MATT'S
ROLLED ICE CREAM

Human Intelligence
Business Plans

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1.0 Executive Summary

The purpose of this business plan is to raise an exam in the allocation of $75,000 for an ice cream shop based in Montgomery County, Pennsylvania. Matt's Rolled Ice Cream ("the Company") was founded in 2025 by Matthew Deutsch. The business will have a unique specialty by providing rolled ice cream, which is an extremely unique way of serving this type of product. Full scale revenue generating operations are expected to commence in the second quarter of next year.

Operations

The vast majority of the company's revenue will come from the ongoing sale of rolled ice cream. This method of providing this type of fare involves the infusion of fruit as well as other toppings that are rolled together to create a unique presentation. This type of preparation has its roots in Asia and it is quickly becoming extremely popular within the United States.

To complement the primary sale of rolled ice cream, the business will also offer a number of baked goods, coffees, teas, and related sweet treats. The business will generate contribution margins of approximately 70% on all product sales. These additional products will allow the Company to operate on a year-round basis.

The third section of the business plan will further discuss the operations of the business.

The Financing

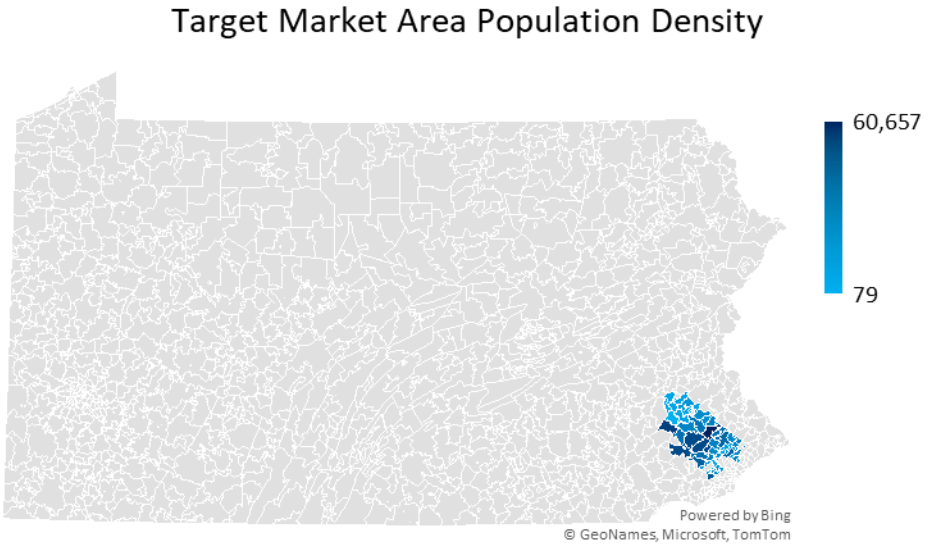
As noted above, the Company is currently seeking $75,000 of investment capital in order to establish Matt's Rolled Ice Cream in Montgomery County.

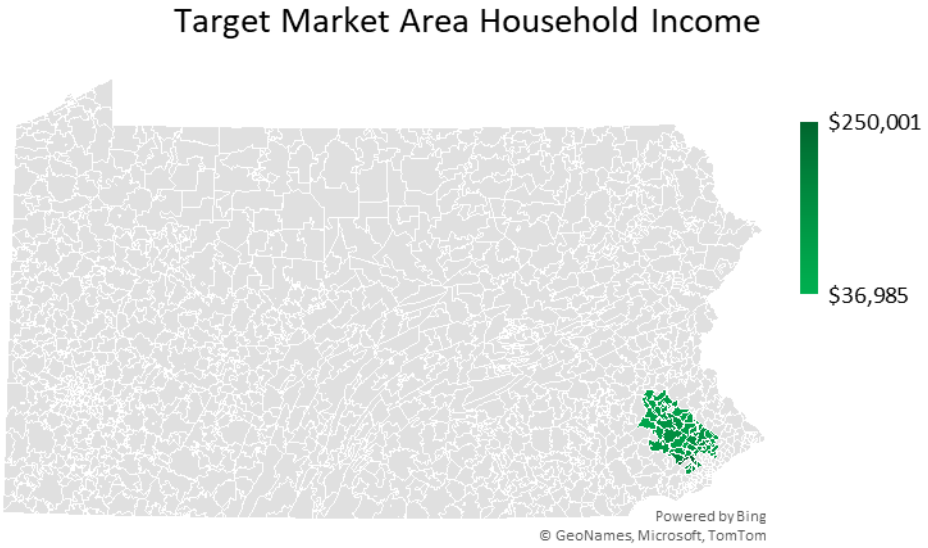
Given the substantial contribution margin generated from the sales of rolled ice cream, as well as other products, the business would be a strong candidate for expansion capital should it be economically viable to develop additional locations within the greater Southeastern Pennsylvania market. The Company could easily secure a business loan to establish multiple facilities throughout the state.

The Future

Moving forward, the company will make ongoing and sustained investments into its operational infrastructure so that it becomes one of the preeminent ice cream shops within the Montgomery County market. It should be noted that rolled ice cream is very popular at hosted events and there is the potential that the business can engage in on-site catering. This would substantially increase the revenue of the business while also increasing visibility given the branded vehicle that would be used for these types of operations.

Market Overview

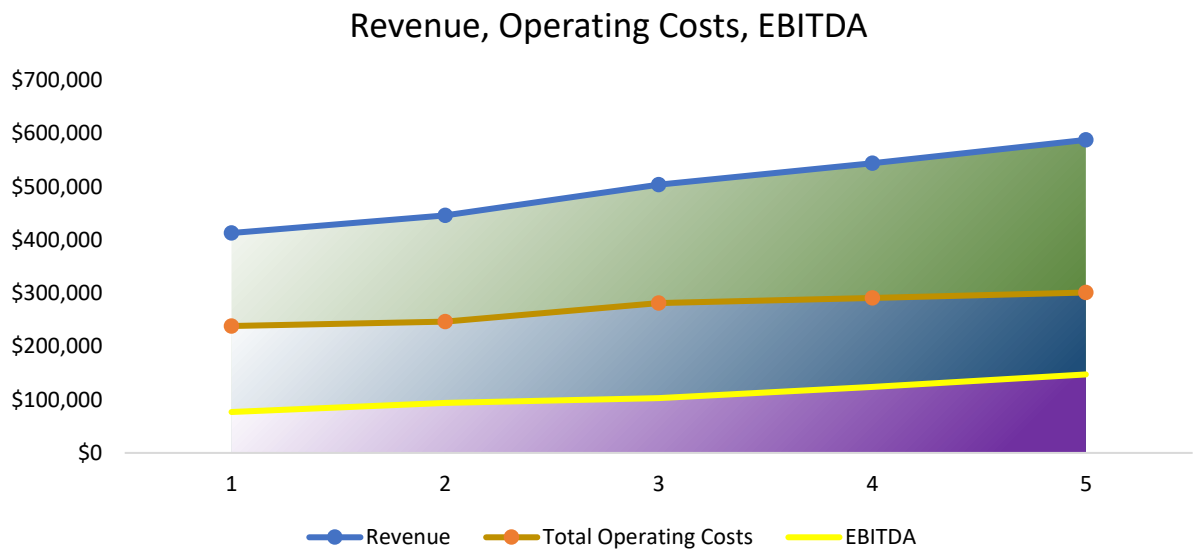




As of this year, the estimated population of Montgomery County is approximately 857,000 people. Among these residents, the median household income is $111,000. Given the significant population density, wealth, and location across the Northeast Corridor, Matt's Rolled Ice Cream will have substantial economic staying power.

Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$413,100	$446,148	$504,147	$544,479	$588,037
Cost of Revenue	$97,808	$105,632	$119,364	$128,913	$139,226
Gross Profit	$315,293	$340,516	$384,783	$415,566	$448,811
Total Operating Costs	$238,420	$246,563	$281,673	$291,319	$301,346
EBITDA	**$76,872**	**$93,953**	**$103,110**	**$124,247**	**$147,465**

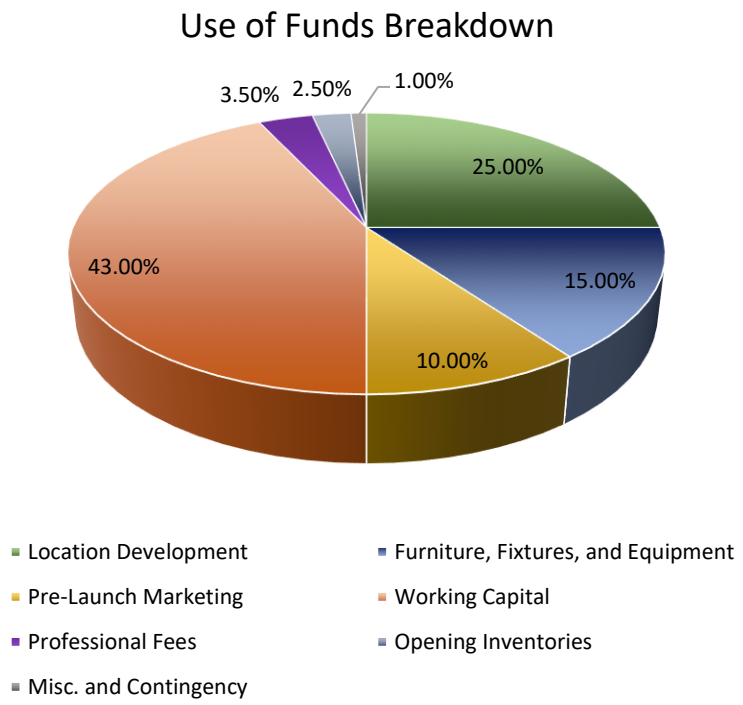


2.0 The Financing

2.1 Funds Required

A loan of $75,000 is required to launch operations. Matthew Deutsch will contribute $25,000 toward the development of Matt's Rolled Ice Cream.

Use of Funds	
Location Development	$25,000
Furniture, Fixtures, and Equipment	$15,000
Pre-Launch Marketing	$10,000
Working Capital	$43,000
Professional Fees	$3,500
Opening Inventories	$2,500
Misc. and Contingency	$1,000
Total	$100,000



2.2 Management and Investor Equity

Matthew Deutsch retains a 100% ownership interest.

2.3 Exit Strategies

Given the substantial contribution margins and economic stability of Matt's Rolled Ice Cream, the business could be easily sold to a third-party for a significant earnings multiple. Historically, ice cream shops typically receive a price equal to three times EBITDA. Based on the profitability showcase in this document, Matt's Rolled Ice Cream could have a value of $450,000 by the fifth year of operation. There are no long-term plans to sell this business. If the businesses to be sold, a formal valuation will be completed by a business valuation expert. From there, a qualified business broker will be hired in order to market Matt's Rolled Ice Cream to a potential buyer

Proforma Valuation					
Year	1	2	3	4	5
EBITDA	$76,872	$93,953	$103,110	$124,247	$147,465
Price to Earnings Multiple	3	3	3	3	3
Proforma Valuation	**$230,617**	**$281,859**	**$309,329**	**$372,740**	**$442,394**

Return On Investment					
Year	1	2	3	4	5
Yearly ROI	307.49%	375.81%	412.44%	496.99%	589.86%
Cumulative ROI	307.49%	683.30%	1095.74%	1592.73%	2182.59%

Return On Investment	
IRR	326%
NPV	$479,856

3.0 Operations

As discussed in the executive summary, Matt's Rolled Ice Cream will offer a broad range of rolled ice cream from it's easy to reach location in Montgomery County. The Company's staff will undergo substantial training to ensure that they understand the proper method of infusing fruit as well as other toppings in a rolled manner. Presentation is an extremely important part of surfing this type of fare.

To complement the primary product line, the business will also offer a number of baked goods that have been sourced from local bakeries. The business will work with local bakeries at all times in order position the brand as a community minded enterprise. The business will also offer a wide range of beverages including bottled drinks, coffees, teas, and sodas.

In order to facilitate a greater amount of revenue, the business will use numerous e-commerce platforms in order to drive take away and delivery orders. For delivery orders, specialized boxes will be used in order to keep the rolled ice cream intact during the transportation process.

4.0 Overview of the Organization

4.1 Registered Name

Matt's Rolled Ice Cream LLC. The business is registered as a limited liability company in the Commonwealth of Pennsylvania.

4.2 Commencement of Operations

Revenue generating operations will commence in the third quarter of this year.

4.3 Mission Statement

To provide the Montgomery County general public, outstanding line of rolled ice cream at affordable price.

4.4 Vision Statement

To become a widely recognized rolled ice cream shop in Southeastern Pennsylvania.

4.5 Organizational Objectives

- Immediately implement a wide-ranging marketing campaign to make Montgomery County area of the Company's operations.
- Adhere to all food, safety regulations when handling products that could spoil.
- Maintain relationships with area schools for promotions in order to drive traffic to the location.
- Establish ongoing purchase order relationships with regional bakeries in order to acquire, pastries, and related baked goods that will be sold on site.
- Potentially integrate mobile based operations that can be used for events within the greater Montgomery County area.
- Implement fiscally sound protocols that will ensure that that Matt's Rolled Ice Cream is able to maintain profitability even during challenging business climate.
- Potentially develop additional locations within Southeastern Pennsylvania with the accrued profits of the business after the fifth year of operation.
- Continue to add new menu items in order to foster repeat patronage.
- Provide the Company's employees with a stable work environment that is fun and rewarding.

5.0 Market and Industry Analysis

5.1 External Environmental Analysis

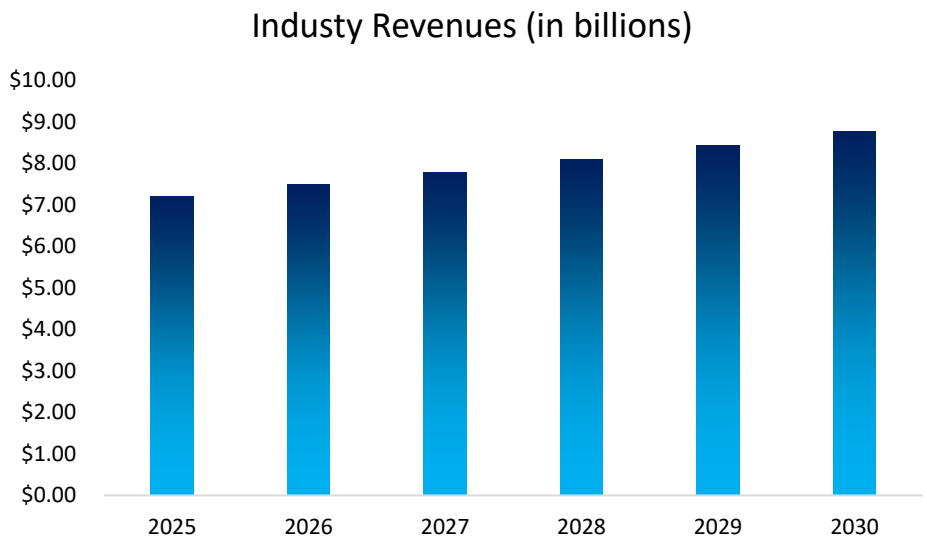
This section of the business plan will focus on the ice cream shop industry, the competition that Matt's Rolled Ice Cream will face, the customer profile, and the current economic climate.

As it relates to the latter, the current economic climate with the United States is moderate. Over the past twelve months, there has been a certain degree of volatility introduced to the market given the continued changes in global trade policies. It has led to a higher inflationary period as compared to past market statistics. However, the government is implementing appropriate fiscal policy to ensure that the economy continues to grow while abating the issues of inflation.

It should be noted that these issues will only have a modest impact on Matt's Rolled Ice Cream's ability to generate revenue and maintain profitability. This is primarily due to the fact that the company will generate substantial contribution margins from all rolled ice cream sales. Furthermore, the business is operating in Montgomery County, which has significant population density.

5.2 Industry Analysis

As of this year, there are 12,800 businesses that operate in an ice cream shop capacity. These businesses aggregately produced $7 billion of revenue while employing 150,000 people. This industry is mature and the ongoing growth rate will that of inflation as well as natural population growth.



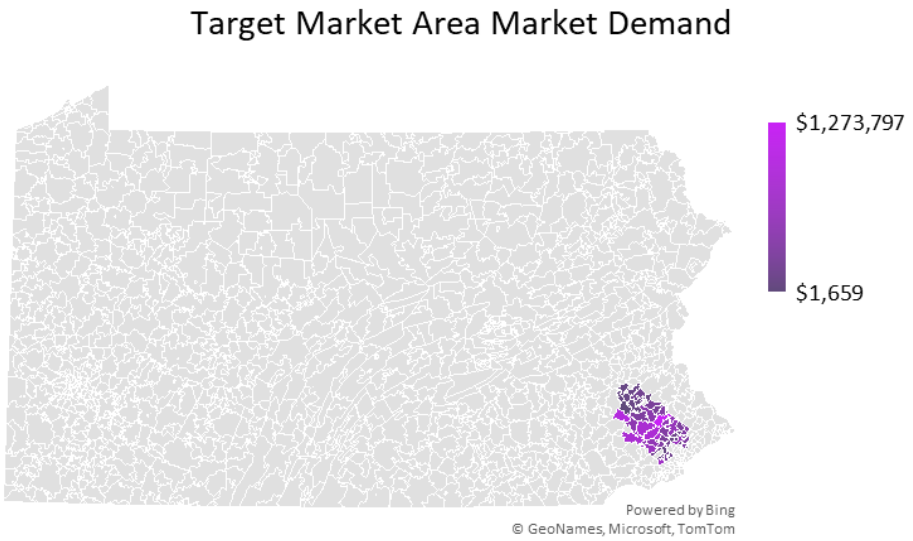
It should be noted that while this is a mature industry, businesses that serve rolled ice cream are gaining substantial popularity given the unique confusion of fruit, toppings, and the

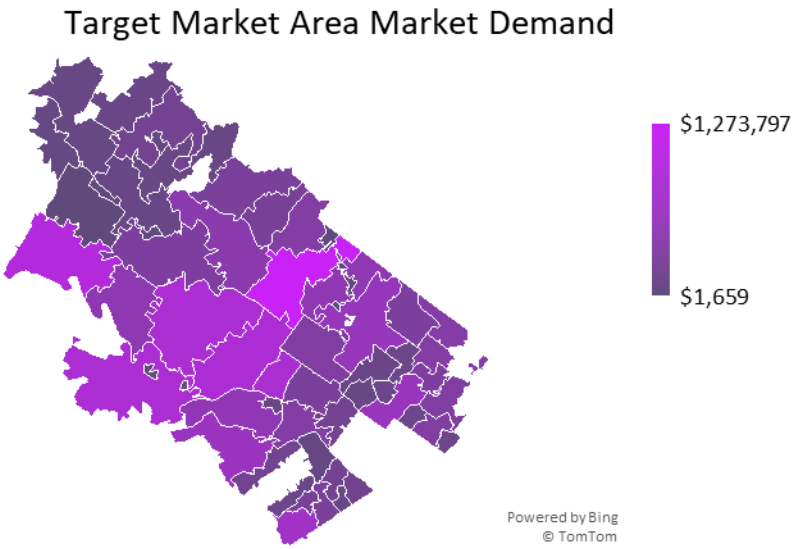
unique texture that is associated with serving ice cream in this way. Matt's Rolled Ice Cream will be able to capitalize on this new demand in the coming years.

5.3 Customer Profile

The following demographic profile will be used during the course of marketing operations:

- Household income of $75,000+
- Will spend $10 per visit
- Lives within 3 miles of the Matt's Rolled Ice Cream location





Based on national statistics regarding the annul purchasing of ice cream at retail locations, the total market demand in Montgomery County is $22 million per annum.

5.4 Competitive Analysis

This business plan has been developed for sample purposes only. As such, no formal competitive analysis was completed specific for the Montgomery County market. If this business plan was developed specifically for the needs of a client then a wide ranging analysis would have been completed regarding the number of competitors in the market, the ways in which Matt's Rolled Ice Cream would be able to differentiate itself, competitors, online reviews, and other attributes related to this matter.

6.0 Key Strategic Issues

6.1 Sustainable Operations

Matt's Rolled Ice Cream will have sustainable operations as a result of the following:

- Source only the highest quality inventory inputs for all rolled ice cream sales.
- The ability to provide freshly prepared, baked goods will provide a major differentiating factor for Matt's Rolled Ice Cream.
- The Company is operating in Montgomery County, which has the necessary population density and wealth has support the business.
- Limited competition among companies that specialize enrolled ice cream.
- The operations of the business are highly scalable and multiple locations can be created through throughout the greater Southeastern Pennsylvania area.

6.2 Basis of Growth

The Company will expand via the following methods:

- Potential integration of mobile operations that would occur at personal in corporate events.
- Potential development of a franchise system giving you unique operating nature of Matt's Rolled Ice Cream.
- Natural growth through continually increasing marketing operations.
- Development of additional corporate locations within Montgomery County or economically viable markets in Pennsylvania, New Jersey, or Delaware.

7.0 Marketing Plan

7.1 Marketing Objectives

- Engage in a wide-ranging pre-launch marketing campaign in order to inform the general public of Matt's Rolled Ice Cream's operations.

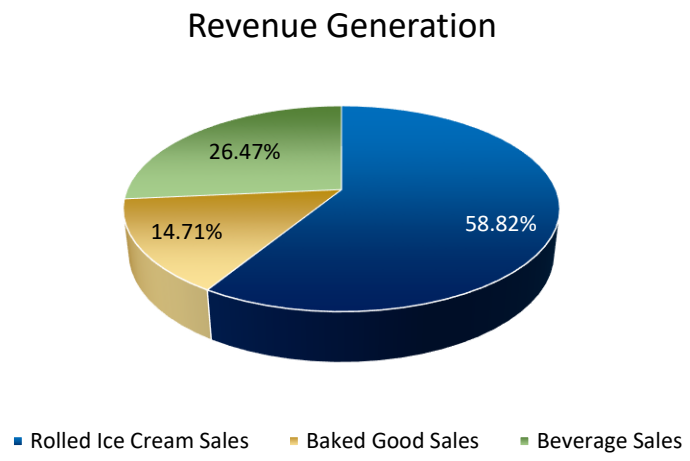
- Established relationships with schools for promotions that will provide free ice cream for students that excel academically.

- Continue to engage in appropriate regional marketing campaigns, which would facilitate the seamless development of new locations in the coming years.

7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	**1**	**2**	**3**	**4**	**5**
Rolled Ice Cream Sales	$243,000	$262,440	$296,557	$320,282	$345,904
Baked Good Sales	$60,750	$65,610	$74,139	$80,070	$86,476
Beverage Sales	$109,350	$118,098	$133,451	$144,127	$155,657
Total	**$413,100**	**$446,148**	**$504,147**	**$544,479**	**$588,037**

Gross Profit					
Year	1	2	3	4	5
Total	**$315,293**	**$340,516**	**$384,783**	**$415,566**	**$448,811**



7.3 Revenue Assumptions

Year 1

- First year revenue will reach $413,000.
- Gross profits will reach $315,000.

Year 2

- Revenue will reach $446,000.
- Gross profits will reach $340,000.
- Total income will increase by 8%.

Years 3-5

- By the fifth year of operation, total revenue will reach $588,000.
- Gross profits will reach $448,000.

7.4 Marketing Strategies

The Company will use a number of marketing strategies to drive substantial awareness of the location in Montgomery County. At this time, Matthew Deutsch is working with a commercial real estate brokerage in order to find an appropriate location that is located on a highly trafficked road. The location will feature substantial exterior signage that showcases the unique nature of the rolled ice cream that is offered.

Once the capital in this business plan is secured, the business will immediately launch its online presence. This will include the development of a proprietary website that showcases the address, menu, and planned hours of operation. The company will coordinate with a Southeastern Pennsylvania based search engine optimization firm so that the business can be quickly found when ice cream shops are searched for in this market.

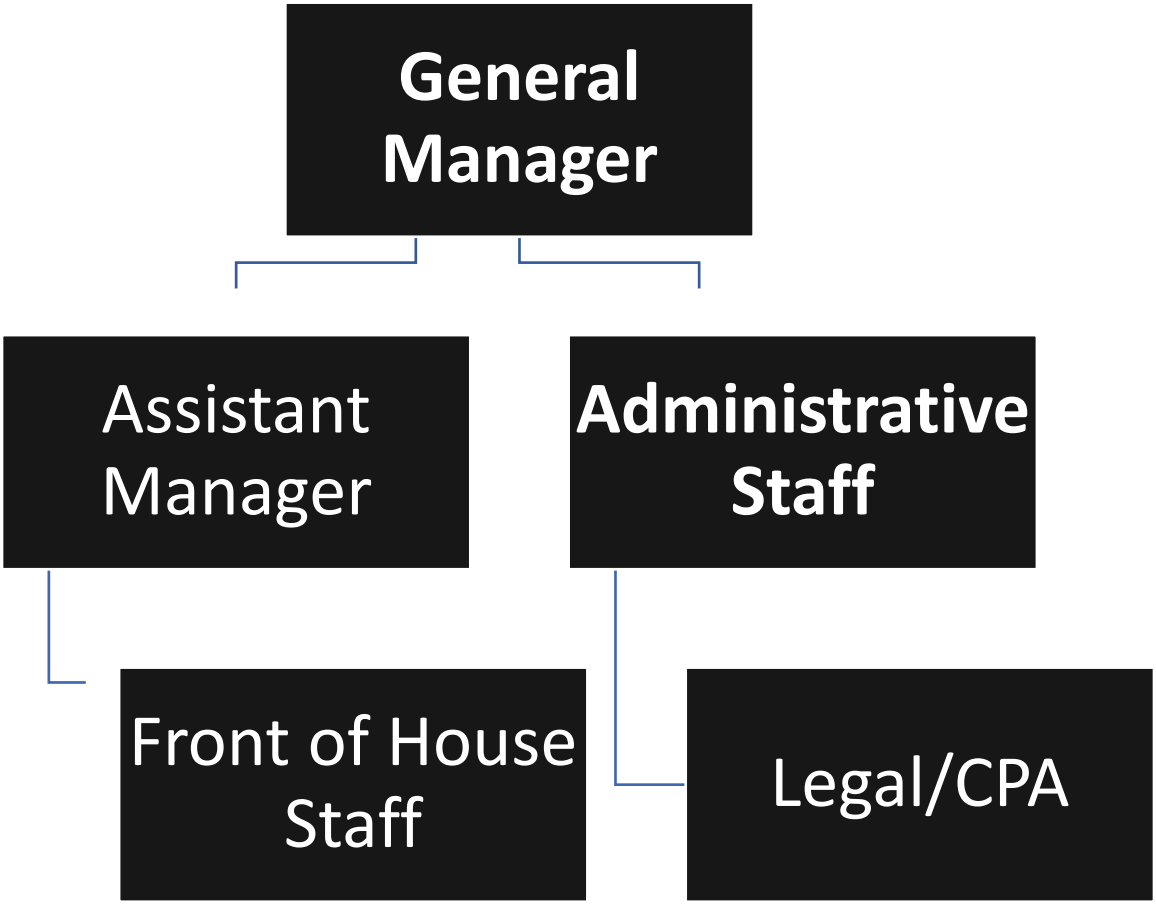
Concurrent to the Company's proprietary website, a substantial presence among all social media pages will also be developed. Throughout the development process, ongoing updates will be provided, including images of the location. The business will frequently announce discounts and specialized promotions through its social media presence.

The business will also establish ongoing relationships with local and regional schools in order to provide a free ice cream reward for students that have excel academically. This type of partnership will drive substantial traffic to the location, which will create substantial additional brand visibility in the coming years. This will also position Matt's Rolled Ice Cream as a community minded business.

From time to time, the business will also distribute mail advertisements within a 5-mile radius of the company's location in Montgomery County. These mailed advertisements to feature QR codes so that orders can be placed for delivery. Generally, these advertisements will be distributed during summer months when rolled ice cream is extremely popular.

8.0 Organizational Plan

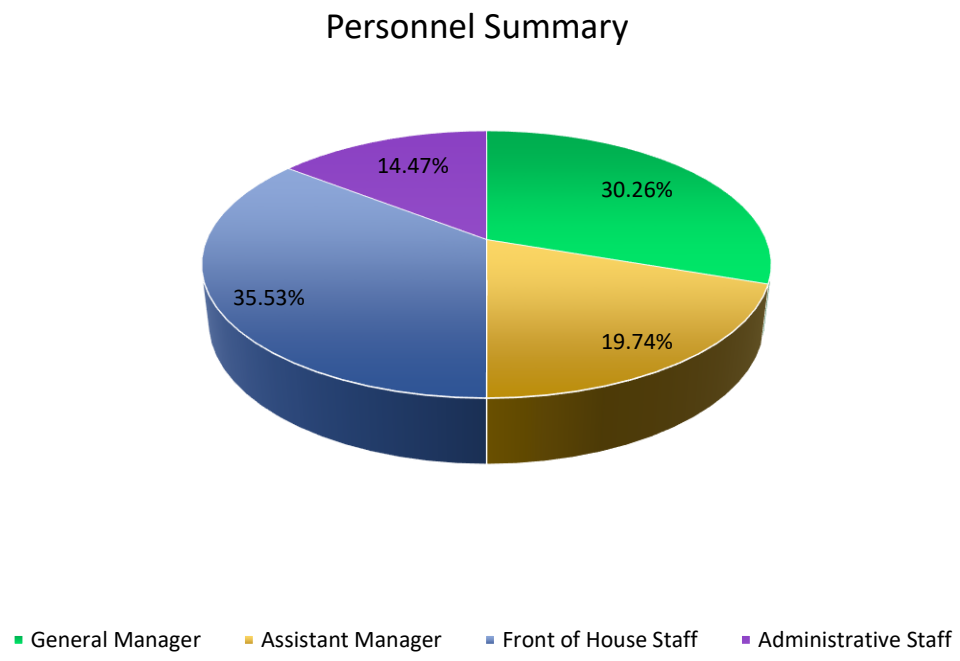
8.1 Organizational Hierarchy



8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
General Manager	$57,500	$59,225	$61,002	$62,832	$64,717
Assistant Manager	$37,500	$38,625	$39,784	$40,977	$42,207
Front of House Staff	$45,000	$46,350	$71,611	$73,759	$75,972
Administrative Staff	$27,500	$28,325	$29,175	$30,050	$30,951
Total	**$167,500**	**$172,525**	**$201,571**	**$207,618**	**$213,847**

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
General Manager	1	1	1	1	1
Assistant Manager	1	1	1	1	1
Front of House Staff	2	2	3	3	3
Administrative Staff	1	1	1	1	1
Total	**5**	**5**	**6**	**6**	**6**



9.0 Financial Plan

9.1 Underlying Assumptions

- The business will have a compounded annual growth rate of 8.7%
- The Company will acquire a $75,000 loan in order to commence operations.
- Matthew Deutsch will contribute $25,000 toward the venture.

9.2 Financial Highlights

- Substantial gross profits on all rolled ice cream sales.
- The operations can be expanded to include onsite catering.
- The Company, through its hot beverage and baked good sales, will operate on a year-round basis.

9.3 Sensitivity Analysis

The Company's revenues are only modestly sensitive to challenging economic climate. The pricing point for roll ice cream offered at Matt's Rolled Ice Cream is relatively low as compared to the incomes of the Montgomery County market. Furthermore, the Company will generate significant contribution margins from each sale, which will ensure the ongoing economic stability of the business.

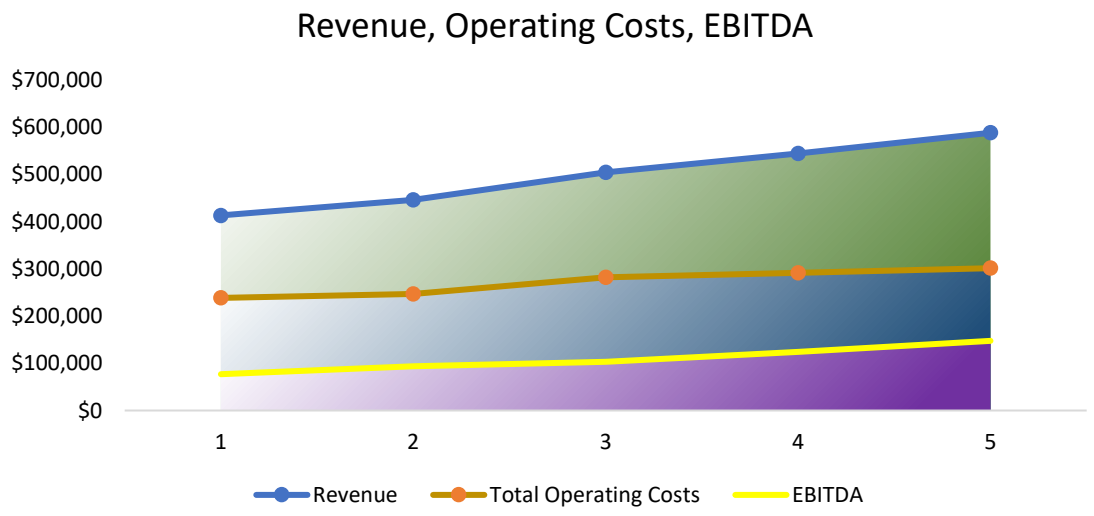
9.4 Source of Funds

Financing	
Equity	
Equity Capitalization	$25,000.00
Total Equity Financing	$25,000.00
Banks and Lenders	
Business Loan	$75,000.00
Total Debt Financing	$75,000.00
Total Financing	**$100,000.00**

9.5 Financial Proformas

A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$413,100	$446,148	$504,147	$544,479	$588,037
Cost of Revenue	$97,808	$105,632	$119,364	$128,913	$139,226
Gross Margin	76.32%	76.32%	76.32%	76.32%	76.32%
Gross Profit	$315,293	$340,516	$384,783	$415,566	$448,811
Expenses					
Payroll	$167,500	$172,525	$201,571	$207,618	$213,847
General and Administrative	$8,262	$8,923	$10,083	$10,890	$11,761
Business Development	$3,098	$3,346	$3,781	$4,084	$4,410
Marketing	$5,205	$5,621	$6,352	$6,860	$7,409
Insurance Costs	$2,000	$2,100	$2,205	$2,315	$2,431
Professional Fees	$3,500	$3,675	$3,859	$4,052	$4,254
Facility Costs	$35,000	$36,050	$37,132	$38,245	$39,393
Misc. Costs	$1,041	$1,124	$1,270	$1,372	$1,482
Payroll Taxes	$12,814	$13,198	$15,420	$15,883	$16,359
Total Operating Costs	**$238,420**	**$246,563**	**$281,673**	**$291,319**	**$301,346**
EBITDA	**$76,872**	**$93,953**	**$103,110**	**$124,247**	**$147,465**
Federal Income Tax	$16,347	$20,701	$23,082	$28,469	$34,387
State Income Tax	$3,269	$4,140	$4,616	$5,694	$6,877
Interest Expense	$6,184	$5,744	$5,266	$4,745	$4,178
Depreciation Expenses	$5,300	$5,406	$5,514	$5,624	$5,737
Net Profit	**$45,772**	**$57,962**	**$64,631**	**$79,714**	**$96,285**
Profit Margin	**11.08%**	**12.99%**	**12.82%**	**14.64%**	**16.37%**

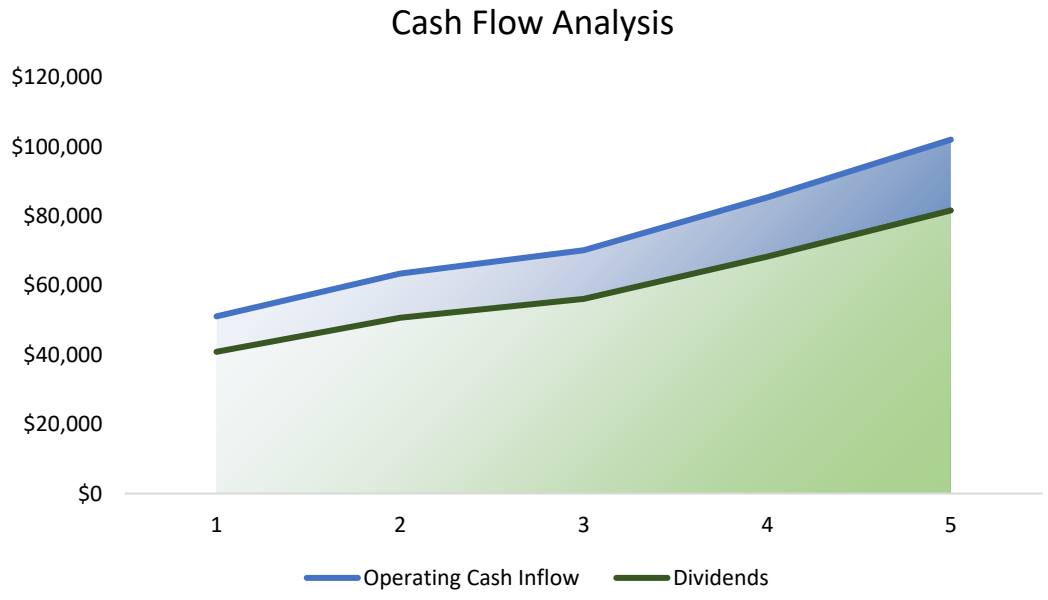


B) Common Size Income Statement

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	23.68%	23.68%	23.68%	23.68%	23.68%
Gross Profit	76.32%	76.32%	76.32%	76.32%	76.32%
Expenses					
Payroll	40.55%	38.67%	39.98%	38.13%	36.37%
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	0.48%	0.47%	0.44%	0.43%	0.41%
Professional Fees	0.85%	0.82%	0.77%	0.74%	0.72%
Facility Costs	8.47%	8.08%	7.37%	7.02%	6.70%
Misc. Costs	0.25%	0.25%	0.25%	0.25%	0.25%
Payroll Taxes	3.10%	2.96%	3.06%	2.92%	2.78%
Total Operating Costs	57.71%	55.26%	55.87%	53.50%	51.25%
EBITDA	18.61%	21.06%	20.45%	22.82%	25.08%
Federal Income Tax	3.96%	4.64%	4.58%	5.23%	5.85%
State Income Tax	0.79%	0.93%	0.92%	1.05%	1.17%
Interest Expense	1.50%	1.29%	1.04%	0.87%	0.71%
Depreciation Expenses	1.28%	1.21%	1.09%	1.03%	0.98%
Net Profit	11.08%	12.99%	12.82%	14.64%	16.37%

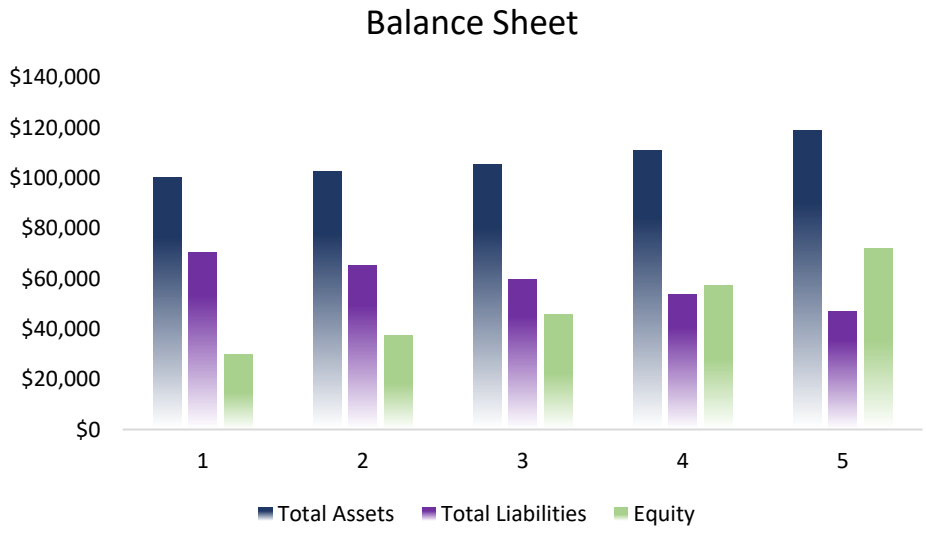
C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	$51,072	$63,368	$70,145	$85,338	$102,022
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$51,072**	**$63,368**	**$70,145**	**$85,338**	**$102,022**
Other Cash Inflows					
Equity Investment	$25,000	$0	$0	$0	$0
Increased Borrowings	$75,000	$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	**$101,000**	**$1,050**	**$1,103**	**$1,158**	**$1,216**
Total Cash Inflow	**$152,072**	**$64,418**	**$71,247**	**$86,496**	**$103,237**
Cash Outflows					
Repayment of Principal	$4,975	$5,414	$5,893	$6,414	$6,981
A/P Decreases	$700	$735	$772	$810	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$42,500	$3,168	$3,507	$4,267	$5,101
Dividends	$40,857	$50,694	$56,116	$68,271	$81,617
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$89,032**	**$60,012**	**$66,288**	**$79,762**	**$94,550**
Net Cash Flow	**$63,040**	**$4,406**	**$4,960**	**$6,734**	**$8,687**
Cash Balance	**$63,040**	**$67,446**	**$72,405**	**$79,140**	**$87,827**



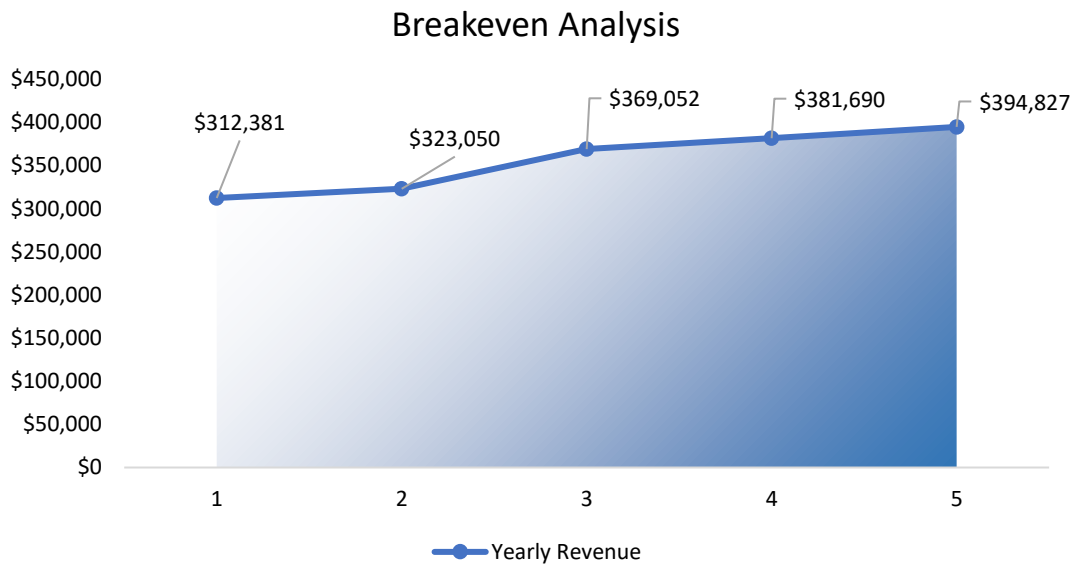
D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
Assets					
Cash	$63,040	$67,446	$72,405	$79,140	$87,827
Fixed Assets and Inventory	$42,500	$45,668	$49,176	$53,443	$58,544
Accumulated Depreciation	($5,300)	($10,706)	($16,220)	($21,845)	($27,581)
Total Assets	**$100,240**	**$102,408**	**$105,361**	**$110,738**	**$118,789**
Liabilities and Equity					
Accounts Payable	$300	$615	$946	$1,293	$1,658
Long Term Liabilities	$70,025	$64,611	$58,718	$52,305	$45,324
Other Liabilities	$0	$0	$0	$0	$0
Total Liabilities	**$70,325**	**$65,226**	**$59,664**	**$53,598**	**$46,982**
Equity	**$29,914**	**$37,182**	**$45,697**	**$57,140**	**$71,807**
Total Liabilities and Equity	**$100,240**	**$102,408**	**$105,361**	**$110,738**	**$118,789**



9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	$26,032	$26,921	$30,754	$31,807	$32,902
Yearly Revenue	$312,381	$323,050	$369,052	$381,690	$394,827



9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
Revenue					
Sales Growth	0.0%	8.0%	13.0%	8.0%	8.0%
Gross Margin	76.3%	76.3%	76.3%	76.3%	76.3%
Financials					
Profit Margin	11.08%	12.99%	12.82%	14.64%	16.37%
Assets to Liabilities	1.43	1.57	1.77	2.07	2.53
Equity to Liabilities	0.43	0.57	0.77	1.07	1.53
Assets to Equity	3.35	2.75	2.31	1.94	1.65
Liquidity					
Acid Test	0.90	1.03	1.21	1.48	1.87
Cash to Assets	0.63	0.66	0.69	0.71	0.74

Appendix A – SWOT Analysis

Strengths

- The business will only face monitor competition from established ice cream shops within the Montgomery County market.
- Significant gross profits will ensure that the business is able to satisfy its operating costs on a month-to-month basis.
- Coffee, teas, and baked goods ensure that the business is able to generate revenue on a year-round basis.
- The operations of the Company are highly scalable and as noted earlier – additional locations can be established throughout this market.

Weaknesses

- Operational complexities given that this is a food service business that deals in perishable dairy products.
- Ongoing competition from highly established ice cream shops, including those at operate under a franchise agreement and have national brand name recognition.

Opportunities

- Development of mobile based operations that will include on site services for personal incorporate events.
- Development of new locations throughout the Southeastern Pennsylvania market or within neighboring states.
- Continued expansion of the companies online marketing operations.

Threats

- Inflation could cause the operating cost of the business to increase.

Appendix B – Critical Risks

Development Risk – **Low**
At this time, the business is seeking the necessary. In order to launch operations. Concurrent to this, Matthew Deutsch is working with a commercial real estate broker to find inappropriate location. Once these matters are addressed, a primary development risk will be the rollout of the marketing campaigns in order to create a brand name awareness in the Montgomery County market.

Financing Risk – **Low/Moderate**
The $75,000 of capital sought in this document will be principal used for the acquisition of furniture, fixtures, and equipment, as well as the build out of the Matt's Rolled Ice Cream location. The risk is related to this financing are offset by the fact that the business will generate substantial contribution margins on a year-round basis.

Marketing Risk **– Low**
Given the unique nature of the rolled ice cream that would be provided at the location, the business will be able to engage in a focused marketing campaign that will create significant interest in awareness from the onset of operations. The Company's ability to partner with schools and related to academic institutions for unique promotions will further reduce marketing risk.

Management Risk – **Low**
Matthew Deutsch is a highly experience food service entrepreneur. He will be able to properly implement the growth objectives outlined in this ice cream store business plan.

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

- Limited competition among entities that provide rolled ice cream.
- The ability to implement a franchise system.
- The business is operating in a population dense area.

Exit Risk - **Low**
As noted earlier, Matthew Deutsch has no long-term plans to divest Matt's Rolled Ice Cream to a third-party. The Founder intends to make this business, a widely respected regional ice cream brand with significant growth opportunities in the future. If prudent to do so, a qualified business broker and business consultant will be hired to market the business for sale.

Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	**$29,750**	**$30,600**	**$31,450**	**$32,300**	**$33,150**	**$34,000**	**$34,850**
Cost of Revenue	$7,044	$7,245	$7,446	$7,648	$7,849	$8,050	$8,251
Gross Profit	$22,706	$23,355	$24,004	$24,653	$25,301	$25,950	$26,599
Expenses							
Payroll	$13,958	$13,958	$13,958	$13,958	$13,958	$13,958	$13,958
General and Administrative	$689	$689	$689	$689	$689	$689	$689
Business Development	$258	$258	$258	$258	$258	$258	$258
Marketing	$434	$434	$434	$434	$434	$434	$434
Insurance Costs	$167	$167	$167	$167	$167	$167	$167
Professional Fees	$292	$292	$292	$292	$292	$292	$292
Facility Costs	$2,917	$2,917	$2,917	$2,917	$2,917	$2,917	$2,917
Misc. Costs	$87	$87	$87	$87	$87	$87	$87
Payroll Taxes	$1,068	$1,068	$1,068	$1,068	$1,068	$1,068	$1,068
Total Operating Costs	$19,868	$19,868	$19,868	$19,868	$19,868	$19,868	$19,868
EBITDA	$2,838	$3,487	$4,135	$4,784	$5,433	$6,082	$6,730
Federal Income Tax	$1,177	$1,211	$1,245	$1,278	$1,312	$1,345	$1,379
State Income Tax	$235	$242	$249	$256	$262	$269	$276
Interest Expense	$531	$528	$526	$523	$520	$517	$514
Depreciation Expenses	$442	$442	$442	$442	$442	$442	$442
Net Profit	$452	$1,063	$1,675	$2,286	$2,897	$3,509	$4,120

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
Revenue	**$35,700**	**$36,550**	**$37,400**	**$38,250**	**$39,100**	**$413,100**
Cost of Revenue	$8,453	$8,654	$8,855	$9,056	$9,258	$97,808
Gross Profit	$27,248	$27,896	$28,545	$29,194	$29,843	$315,293
Expenses						
Payroll	$13,958	$13,958	$13,958	$13,958	$13,958	$167,500
General and Administrative	$689	$689	$689	$689	$689	$8,262
Business Development	$258	$258	$258	$258	$258	$3,098
Marketing	$434	$434	$434	$434	$434	$5,205
Insurance Costs	$167	$167	$167	$167	$167	$2,000
Professional Fees	$292	$292	$292	$292	$292	$3,500
Facility Costs	$2,917	$2,917	$2,917	$2,917	$2,917	$35,000
Misc. Costs	$87	$87	$87	$87	$87	$1,041
Payroll Taxes	$1,068	$1,068	$1,068	$1,068	$1,068	$12,814
Total Operating Costs	$19,868	$19,868	$19,868	$19,868	$19,868	$238,420
EBITDA	$7,379	$8,028	$8,677	$9,325	$9,974	$76,872
Federal Income Tax	$1,413	$1,446	$1,480	$1,514	$1,547	$16,347
State Income Tax	$283	$289	$296	$303	$309	$3,269
Interest Expense	$511	$508	$505	$502	$499	$6,184
Depreciation Expenses	$442	$442	$442	$442	$442	$5,300
Net Profit	$4,731	$5,343	$5,954	$6,565	$7,177	$45,772

Profit and Loss Statement (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Revenue	$108,191	$110,422	$112,652	$114,883	$446,148
Cost of Revenue	$25,616	$26,144	$26,672	$27,200	$105,632
Gross Profit	**$82,575**	**$84,278**	**$85,980**	**$87,683**	**$340,516**
Expenses					
Payroll	$43,131	$43,131	$43,131	$43,131	$172,525
General and Administrative	$2,231	$2,231	$2,231	$2,231	$8,923
Business Development	$811	$828	$845	$862	$3,346
Marketing	$1,363	$1,391	$1,419	$1,448	$5,621
Insurance Costs	$525	$525	$525	$525	$2,100
Professional Fees	$891	$910	$928	$946	$3,675
Facility Costs	$9,013	$9,013	$9,013	$9,013	$36,050
Misc. Costs	$273	$278	$284	$290	$1,124
Payroll Taxes	$3,201	$3,267	$3,333	$3,399	$13,198
Total Operating Costs	**$61,439**	**$61,573**	**$61,708**	**$61,843**	**$246,563**
EBITDA	**$21,137**	**$22,704**	**$24,272**	**$25,840**	**$93,953**
Federal Income Tax	$5,020	$5,123	$5,227	$5,330	$20,701
State Income Tax	$1,004	$1,025	$1,045	$1,066	$4,140
Interest Expense	$1,479	$1,451	$1,422	$1,393	$5,744
Depreciation Expenses	$1,352	$1,352	$1,352	$1,352	$5,406
Net Profit	**$12,282**	**$13,754**	**$15,226**	**$16,699**	**$57,962**

Profit and Loss Statement (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Revenue	$122,256	$124,776	$127,297	$129,818	$504,147
Cost of Revenue	$28,946	$29,543	$30,139	$30,736	$119,364
Gross Profit	**$93,310**	**$95,234**	**$97,158**	**$99,082**	**$384,783**
Expenses					
Payroll	$50,393	$50,393	$50,393	$50,393	$201,571
General and Administrative	$2,445	$2,496	$2,546	$2,596	$10,083
Business Development	$917	$936	$955	$974	$3,781
Marketing	$1,540	$1,572	$1,604	$1,636	$6,352
Insurance Costs	$551	$551	$551	$551	$2,205
Professional Fees	$936	$955	$974	$994	$3,859
Facility Costs	$9,283	$9,283	$9,283	$9,283	$37,132
Misc. Costs	$308	$314	$321	$327	$1,270
Payroll Taxes	$3,855	$3,855	$3,855	$3,855	$15,420
Total Operating Costs	**$70,228**	**$70,355**	**$70,482**	**$70,608**	**$281,673**
EBITDA	**$23,082**	**$24,879**	**$26,676**	**$28,473**	**$103,110**
Federal Income Tax	$5,597	$5,713	$5,828	$5,944	$23,082
State Income Tax	$1,119	$1,143	$1,166	$1,189	$4,616
Interest Expense	$1,363	$1,332	$1,301	$1,269	$5,266
Depreciation Expenses	$1,379	$1,379	$1,379	$1,379	$5,514
Net Profit	**$13,623**	**$15,312**	**$17,002**	**$18,693**	**$64,631**

Profit and Loss Statement (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Revenue	$132,036	$134,759	$137,481	$140,203	$544,479
Cost of Revenue	$31,262	$31,906	$32,551	$33,195	$128,913
Gross Profit	**$100,775**	**$102,852**	**$104,930**	**$107,008**	**$415,566**
Expenses					
Payroll	$51,905	$51,905	$51,905	$51,905	$207,618
General and Administrative	$2,641	$2,695	$2,750	$2,804	$10,890
Business Development	$990	$1,011	$1,031	$1,052	$4,084
Marketing	$1,664	$1,698	$1,732	$1,767	$6,860
Insurance Costs	$579	$579	$579	$579	$2,315
Professional Fees	$983	$1,003	$1,023	$1,043	$4,052
Facility Costs	$9,561	$9,561	$9,561	$9,561	$38,245
Misc. Costs	$333	$340	$346	$353	$1,372
Payroll Taxes	$3,971	$3,971	$3,971	$3,971	$15,883
Total Operating Costs	**$72,625**	**$72,762**	**$72,898**	**$73,034**	**$291,319**
EBITDA	**$28,149**	**$30,091**	**$32,032**	**$33,974**	**$124,247**
Federal Income Tax	$6,904	$7,046	$7,188	$7,331	$28,469
State Income Tax	$1,381	$1,409	$1,438	$1,466	$5,694
Interest Expense	$1,237	$1,204	$1,170	$1,135	$4,745
Depreciation Expenses	$1,406	$1,406	$1,406	$1,406	$5,624
Net Profit	**$17,222**	**$19,026**	**$20,830**	**$22,636**	**$79,714**

Profit and Loss Statement (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Revenue	$142,599	$145,539	$148,479	$151,420	$588,037
Cost of Revenue	$33,762	$34,459	$35,155	$35,851	$139,226
Gross Profit	**$108,837**	**$111,081**	**$113,325**	**$115,569**	**$448,811**
Expenses					
Payroll	$53,462	$53,462	$53,462	$53,462	$213,847
General and Administrative	$2,852	$2,911	$2,970	$3,028	$11,761
Business Development	$1,069	$1,092	$1,114	$1,136	$4,410
Marketing	$1,797	$1,834	$1,871	$1,908	$7,409
Insurance Costs	$608	$608	$608	$608	$2,431
Professional Fees	$1,032	$1,053	$1,074	$1,095	$4,254
Facility Costs	$9,848	$9,848	$9,848	$9,848	$39,393
Misc. Costs	$359	$367	$374	$382	$1,482
Payroll Taxes	$4,090	$4,090	$4,090	$4,090	$16,359
Total Operating Costs	**$75,117**	**$75,263**	**$75,410**	**$75,556**	**$301,346**
EBITDA	**$33,720**	**$35,817**	**$37,915**	**$40,012**	**$147,465**
Federal Income Tax	$8,339	$8,511	$8,683	$8,855	$34,387
State Income Tax	$1,668	$1,702	$1,737	$1,771	$6,877
Interest Expense	$1,100	$1,063	$1,026	$989	$4,178
Depreciation Expenses	$1,434	$1,434	$1,434	$1,434	$5,737
Net Profit	**$21,179**	**$23,107**	**$25,035**	**$26,964**	**$96,285**

Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	$894	$1,505	$2,116	$2,728	$3,339	$3,950	$4,562	$5,173
Cash From Receivables	$0	$0	$0	$0	$0	$0	$0	$0
Operating Cash Inflow	$894	$1,505	$2,116	$2,728	$3,339	$3,950	$4,562	$5,173
Other Cash Inflows								
Equity Investment	$25,000	$0	$0	$0	$0	$0	$0	$0
Increased Borrowings	$75,000	$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	**$100,083**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**
Total Cash Inflow	**$100,977**	**$1,588**	**$2,200**	**$2,811**	**$3,422**	**$4,034**	**$4,645**	**$5,256**
Cash Outflows								
Repayment of Principal	$399	$401	$404	$407	$410	$413	$416	$419
A/P Decreases	$58	$58	$58	$58	$58	$58	$58	$58
A/R Increases	$0	$0	$0	$0	$0	$0	$0	$0
Asset Purchases	$42,500	$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	**$42,957**	**$460**	**$463**	**$466**	**$468**	**$471**	**$474**	**$477**
Net Cash Flow	**$58,020**	**$1,129**	**$1,737**	**$2,345**	**$2,954**	**$3,562**	**$4,171**	**$4,779**
Cash Balance	**$58,020**	**$59,149**	**$60,886**	**$63,232**	**$66,185**	**$69,748**	**$73,918**	**$78,697**

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	Year 1
Cash From Operations	$5,784	$6,396	$7,007	$7,618	$51,072
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$5,784**	**$6,396**	**$7,007**	**$7,618**	**$51,072**
Other Cash Inflows					
Equity Investment	$0	$0	$0	$0	$25,000
Increased Borrowings	$0	$0	$0	$0	$75,000
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	$101,000
Total Cash Inflow	**$5,868**	**$6,479**	**$7,090**	**$7,702**	**$152,072**
Cash Outflows					
Repayment of Principal	$422	$425	$428	$431	$4,975
A/P Decreases	$58	$58	$58	$58	$700
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$0	$0	$0	$0	$42,500
Dividends	$0	$0	$0	$40,857	$40,857
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$480**	**$483**	**$486**	**$41,347**	**$89,032**
Net Cash Flow	**$5,387**	**$5,996**	**$6,604**	**-$33,645**	**$63,040**
Cash Balance	**$84,085**	**$90,080**	**$96,685**	**$63,040**	**$63,040**

Cash Flow Analysis (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	$13,634	$15,106	$16,578	$18,051	$63,368
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$13,634**	**$15,106**	**$16,578**	**$18,051**	**$63,368**
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	**$13,889**	**$15,365**	**$16,843**	**$18,321**	**$64,418**
Cash Outflows					
Repayment of Principal	$1,311	$1,339	$1,368	$1,397	$5,414
A/P Decreases	$178	$182	$186	$189	$735
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$3,168	$0	$0	$0	$3,168
Dividends	$0	$0	$0	$50,694	$50,694
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$4,658**	**$1,521**	**$1,553**	**$52,280**	**$60,012**
Net Cash Flow	**$9,231**	**$13,845**	**$15,290**	**-$33,959**	**$4,406**
Cash Balance	**$72,271**	**$86,115**	**$101,405**	**$67,446**	**$67,446**

Cash Flow Analysis (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	$15,002	$16,691	$18,381	$20,071	$70,145
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$15,002**	**$16,691**	**$18,381**	**$20,071**	**$70,145**
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	**$15,269**	**$16,964**	**$18,659**	**$20,355**	**$71,247**
Cash Outflows					
Repayment of Principal	$1,427	$1,457	$1,488	$1,520	$5,893
A/P Decreases	$187	$191	$195	$199	$772
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$3,507	$0	$0	$0	$3,507
Dividends	$0	$0	$0	$56,116	$56,116
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$5,121**	**$1,648**	**$1,683**	**$57,835**	**$66,288**
Net Cash Flow	**$10,148**	**$15,316**	**$16,976**	**-$37,480**	**$4,960**
Cash Balance	**$77,594**	**$92,909**	**$109,885**	**$72,405**	**$72,405**

Cash Flow Analysis (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	$18,628	$20,432	$22,237	$24,042	$85,338
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$18,628**	**$20,432**	**$22,237**	**$24,042**	**$85,338**
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	**$18,909**	**$20,718**	**$22,529**	**$24,340**	**$86,496**
Cash Outflows					
Repayment of Principal	$1,553	$1,586	$1,620	$1,655	$6,414
A/P Decreases	$197	$201	$205	$209	$810
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$2,133	$2,133	$0	$0	$4,267
Dividends	$0	$0	$0	$68,271	$68,271
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$3,883**	**$3,920**	**$1,825**	**$70,134**	**$79,762**
Net Cash Flow	**$15,026**	**$16,798**	**$20,704**	**-$45,794**	**$6,734**
Cash Balance	**$87,431**	**$104,230**	**$124,934**	**$79,140**	**$79,140**

Cash Flow Analysis (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	$22,614	$24,541	$26,469	$28,398	$102,022
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$22,614**	**$24,541**	**$26,469**	**$28,398**	**$102,022**
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	$295	$301	$307	$313	$1,216
Total Other Cash Inflows	**$295**	**$301**	**$307**	**$313**	**$1,216**
Total Cash Inflow	**$22,908**	**$24,842**	**$26,776**	**$28,711**	**$103,237**
Cash Outflows					
Repayment of Principal	$1,690	$1,726	$1,763	$1,801	$6,981
A/P Decreases	$206	$211	$215	$219	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$2,551	$2,551	$0	$0	$5,101
Dividends	$0	$0	$0	$81,617	$81,617
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$4,447**	**$4,487**	**$1,978**	**$83,637**	**$94,550**
Net Cash Flow	**$18,461**	**$20,354**	**$24,798**	**-$54,926**	**$8,687**
Cash Balance	**$97,601**	**$117,956**	**$142,753**	**$87,827**	**$87,827**