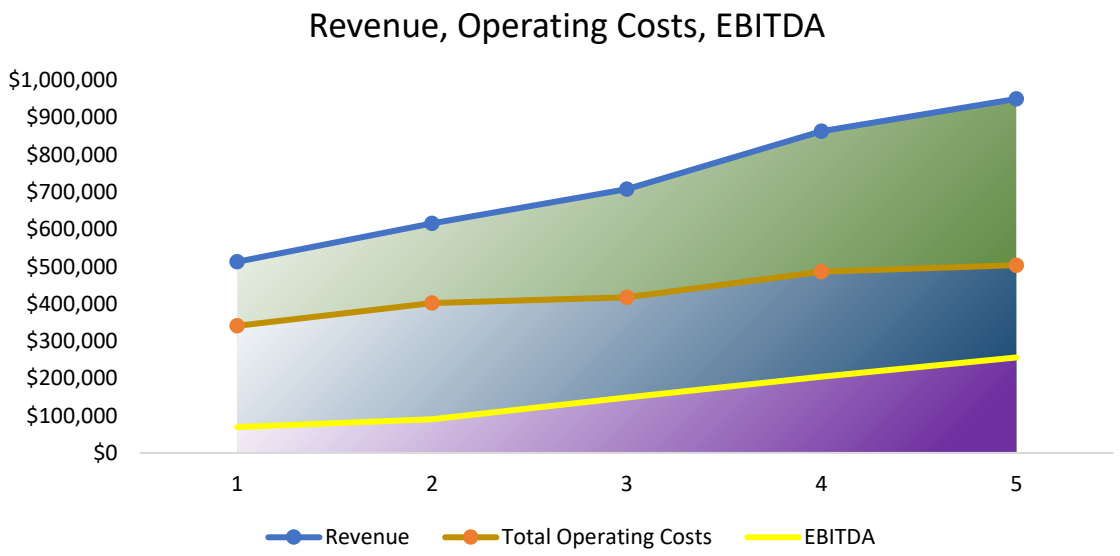


Target Market Courier Demand



Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$513,000	$615,600	$707,940	$863,687	$950,055
Cost of Revenue	$102,600	$123,120	$141,588	$172,737	$190,011
Gross Profit	$410,400	$492,480	$566,352	$690,949	$760,044
Total Operating Costs	$341,002	$402,342	$417,844	$486,404	$503,885
EBITDA	**$69,398**	**$90,138**	**$148,508**	**$204,546**	**$256,159**

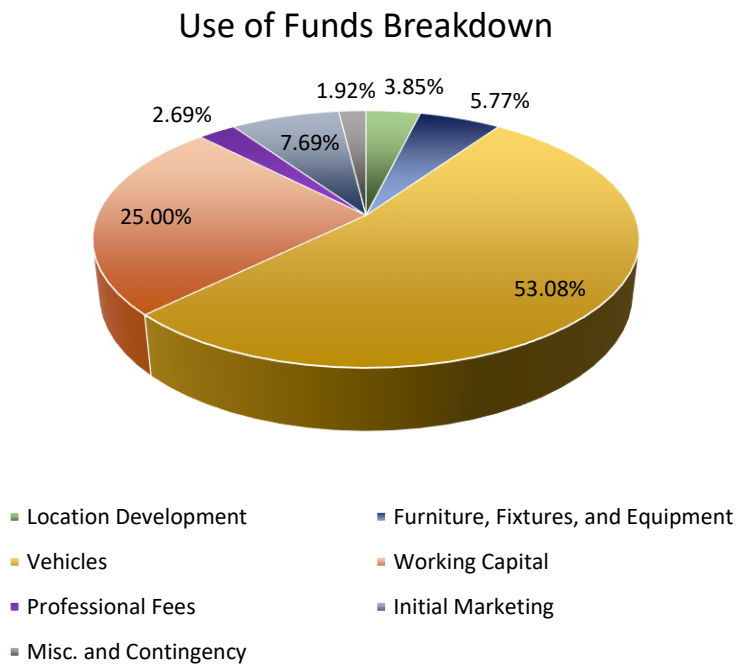


2.0 The Financing

2.1 Funds Required

The $100,000 discussed an executive summary will be allocated as follows along with Mr. Deutsch's $30,000 investment:

Use of Funds	
Location Development	$5,000
Furniture, Fixtures, and Equipment	$7,500
Vehicles	$69,000
Working Capital	$32,500
Professional Fees	$3,500
Initial Marketing	$10,000
Misc. and Contingency	$2,500
Total	$130,000



2.2 Management and Investor Equity

Matthew Deutsch retains a 100% ownership of interest in the business.

2.3 Exit Strategies

As this business will produce highly predictable fumes of revenue, there will be an immense demand among third-party courier services or entities that are seeking to enter this industry. In the event that the businesses to be sold, the Company will work with a qualified business broker to find a suitable buyer.

3.0 Operations

The Company will specialize an extremely rapid delivery of parcels, letters, and critical goods throughout the greater Sacramento area. At the onset of operations, the Company will have three vehicles available specifically for this purpose. During the pre-launch phase, the Company will conduct extensive direct outreach with law firms, medical firms, and other entities that have ongoing needs for specialized couriering.

In order to operate as efficiently as possible, the Company will employ a dispatch manager, that will send transportation orders to each courier in the field. The Company will also implement state of the art technology that will optimize routes in order to reduce energy costs. All couriering vehicles operated by Matt's Rapid Transport will be GPS monitored for driver safety metrics.

At all times, the Company will comply with all laws regarding the delivery of parcels, letters, and other goods on a state basis. The company will only conduct operations within California and will not provide services in any other state.

4.0 Overview of the Organization

4.1 Registered Name

Matt's Rapid Transport LLC. The business is registered as a limited liability company in the State of California.

4.2 Commencement of Operations

Revenue generating operations will commence in the first quarter of next year.

4.3 Mission Statement

To provide exceptional, on time, and cost-effective courier solutions.

4.4 Vision Statement

To establish Matt's Rapid Transport as the premier regional courier service within the greater Sacramento market.

4.5 Organizational Objectives

- Properly hire couriers that will safely liver letters and other small parcels to their destinations.
- Establish ongoing relationships with companies that have frequent same-day delivery needs, especially among law firms.
- Implement numerous online marketing strategies in order to showcase the courier services offered to the general public.
- Continue to add new vehicles to the Company's fleet, including vans, so that larger amounts of parcels can be delivered rapidly.
- Obtain proper licensure so that the business can provide specialized courier services.
- Potentially develop other locations with an economically viable market of Sacramento.

5.0 Market and Industry Analysis

5.1 External Environmental Analysis

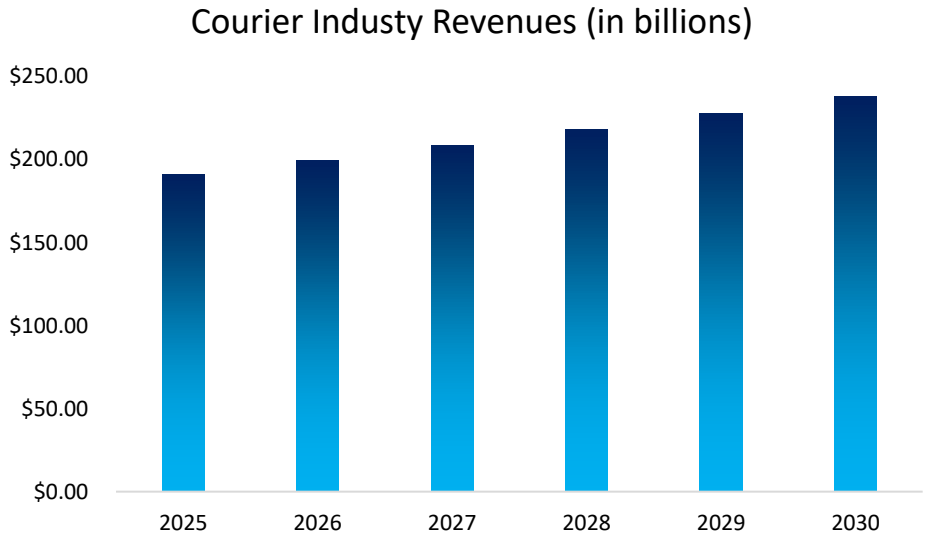
This section of the courier service business plan will document the current economic climate, the industry, the customer profile, and the ongoing competition that the business will face.

At this time, the economic climate within the United States is moderate. As a result of tariffs and other trade policy issues, the United States is currently experiencing a higher-than-normal inflationary rate. The Federal Reserve as well as global central banks are taking the appropriate measures to ensure that unemployment rates continue remain low well also fostering ongoing economic growth.

However, any issues with the economy will only have a modest impact on Matt's Rapid Transport's ability to generate revenue. The Company's courier service services will remain in demand, especially in among law firms within this market. Furthermore, individuals do have rapid needs for quick delivery from time to time. This substantial per mile fee charged by the business will ensure that the business is able to fulfill its obligations on monthly basis.

5.2 Industry Analysis

There are currently two million businesses that provide courier services and local package delivery to the general public. Each year of these businesses generate $191 billion revenue. Aggregately, the industry employees 2.5 million people.



One of the recent trends within this industry is the use of application-based technology when rendering couriering services. In order to ensure that the general public has access to rapid courier services, the Company will enroll among numerous platforms in order to

generate orders on a secondary basis. This will ensure that Matt's Rapid Transport operates at 100% capacity at all times.

5.3 Customer Profile

The demographic profile of the business is noted:

- Operates as a law firm or other entity with couriering service needs
- Will spend $100 to $200 per engagement
- Operates within 50 miles of the Matt's Rapid Transport location

5.4 Competitive Analysis

This courier service business plan has been written for sample purposes only. When a business plan is done specifically for a client, we include a full and highly in-depth competitive analysis of all companies that operate within a similar capacity within target market.

6.0 Key Strategic Issues

6.1 Sustainable Operations

Matt's Rapid Transport will have sustainable operations as a result of the following:

- Immense and ongoing demand for local courier services, especially for time sensitive materials.
- An experienced owner, Matthew Deutsch, that has extensive experience in a courier industry.
- The Company's principal clients are in industries that are relatively immune from negative changes in the economy.

6.2 Basis of Growth

The Company will expand via the following methods:

- Limited competition within the greater Sacramento market among companies that are able to provide delivery of time sensitive materials within a 90 minute to 2-hour window.
- Continued expansion of the company fleet of courier vehicles.
- Expansion to include other markets within California.
- Enrollment in among numerous application suites in order to receive highly predictable orders on a daily basis.

7.0 Marketing Plan

7.1 Marketing Objectives

- Conduct direct outreach with law firms and other enterprises that frequently have same day couriering needs.

- Maintain an expensive website specific for the Sacramento area.

- Leverage numerous application suites so that careering engagements can be sourced through multiple platforms.

7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	**1**	**2**	**3**	**4**	**5**
Courier Services	$513,000	$615,600	$707,940	$863,687	$950,055
Totals	**$513,000**	**$615,600**	**$707,940**	**$863,687**	**$950,055**

Gross Profit					
Year	1	2	3	4	5
Total	**$410,400**	**$492,480**	**$566,352**	**$690,949**	**$760,044**

7.3 Revenue Assumptions

Year 1

- First year revenue will reach $513,000.
- Gross profits will reach $410,000.

Year 2

- An additional couriering vehicle will be acquired.
- Revenue will reach $615,000.
- Gross profits will reach $492,000.

Years 3-5

- By the fifth year of operation, total revenue will reach $950,000.
- The Company will have five vehicles in its fleet.

7.4 Marketing Strategies

Foremost, the Company intends to conduct extensive direct average with law firms and legal focused enterprises within the greater Sacramento area. In many instances, time sensitive materials are required to be signed on paper. This represents the enormous opportunity for Matt's Rapid Transport given that the business will be able to quickly deliver time sensitive materials throughout the entirety of the Sacramento area. The Company will continue this type of marketing throughout the life of the business.

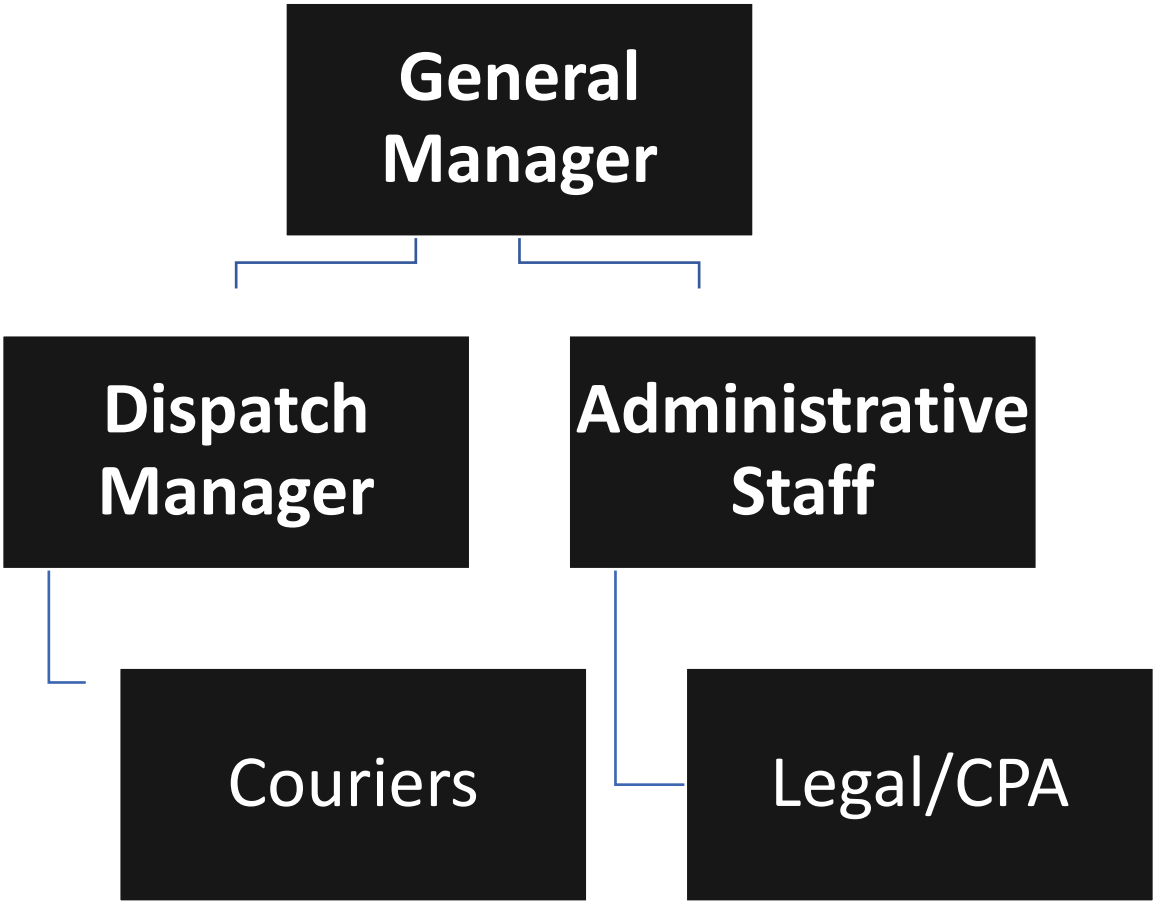
Matt's Rapid Transport will also maintain a highly informative website that showcases the entire scope of courier services offered. The platform will feature specialized e-commerce functionality so that courier transportation orders can be directly arranged to the website. A representative will always be available to assist a client whenever necessary. This website will undergo substantial organization specific for the Sacramento market, including keyword specific to the courier industry.

As noted throughout this document, the Company will also enroll among numerous platforms where individuals can place orders that are directly routed to Matt's Rapid Transport. This is an important secondary method of marketing as it will ensure that near 100% capacity for fleet is achieved.

To complement these operations, the business will maintain a presence among also social media pages, including Facebook, Instagram, X, and YouTube. The business will also maintain an expansive profile on LinkedIn in order further established relationships with attorneys and members of legal profession.

8.0 Organizational Plan

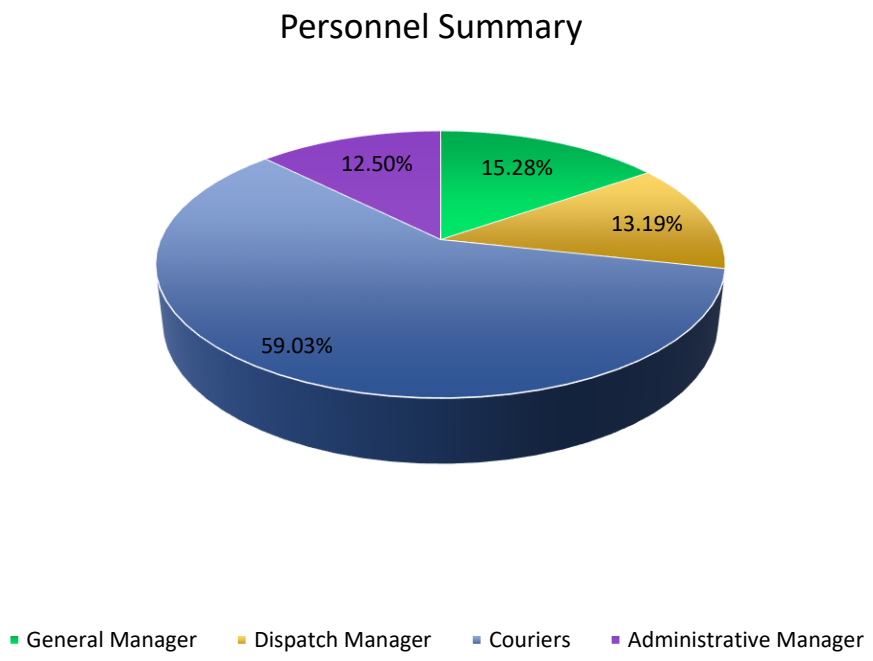
8.1 Organizational Hierarchy



8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
General Manager	$55,000	$56,650	$58,350	$60,100	$61,903
Dispatch Manager	$47,500	$48,925	$50,393	$51,905	$53,462
Couriers	$127,500	$175,100	$180,353	$232,204	$239,171
Administrative Manager	$45,000	$46,350	$47,741	$49,173	$50,648
Total	**$275,000**	**$327,025**	**$336,836**	**$393,382**	**$405,183**

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
General Manager	1	1	1	1	1
Dispatch Manager	1	1	1	1	1
Couriers	3	4	4	5	5
Administrative Manager	1	1	1	1	1
Total	**6**	**7**	**7**	**8**	**8**



9.0 Financial Plan

9.1 Underlying Assumptions

- The company will acquire $100,000 a debt capital carrying a 10-year term and an 8% interest rate.
- Matthew Deutsch will contribute $30,000 for the venture.
- Matt's Rapid Transport will achieve an annual growth rate of 16.6%.

9.2 Financial Highlights

- A significant portion of the capital sought in this document will be used for courier vehicles.
- The Company will be able to achieve significant gross margins on each engagement.

9.3 Sensitivity Analysis

The demand for the Company's services is expected to remain strong, even during challenging business climates. As it has been noted for this document, a significant portion of the Company's operations are going to be geared towards a legal profession. As Sacramento is the state capital, a significant amount of legal related activities occurs in this area. The business will be able to generate highly predictable revenues on a daily basis from its ongoing courier services.

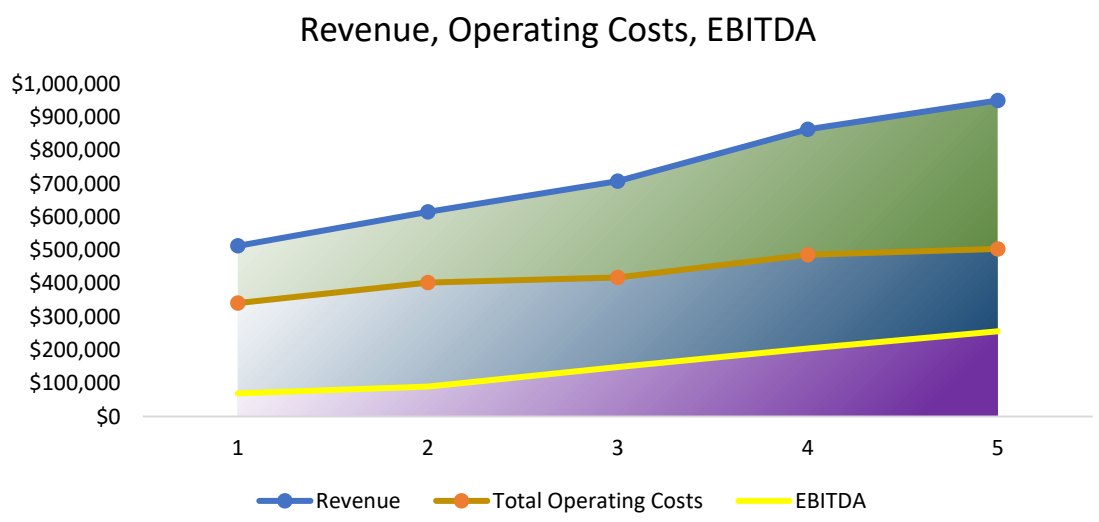
9.4 Source of Funds

Financing	
Equity	
Equity Capitalization	$30,000.00
Total Equity Financing	$30,000.00
Banks and Lenders	
Business Loan	$100,000.00
Total Debt Financing	$100,000.00
Total Financing	**$130,000.00**

9.5 Financial Proformas

A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$513,000	$615,600	$707,940	$863,687	$950,055
Cost of Revenue	$102,600	$123,120	$141,588	$172,737	$190,011
Gross Margin	80.00%	80.00%	80.00%	80.00%	80.00%
Gross Profit	$410,400	$492,480	$566,352	$690,949	$760,044
Expenses					
Payroll	$275,000	$327,025	$336,836	$393,382	$405,183
General and Administrative	$10,260	$12,312	$14,159	$17,274	$19,001
Business Development	$3,848	$4,617	$5,310	$6,478	$7,125
Marketing	$6,464	$7,757	$8,920	$10,882	$11,971
Insurance Costs	$10,000	$10,500	$11,025	$11,576	$12,155
Professional Fees	$3,500	$3,675	$3,859	$4,052	$4,254
Facility Costs	$9,600	$9,888	$10,185	$10,490	$10,805
Misc. Costs	$1,293	$1,551	$1,784	$2,176	$2,394
Payroll Taxes	$21,038	$25,017	$25,768	$30,094	$30,997
Total Operating Costs	**$341,002**	**$402,342**	**$417,844**	**$486,404**	**$503,885**
EBITDA	**$69,398**	**$90,138**	**$148,508**	**$204,546**	**$256,159**
Federal Income Tax	$13,386	$17,737	$31,658	$44,708	$56,365
State Income Tax	$2,677	$3,547	$6,332	$8,942	$11,273
Interest Expense	$7,754	$7,189	$6,578	$5,915	$5,198
Depreciation Expenses	$8,100	$12,000	$15,300	$19,800	$25,500
Net Profit	**$37,481**	**$49,664**	**$88,641**	**$125,181**	**$157,823**
Profit Margin	**7.31%**	**8.07%**	**12.52%**	**14.49%**	**16.61%**

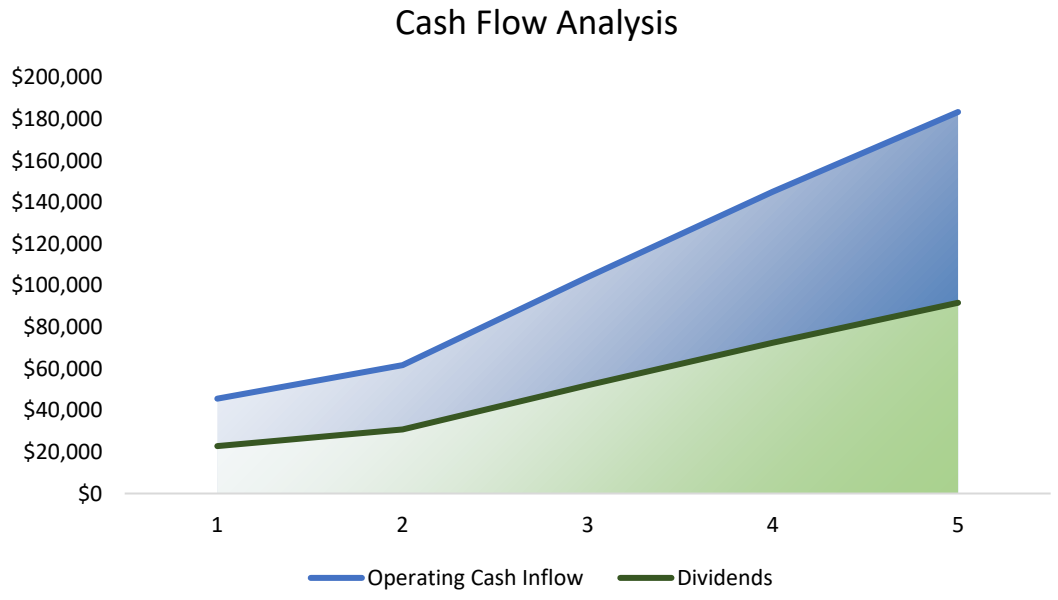


B) Common Size Income Statement

Profit and Loss (Common Size)					
Year	1	2	3	4	5
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	20.00%	20.00%	20.00%	20.00%	20.00%
Gross Profit	80.00%	80.00%	80.00%	80.00%	80.00%
Expenses					
Payroll	53.61%	53.12%	47.58%	45.55%	42.65%
General and Administrative	2.00%	2.00%	2.00%	2.00%	2.00%
Business Development	0.75%	0.75%	0.75%	0.75%	0.75%
Marketing	1.26%	1.26%	1.26%	1.26%	1.26%
Insurance Costs	1.95%	1.71%	1.56%	1.34%	1.28%
Professional Fees	0.68%	0.60%	0.55%	0.47%	0.45%
Facility Costs	1.87%	1.61%	1.44%	1.21%	1.14%
Misc. Costs	0.25%	0.25%	0.25%	0.25%	0.25%
Payroll Taxes	4.10%	4.06%	3.64%	3.48%	3.26%
Total Operating Costs	66.47%	65.36%	59.02%	56.32%	53.04%
EBITDA	13.53%	14.64%	20.98%	23.68%	26.96%
Federal Income Tax	2.61%	2.88%	4.47%	5.18%	5.93%
State Income Tax	0.52%	0.58%	0.89%	1.04%	1.19%
Interest Expense	1.51%	1.17%	0.93%	0.68%	0.55%
Depreciation Expenses	1.58%	1.95%	2.16%	2.29%	2.68%
Net Profit	7.31%	8.07%	12.52%	14.49%	16.61%

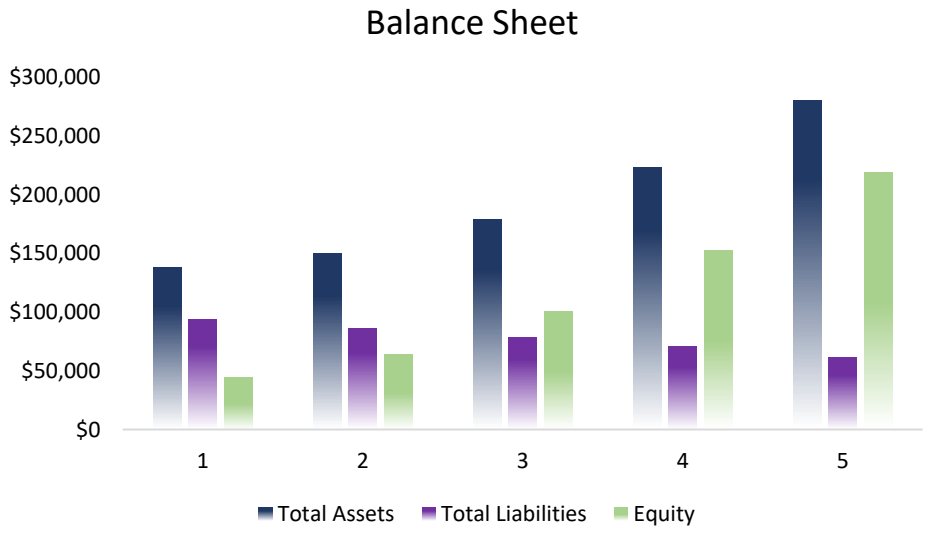
C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	$45,581	$61,664	$103,941	$144,981	$183,323
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$45,581**	**$61,664**	**$103,941**	**$144,981**	**$183,323**
Other Cash Inflows					
Equity Investment	$30,000	$0	$0	$0	$0
Increased Borrowings	$100,000	$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	**$131,000**	**$1,050**	**$1,103**	**$1,158**	**$1,216**
Total Cash Inflow	**$176,581**	**$62,714**	**$105,044**	**$146,139**	**$184,539**
Cash Outflows					
Repayment of Principal	$6,805	$7,370	$7,982	$8,644	$9,362
A/P Decreases	$700	$735	$772	$810	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$81,500	$15,416	$25,985	$36,245	$45,831
Dividends	$22,791	$30,832	$51,971	$72,491	$91,662
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$111,796**	**$54,353**	**$86,709**	**$118,191**	**$147,705**
Net Cash Flow	**$64,785**	**$8,361**	**$18,334**	**$27,948**	**$36,834**
Cash Balance	**$64,785**	**$73,146**	**$91,480**	**$119,429**	**$156,262**



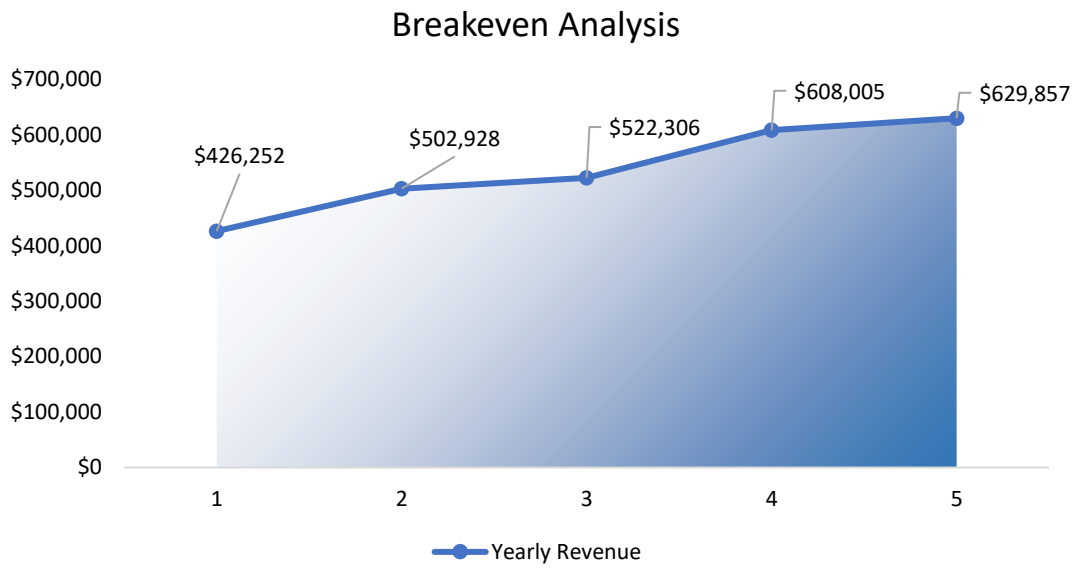
D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
Assets					
Cash	$64,785	$73,146	$91,480	$119,429	$156,262
Fixed Assets	$81,500	$96,916	$122,901	$159,147	$204,977
Accumulated Depreciation	($8,100)	($20,100)	($35,400)	($55,200)	($80,700)
Total Assets	**$138,185**	**$149,962**	**$178,982**	**$223,375**	**$280,540**
Liabilities and Equity					
Accounts Payable	$300	$615	$946	$1,293	$1,658
Long Term Liabilities	$93,195	$85,825	$77,843	$69,199	$59,837
Other Liabilities	$0	$0	$0	$0	$0
Total Liabilities	**$93,495**	**$86,440**	**$78,789**	**$70,492**	**$61,495**
Equity	**$44,691**	**$63,522**	**$100,193**	**$152,884**	**$219,045**
Total Liabilities and Equity	**$138,185**	**$149,962**	**$178,982**	**$223,375**	**$280,540**



9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	$35,521	$41,911	$43,525	$50,667	$52,488
Yearly Revenue	$426,252	$502,928	$522,306	$608,005	$629,857



9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
Revenue					
Sales Growth	0.0%	20.0%	15.0%	22.0%	10.0%
Gross Margin	80.0%	80.0%	80.0%	80.0%	80.0%
Financials					
Profit Margin	7.31%	8.07%	12.52%	14.49%	16.61%
Assets to Liabilities	1.48	1.73	2.27	3.17	4.56
Equity to Liabilities	0.48	0.73	1.27	2.17	3.56
Assets to Equity	3.09	2.36	1.79	1.46	1.28
Liquidity					
Acid Test	0.69	0.85	1.16	1.69	2.54
Cash to Assets	0.47	0.49	0.51	0.53	0.56

Appendix A – SWOT Analysis

Strengths

- By operating with an initial fleet of three vehicles, the Company will have the capacity to provide services to larger scale corporations.
- The operations of the business can be easily scaled into other markets within California given population density of this state.
- Limited competition among companies that provide same-day delivery services within a matter of hours.
- A, CEO, Matthew Deutsch, that has extensive experience operating short distance logistics enterprises.

Weaknesses

- Sharp oil price increases can impact the profitability of the business.
- An extremely severe economic recession could impact demand among the general public.

Opportunities

- Continued expansion of the Company's fleet to include larger scale vehicles that can accommodate larger parcels.
- Continued expansion of the business' direct outreach campaigns with companies that frequently have rapid transportation needs.
- Potential acquisition of courier companies that are in operation within the target market.

Threats

- Inflation could cause the operating cost of a business increase especially as it relates to vehicle maintenance.

Appendix B – Critical Risks

Development Risk – **Low**
Matthew Deutsch has already developed the service protocols that will guide the operations of Matt's Rapid Transport on a day-to-day basis. The principal of the issues that needs to be addressed to securing the $100,000 discussed in this document.

Financing Risk – **Low/Moderate**
The debt capital that will be acquired will be principally secured with vehicles that will be used to render services. The business will generate significant revenues on a monthly basis which will reduce risk.

Marketing Risk **– Low**
Direct outreach will remain as the most important component of the Company's marketing operations. This will be complimented by numerous online strategies as well as the use of application suites.

Management Risk – **Low**
Matthew Deutsch is a highly experienced expert in the field of short distance logistics and he will be able to properly bring the operations of the Company in profitability

Valuation Risk – **Low**
The valuation risk is offset by:

- Highly predictable income from couriering engagements throughout Sacramento.
- The business can easily scale its operations through ongoing additions to the fleet.
- By targeting law offices, the business will be able to achieve substantial economic stability.

Exit Risk - **Low**
As a result of the significant profitability of his business, there are a number of potential buyers that would be interested in acquiring these operations after the fifth year of business. However, this is not expected to occur for a minimum of seven years.

Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	**$40,000**	**$40,500**	**$41,000**	**$41,500**	**$42,000**	**$42,500**	**$43,000**
Cost of Revenue	$8,000	$8,100	$8,200	$8,300	$8,400	$8,500	$8,600
Gross Profit	$32,000	$32,400	$32,800	$33,200	$33,600	$34,000	$34,400
Expenses							
Payroll	$22,917	$22,917	$22,917	$22,917	$22,917	$22,917	$22,917
General and Administrative	$855	$855	$855	$855	$855	$855	$855
Business Development	$321	$321	$321	$321	$321	$321	$321
Marketing	$539	$539	$539	$539	$539	$539	$539
Insurance Costs	$833	$833	$833	$833	$833	$833	$833
Professional Fees	$292	$292	$292	$292	$292	$292	$292
Facility Costs	$800	$800	$800	$800	$800	$800	$800
Misc. Costs	$108	$108	$108	$108	$108	$108	$108
Payroll Taxes	$1,753	$1,753	$1,753	$1,753	$1,753	$1,753	$1,753
Total Operating Costs	$28,417	$28,417	$28,417	$28,417	$28,417	$28,417	$28,417
EBITDA	$3,583	$3,983	$4,383	$4,783	$5,183	$5,583	$5,983
Federal Income Tax	$1,044	$1,057	$1,070	$1,083	$1,096	$1,109	$1,122
State Income Tax	$209	$211	$214	$217	$219	$222	$224
Interest Expense	$667	$663	$659	$656	$652	$648	$644
Depreciation Expenses	$675	$675	$675	$675	$675	$675	$675
Net Profit	$989	$1,377	$1,765	$2,153	$2,541	$2,929	$3,317

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
Revenue	**$43,500**	**$44,000**	**$44,500**	**$45,000**	**$45,500**	**$513,000**
Cost of Revenue	$8,700	$8,800	$8,900	$9,000	$9,100	$102,600
Gross Profit	$34,800	$35,200	$35,600	$36,000	$36,400	$410,400
Expenses						
Payroll	$22,917	$22,917	$22,917	$22,917	$22,917	$275,000
General and Administrative	$855	$855	$855	$855	$855	$10,260
Business Development	$321	$321	$321	$321	$321	$3,848
Marketing	$539	$539	$539	$539	$539	$6,464
Insurance Costs	$833	$833	$833	$833	$833	$10,000
Professional Fees	$292	$292	$292	$292	$292	$3,500
Facility Costs	$800	$800	$800	$800	$800	$9,600
Misc. Costs	$108	$108	$108	$108	$108	$1,293
Payroll Taxes	$1,753	$1,753	$1,753	$1,753	$1,753	$21,038
Total Operating Costs	$28,417	$28,417	$28,417	$28,417	$28,417	$341,002
EBITDA	$6,383	$6,783	$7,183	$7,583	$7,983	$69,398
Federal Income Tax	$1,135	$1,148	$1,161	$1,174	$1,187	$13,386
State Income Tax	$227	$230	$232	$235	$237	$2,677
Interest Expense	$641	$637	$633	$629	$625	$7,754
Depreciation Expenses	$675	$675	$675	$675	$675	$8,100
Net Profit	$3,705	$4,094	$4,482	$4,870	$5,258	$37,481

Profit and Loss Statement (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Revenue	$149,283	$152,361	$155,439	$158,517	$615,600
Cost of Revenue	$29,857	$30,472	$31,088	$31,703	$123,120
Gross Profit	**$119,426**	**$121,889**	**$124,351**	**$126,814**	**$492,480**
Expenses					
Payroll	$81,756	$81,756	$81,756	$81,756	$327,025
General and Administrative	$3,078	$3,078	$3,078	$3,078	$12,312
Business Development	$1,120	$1,143	$1,166	$1,189	$4,617
Marketing	$1,881	$1,920	$1,959	$1,997	$7,757
Insurance Costs	$2,625	$2,625	$2,625	$2,625	$10,500
Professional Fees	$891	$910	$928	$946	$3,675
Facility Costs	$2,472	$2,472	$2,472	$2,472	$9,888
Misc. Costs	$376	$384	$392	$399	$1,551
Payroll Taxes	$6,067	$6,192	$6,317	$6,442	$25,017
Total Operating Costs	**$100,266**	**$100,479**	**$100,692**	**$100,905**	**$402,342**
EBITDA	**$19,160**	**$21,410**	**$23,659**	**$25,908**	**$90,138**
Federal Income Tax	$4,301	$4,390	$4,479	$4,567	$17,737
State Income Tax	$860	$878	$896	$913	$3,547
Interest Expense	$1,852	$1,816	$1,779	$1,742	$7,189
Depreciation Expenses	$3,000	$3,000	$3,000	$3,000	$12,000
Net Profit	**$9,147**	**$11,326**	**$13,505**	**$15,686**	**$49,664**

Profit and Loss Statement (Third Year)					
		Year 3			
Quarter	Q1	Q2	Q3	Q4	Year 3
Revenue	$171,675	$175,215	$178,755	$182,295	$707,940
Cost of Revenue	$34,335	$35,043	$35,751	$36,459	$141,588
Gross Profit	**$137,340**	**$140,172**	**$143,004**	**$145,836**	**$566,352**
Expenses					
Payroll	$84,209	$84,209	$84,209	$84,209	$336,836
General and Administrative	$3,434	$3,504	$3,575	$3,646	$14,159
Business Development	$1,288	$1,314	$1,341	$1,367	$5,310
Marketing	$2,163	$2,208	$2,252	$2,297	$8,920
Insurance Costs	$2,756	$2,756	$2,756	$2,756	$11,025
Professional Fees	$936	$955	$974	$994	$3,859
Facility Costs	$2,546	$2,546	$2,546	$2,546	$10,185
Misc. Costs	$433	$442	$450	$459	$1,784
Payroll Taxes	$6,442	$6,442	$6,442	$6,442	$25,768
Total Operating Costs	**$104,206**	**$104,376**	**$104,546**	**$104,716**	**$417,844**
EBITDA	**$33,134**	**$35,796**	**$38,458**	**$41,119**	**$148,508**
Federal Income Tax	$7,677	$7,835	$7,994	$8,152	$31,658
State Income Tax	$1,535	$1,567	$1,599	$1,630	$6,332
Interest Expense	$1,704	$1,665	$1,625	$1,584	$6,578
Depreciation Expenses	$3,825	$3,825	$3,825	$3,825	$15,300
Net Profit	**$18,393**	**$20,904**	**$23,416**	**$25,928**	**$88,641**

Profit and Loss Statement (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Revenue	$209,444	$213,762	$218,081	$222,399	$863,687
Cost of Revenue	$41,889	$42,752	$43,616	$44,480	$172,737
Gross Profit	**$167,555**	**$171,010**	**$174,465**	**$177,919**	**$690,949**
Expenses					
Payroll	$98,345	$98,345	$98,345	$98,345	$393,382
General and Administrative	$4,189	$4,275	$4,362	$4,448	$17,274
Business Development	$1,571	$1,603	$1,636	$1,668	$6,478
Marketing	$2,639	$2,693	$2,748	$2,802	$10,882
Insurance Costs	$2,894	$2,894	$2,894	$2,894	$11,576
Professional Fees	$983	$1,003	$1,023	$1,043	$4,052
Facility Costs	$2,623	$2,623	$2,623	$2,623	$10,490
Misc. Costs	$528	$539	$550	$560	$2,176
Payroll Taxes	$7,523	$7,523	$7,523	$7,523	$30,094
Total Operating Costs	**$121,295**	**$121,499**	**$121,703**	**$121,907**	**$486,404**
EBITDA	**$46,261**	**$49,511**	**$52,762**	**$56,012**	**$204,546**
Federal Income Tax	$10,842	$11,065	$11,289	$11,512	$44,708
State Income Tax	$2,168	$2,213	$2,258	$2,302	$8,942
Interest Expense	$1,543	$1,501	$1,458	$1,414	$5,915
Depreciation Expenses	$4,950	$4,950	$4,950	$4,950	$19,800
Net Profit	**$26,758**	**$29,782**	**$32,808**	**$35,834**	**$125,181**

Profit and Loss Statement (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Revenue	$230,388	$235,139	$239,889	$244,639	$950,055
Cost of Revenue	$46,078	$47,028	$47,978	$48,928	$190,011
Gross Profit	**$184,311**	**$188,111**	**$191,911**	**$195,711**	**$760,044**
Expenses					
Payroll	$101,296	$101,296	$101,296	$101,296	$405,183
General and Administrative	$4,608	$4,703	$4,798	$4,893	$19,001
Business Development	$1,728	$1,764	$1,799	$1,835	$7,125
Marketing	$2,903	$2,963	$3,023	$3,082	$11,971
Insurance Costs	$3,039	$3,039	$3,039	$3,039	$12,155
Professional Fees	$1,032	$1,053	$1,074	$1,095	$4,254
Facility Costs	$2,701	$2,701	$2,701	$2,701	$10,805
Misc. Costs	$581	$593	$605	$616	$2,394
Payroll Taxes	$7,749	$7,749	$7,749	$7,749	$30,997
Total Operating Costs	**$125,636**	**$125,859**	**$126,083**	**$126,307**	**$503,885**
EBITDA	**$58,675**	**$62,252**	**$65,828**	**$69,405**	**$256,159**
Federal Income Tax	$13,669	$13,950	$14,232	$14,514	$56,365
State Income Tax	$2,734	$2,790	$2,846	$2,903	$11,273
Interest Expense	$1,369	$1,323	$1,277	$1,229	$5,198
Depreciation Expenses	$6,375	$6,375	$6,375	$6,375	$25,500
Net Profit	**$34,529**	**$37,813**	**$41,098**	**$44,384**	**$157,823**

Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	$1,664	$2,052	$2,440	$2,828	$3,216	$3,604	$3,992	$4,380
Cash From Receivables	$0	$0	$0	$0	$0	$0	$0	$0
Operating Cash Inflow	$1,664	$2,052	$2,440	$2,828	$3,216	$3,604	$3,992	$4,380
Other Cash Inflows								
Equity Investment	$30,000	$0	$0	$0	$0	$0	$0	$0
Increased Borrowings	$100,000	$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	**$130,083**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**
Total Cash Inflow	**$131,747**	**$2,135**	**$2,523**	**$2,911**	**$3,299**	**$3,688**	**$4,076**	**$4,464**
Cash Outflows								
Repayment of Principal	$547	$550	$554	$558	$561	$565	$569	$573
A/P Decreases	$58	$58	$58	$58	$58	$58	$58	$58
A/R Increases	$0	$0	$0	$0	$0	$0	$0	$0
Asset Purchases	$81,500	$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	**$82,105**	**$609**	**$612**	**$616**	**$620**	**$623**	**$627**	**$631**
Net Cash Flow	**$49,642**	**$1,527**	**$1,911**	**$2,295**	**$2,680**	**$3,064**	**$3,448**	**$3,833**
Cash Balance	**$49,642**	**$51,169**	**$53,080**	**$55,376**	**$58,056**	**$61,120**	**$64,568**	**$68,401**

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	Year 1
Cash From Operations	$4,769	$5,157	$5,545	$5,933	$45,581
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$4,769**	**$5,157**	**$5,545**	**$5,933**	**$45,581**
Other Cash Inflows					
Equity Investment	$0	$0	$0	$0	$30,000
Increased Borrowings	$0	$0	$0	$0	$100,000
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	$131,000
Total Cash Inflow	**$4,852**	**$5,240**	**$5,628**	**$6,017**	**$176,581**
Cash Outflows					
Repayment of Principal	$576	$580	$584	$588	$6,805
A/P Decreases	$58	$58	$58	$58	$700
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$0	$0	$0	$0	$81,500
Dividends	$0	$0	$0	$22,791	$22,791
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$635**	**$639**	**$642**	**$23,437**	**$111,796**
Net Cash Flow	**$4,217**	**$4,602**	**$4,986**	**-$17,420**	**$64,785**
Cash Balance	**$72,618**	**$77,220**	**$82,206**	**$64,785**	**$64,785**

Cash Flow Analysis (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	$12,147	$14,326	$16,505	$18,686	$61,664
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$12,147**	**$14,326**	**$16,505**	**$18,686**	**$61,664**
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	**$12,402**	**$14,586**	**$16,771**	**$18,956**	**$62,714**
Cash Outflows					
Repayment of Principal	$1,788	$1,824	$1,861	$1,898	$7,370
A/P Decreases	$178	$182	$186	$189	$735
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$15,416	$0	$0	$0	$15,416
Dividends	$0	$0	$0	$30,832	$30,832
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$17,382**	**$2,006**	**$2,046**	**$32,919**	**$54,353**
Net Cash Flow	**-$4,980**	**$12,580**	**$14,724**	**-$13,963**	**$8,361**
Cash Balance	**$59,805**	**$72,385**	**$87,109**	**$73,146**	**$73,146**

Cash Flow Analysis (Third Year)					
		Year 3			
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	$22,218	$24,729	$27,241	$29,753	$103,941
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$22,218**	**$24,729**	**$27,241**	**$29,753**	**$103,941**
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	**$22,486**	**$25,002**	**$27,519**	**$30,037**	**$105,044**
Cash Outflows					
Repayment of Principal	$1,936	$1,975	$2,015	$2,056	$7,982
A/P Decreases	$187	$191	$195	$199	$772
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$25,985	$0	$0	$0	$25,985
Dividends	$0	$0	$0	$51,971	$51,971
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$28,109**	**$2,166**	**$2,210**	**$54,225**	**$86,709**
Net Cash Flow	**-$5,623**	**$22,836**	**$25,309**	**-$24,188**	**$18,334**
Cash Balance	**$67,523**	**$90,359**	**$115,668**	**$91,480**	**$91,480**

Cash Flow Analysis (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	$31,708	$34,732	$37,758	$40,784	$144,981
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$31,708**	**$34,732**	**$37,758**	**$40,784**	**$144,981**
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	**$31,989**	**$35,019**	**$38,050**	**$41,082**	**$146,139**
Cash Outflows					
Repayment of Principal	$2,097	$2,139	$2,182	$2,226	$8,644
A/P Decreases	$197	$201	$205	$209	$810
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$18,123	$18,123	$0	$0	$36,245
Dividends	$0	$0	$0	$72,491	$72,491
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$20,416**	**$20,462**	**$2,387**	**$74,925**	**$118,191**
Net Cash Flow	**$11,573**	**$14,556**	**$35,663**	**-$33,844**	**$27,948**
Cash Balance	**$103,053**	**$117,609**	**$153,272**	**$119,429**	**$119,429**

Cash Flow Analysis (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	$40,904	$44,188	$47,473	$50,759	$183,323
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$40,904**	**$44,188**	**$47,473**	**$50,759**	**$183,323**
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	**$41,199**	**$44,489**	**$47,780**	**$51,072**	**$184,539**
Cash Outflows					
Repayment of Principal	$2,271	$2,317	$2,363	$2,411	$9,362
A/P Decreases	$206	$211	$215	$219	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$22,915	$22,915	$0	$0	$45,831
Dividends	$0	$0	$0	$91,662	$91,662
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$25,393**	**$25,443**	**$2,578**	**$94,292**	**$147,705**
Net Cash Flow	**$15,806**	**$19,046**	**$45,202**	**-$43,220**	**$36,834**
Cash Balance	**$135,235**	**$154,281**	**$199,482**	**$156,262**	**$156,262**