MLD

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1.0 Executive Summary

The purpose of this business plan is the secure $1 million for the development of a yacht charter business based in Miami, Florida. MLD Charters LLC ("the Company") was founded by Matthew Deutsch. Full scale revenue generating operations will commence in the second quarter of next year. The company will specialize in providing half-day in full day charters along the East Coast of Florida.

Operations

The Company's operations will provide services to both individuals as well as corporations seeking unique excursions and fishing charters. Although fishing will be the primary aspect of the Company's operations, the business will be able to provide sightseeing tours along the eastern coast of Florida given the immense beauty of this region.

As noted above, the company will provide both half-day and full day charters. Overnight services will not be available. For half-day charters, the company will charge $600 to $1,000. Full day charters will be a flat rate of $2m500.

The third section of business plan for discussed the operations of the business.

The Financing

As this time, the Company is seeking $1 million a debt capital to acquire the vessel that will be used for provide yacht charters. Matthew Deutsch will contribute $200,000 towards venture. This equity contribution will cover working capital, initial marketing, as well as furniture, fixtures, and equipment.

Moving forward, the company can easily secure additional capital if additional marine vessels are going to be integrated into MLD Charters' fleet. This document assumes that this will not occur until after the fifth year of operation.

The Future

Through multiple forms of marketing, the company will establish itself as one of the preeminent yacht tour companies within Miami in the South Florida area. Moving forward, the Company may integrate additional vessel into its fleet. The Company may also provide services on an overnight basis. However, this would not occur until after the fifth year of operation.

The Company will conduct ongoing direct outreach with hospitality businesses in South Florida among their clients that have expressed an interest in ocean fishing and sightseeing tours.

Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$866,250	$935,550	$1,010,394	$1,091,226	$1,178,524
Cost of Revenue	$98,753	$106,653	$115,185	$124,400	$134,352
Gross Profit	$767,498	$828,897	$895,209	$966,826	$1,044,172
Total Operating Costs	$495,529	$522,176	$550,540	$580,746	$612,927
EBITDA	**$271,968**	**$306,722**	**$344,669**	**$386,080**	**$431,245**

2.0 The Financing

2.1 Funds Required

The capital sought this document will be allocated as follows:

Use of Funds	
Vessel Acquisition	$950,000
Furniture, Fixtures, and Equipment	$50,000
Pre-Launch Marketing	$25,000
Working Capital	$90,000
Professional Fees	$50,000
Misc. and Contingency	$35,000
Total	$1,200,000

2.2 Management and Investor Equity

Matthew Deutsch retains at 100% ownership interest in this yacht charter business.

2.3 Exit Strategies

Although Mr. Deutsch intends to operate this business for a significant period of time, there is a possibility that it may be sold for a significant price to earnings multiple in the future. In this event, a qualified business broker that specializes in yacht chartering and marine vessel businesses will be hired to manage to sale a third-party. Historically, yacht charter services typically have a sales premium equal to three times the prior years EBITDA.

3.0 Operations

As noted to the executive summary, MLD Charters will be actively involved with providing beautiful yacht charters throughout the east coast of South Florida. The Company's charters are appropriate for individual getaways as well as for corporate events. As will be discussed in the seventh section of this document, the Company intends to work with numerous corporate retreat specialists in order to have highly predictable bookings for operations.

In regards to the pricing, the Company will typically charge $600 to $1,000 for a half day charter. This pricing will vary depending on season as well as the underlying cost of fuel. Full day charters will typically have a flat rate of $2,500.

Each charter will have a captain as well as an onboard crew to provide food and beverages to guests.

Safety will always remain as a paramount priority for MLD Charters's operations. The vessel will be equipped with GPS as well as all state-of-the-art communications technology in order to ensure that each charter is done in a safe and secure manner. The Company will comply with all federal and state laws regarding yacht chartering and transportation using marine vessels.

4.0 Overview of the Organization

4.1 Registered Name

MLD Charters LLC. The business is registered as a limited liability company in the State of Florida.

4.2 Commencement of Operations

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

4.3 Mission Statement

To provide exceptional yacht charters that clients will remember for a lifetime.

4.4 Vision Statement

To become the preeminent yacht charter business within the South Florida market.

4.5 Organizational Objectives

- Once the capital in this document has been secured, properly acquire a yacht that can accommodate up to 20 guests.
- Implement numerous online marketing campaigns to create significant brand name awareness for MLD Charters in the coming years.
- Establish ongoing relationships with corporate retreat specialists that will have their clients use the Company's services.
- Established relationships with event planning businesses that will have their clients use charters during the for celebratory events.
- Comply with all laws, domestically, Internet internationally, regarding yacht charters.
- Potentially acquire additional marine vessels for the Company's fleet.
- Implement numerous safety protocols to keep their risks associated with yacht charting to an absolute minimum.

5.0 Market and Industry Analysis

5.1 External Environmental Analysis

This section of the business plan will document the yacht chartering industry, the current economic climate, the competition, and the demographic profile.

At this time, economic climate within the United States is moderate. Due to changing trade policies, as well as evolving fiscal policy, there has been a certain degree of volatility introduced to the market. However, the Federal Reserve and major central banks are taking appropriate measures to reduce the risks related to inflation while also fostering ongoing economic output growth.

It should be noted that the Company is primarily targeting upper middle income to upper income people as the primary target market for the Company's yacht charters. Furthermore, business will maintain extensive relationships with corporate retreat specialists that will book their clients directly with the Company.

5.2 Industry Analysis

There are 1,000 companies that actively provide yacht charters with the United States. Each year of these businesses generate $1.5 billion revenue while employing 20,000 people.

This is a mature industry in this future growth rate will be similar to that economy as a whole. One of the common trends within this industry is to use numerous online platforms that provide bookings among people seeking private yacht charters. MLD Charters will take advantage of this trend in order to ensure that the business can operate as close to 100% operational capacity as possible.

5.3 Customer Profile

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

- Household income of $200,000+
- Will spend $600 to $2,500 per excursion
- Lives within 50 miles of the MLD Charters location (among local guests)

Metropolitan Area	State	GDP (Trillions/Billions USD)
New York	New York	$2.608 Trillion
Los Angeles	California	$1.618 Trillion
San Francisco	California	$1.202 Trillion
Chicago	Illinois	$919 Billion
Dallas	Texas	$744.7 Billion
Washington DC	Washington DC	$714.7 Billion
Houston	Texas	$697.0 Billion
Boston	Massachusetts	$610.5 Billion
Atlanta	Georgia	$570.7 Billion
Seattle	Washington	$566.7 Billion
Philadelphia	Pennsylvania	$557.6 Billion
Miami	Florida	$533.7 Billion
Phoenix	Arizona	$398.1 Billion
Minneapolis	Minnesota	$350.7 Billion
Detroit	Michigan	$331.3 Billion

5.4 Competitive Analysis

This yacht chartering business plan has been developed specifically as a sample. In the event that this was going to be developed specifically for a client, a thorough competitive analysis regarding all other yacht charter enterprises within the target market would have been completed.

6.0 Key Strategic Issues

6.1 Sustainable Operations

MLD Charters will have sustainable operations as a result of the following:

- Matthew Deutsch will concurrently serve as the captain for yacht chartering engagements, which will reduce costs.
- The Company is operating in Miami, which has substantial population density as well as enormous tourist traffic on the yearly basis.
- The Company will foster ongoing relationships with corporate retreat specialists that will provide a predictable stream of bookings.
- The business has sourced the marina for vessel storage that will be provided on a cost-effective basis.
- Management can effectively control operating cost given that fuel and related inputs were only purchased when a booking is made.

6.2 Basis of Growth

The Company will expand via the following methods:

- Integration of additional vessels into the Company's fleet.
- Expansion of operations to include overnight charters.
- Continued expansion of the number of relationships that the Company has with corporate retreat and travel specialists.

7.0 Marketing Plan

7.1 Marketing Objectives

- Maintain a wide-ranging online presence that leverage is multiple forms of marketing.
- Enrollment platforms that provide charter bookings.
- Conduct direct outreach with major corporate events firms as they will provide a steady stream of referrals and direct bookings.

7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	**1**	**2**	**3**	**4**	**5**
Yacht Charters	$693,000	$748,440	$808,315	$872,980	$942,819
Onsite Service	$173,250	$187,110	$202,079	$218,245	$235,705
Total	**$866,250**	**$935,550**	**$1,010,394**	**$1,091,226**	**$1,178,524**

Gross Profit					
Year	1	2	3	4	5
Total	**$767,498**	**$828,897**	**$895,209**	**$966,826**	**$1,044,172**

7.3 Revenue Assumptions

Year 1

- First year revenue will reach $866,000.
- Gross profits will reach $767,000.

Year 2

- Revenue will increase to $935,000.
- Gross profits will reach $828,000.
- Total income will increase by 8%.

Years 3-5

- Revenue will reach $1.17 million by Year 5.
- Anticipated gross profits will reach $1.04 million.

7.4 Marketing Strategies

The Company we use multiple forms of advertising in order to ensure that its fleet operates at 100% capacity. As it relates to the Company's website, this platform will undergo substantial search engine notation so that individuals that have expressed an interest in yacht chartering in the Miami market can quickly find the business. The platform will feature e-commerce functionality so that bookings can be completed directly through the website. The website will also feature media rich content - including walk-through tours of the Company's vessel, information about the business, information about the Founder, and the availability of yacht charters.

The Company will also use multiple booking platforms that are specific for boat/yacht chartering, as well as general travel websites when applicable. This will ensure a steady stream of referrals and bookings. There are numerous platforms that operate in a similar capacity to Airbnb, but are specific for boat and yacht chartering.

The Company will also conduct extensive direct outreach with corporate retreat specialists in corporate travel specialists that will directly place bookings with the business. Given that Miami is a major destination for corporate events, Management sees a substantial opportunity to establish ongoing relationships with these entities.

Concurrent to this, the Company will also establish relationships with travel agencies that will place their clients with MLD Charters for half day in full day excursions. The business will also conduct outreach with hospitality businesses in Miami and South Florida that will provide referrals (including commission-based relationships).

8.0 Organizational Plan

8.1 Organizational Hierarchy

8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
Captain	$75,000	$77,250	$79,568	$81,955	$84,413
Administrative Manager	$50,000	$51,500	$53,045	$54,636	$56,275
Crew	$70,000	$72,100	$74,263	$76,491	$78,786
Total	**$195,000**	**$200,850**	**$206,876**	**$213,082**	**$219,474**

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Captain	1	1	1	1	1
Administrative Manager	1	1	1	1	1
Crew	2	2	2	2	2
Total	**4**	**4**	**4**	**4**	**4**

9.0 Financial Plan

9.1 Underlying Assumptions

- The Company will secure $1 million of capital via a business loan.
- The Founder will contribute $200,000 towards venture.
- MLD Charters will achieve a compounded annual growth rate of 8%.

9.2 Financial Highlights

- A vast major majority of the company's capital will be invested in a marine vessel.
- The business will be able to effectively control its operating costs given that major input inventories are only acquired when bookings are made.

9.3 Sensitivity Analysis

The Company's revenues can be moderately impacted by challenging economic climates. As noted earlier, the Company is specifically targeting corporations as well as higher income earning people as the primary group of demographics. Furthermore, the business has very low operating cost as a function of its revenue. As Matthew Deutsch will serve as a captain the vessel, this will substantially reduce costs while ensuring that the business can remain profitable.

9.4 Source of Funds

Financing	
Equity	
Equity Capitalization	$200,000.00
Total Equity Financing	$200,000.00
Banks and Lenders	
Business Loan	$1,000,000.00
Total Debt Financing	$1,000,000.00
Total Financing	**$1,200,000.00**

9.5 Financial Proformas

A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	$866,250	$935,550	$1,010,394	$1,091,226	$1,178,524
Cost of Revenue	$98,753	$106,653	$115,185	$124,400	$134,352
Gross Margin	88.60%	88.60%	88.60%	88.60%	88.60%
Gross Profit	$767,498	$828,897	$895,209	$966,826	$1,044,172
Expenses					
Payroll	$195,000	$200,850	$206,876	$213,082	$219,474
General and Administrative	$18,191	$19,647	$21,218	$22,916	$24,749
Fuel	$164,588	$177,755	$191,975	$207,333	$223,919
Marketing	$34,650	$37,422	$40,416	$43,649	$47,141
Insurance Costs	$25,000	$26,250	$27,563	$28,941	$30,388
Professional Fees	$15,000	$15,750	$16,538	$17,364	$18,233
Dockage	$26,000	$26,780	$27,583	$28,411	$29,263
Misc. Costs	$2,183	$2,358	$2,546	$2,750	$2,970
Payroll Taxes	$14,918	$15,365	$15,826	$16,301	$16,790
Total Operating Costs	**$495,529**	**$522,176**	**$550,540**	**$580,746**	**$612,927**
EBITDA	**$271,968**	**$306,722**	**$344,669**	**$386,080**	**$431,245**
Federal Income Tax	$37,864	$47,000	$56,981	$67,877	$79,765
State Income Tax	$7,573	$9,400	$11,396	$13,575	$15,953
Interest Expense	$68,761	$65,935	$62,904	$59,654	$56,170
Depreciation Expenses	$51,750	$52,785	$53,841	$54,918	$56,016
Net Profit	**$106,020**	**$131,601**	**$159,547**	**$190,056**	**$223,342**
Profit Margin	**12.24%**	**14.07%**	**15.79%**	**17.42%**	**18.95%**

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	11.40%	11.40%	11.40%	11.40%	11.40%
Gross Profit	88.60%	88.60%	88.60%	88.60%	88.60%
Expenses					
Payroll	22.51%	21.47%	20.47%	19.53%	18.62%
General and Administrative	2.10%	2.10%	2.10%	2.10%	2.10%
Fuel	19.00%	19.00%	19.00%	19.00%	19.00%
Marketing	4.00%	4.00%	4.00%	4.00%	4.00%
Insurance Costs	2.89%	2.81%	2.73%	2.65%	2.58%
Professional Fees	1.73%	1.68%	1.64%	1.59%	1.55%
Dockage	3.00%	2.86%	2.73%	2.60%	2.48%
Misc. Costs	0.25%	0.25%	0.25%	0.25%	0.25%
Payroll Taxes	1.72%	1.64%	1.57%	1.49%	1.42%
Total Operating Costs	57.20%	55.81%	54.49%	53.22%	52.01%
EBITDA	31.40%	32.79%	34.11%	35.38%	36.59%
Federal Income Tax	4.37%	5.02%	5.64%	6.22%	6.77%
State Income Tax	0.87%	1.00%	1.13%	1.24%	1.35%
Interest Expense	7.94%	7.05%	6.23%	5.47%	4.77%
Depreciation Expenses	5.97%	5.64%	5.33%	5.03%	4.75%
Net Profit	12.24%	14.07%	15.79%	17.42%	18.95%

C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	$157,770	$184,386	$213,388	$244,973	$279,358
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$157,770**	**$184,386**	**$213,388**	**$244,973**	**$279,358**
Other Cash Inflows					
Equity Investment	$200,000	$0	$0	$0	$0
Increased Borrowings	$1,000,000	$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	**$1,201,000**	**$1,050**	**$1,103**	**$1,158**	**$1,216**
Total Cash Inflow	**$1,358,770**	**$185,436**	**$214,490**	**$246,131**	**$280,573**
Cash Outflows					
Repayment of Principal	$39,098	$41,924	$44,955	$48,205	$51,690
A/P Decreases	$700	$735	$772	$810	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$1,035,000	$9,219	$10,669	$12,249	$13,968
Dividends	$0	$92,193	$117,363	$122,487	$153,647
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$1,074,798**	**$144,072**	**$173,759**	**$183,750**	**$220,155**
Net Cash Flow	**$283,972**	**$41,364**	**$40,731**	**$62,380**	**$60,418**
Cash Balance	**$283,972**	**$325,336**	**$366,067**	**$428,447**	**$488,865**

D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
Assets					
Cash	$283,972	$325,336	$366,067	$428,447	$488,865
Fixed Assets	$1,035,000	$1,044,219	$1,054,889	$1,067,137	$1,081,105
Accumulated Depreciation	($51,750)	($104,535)	($158,376)	($213,293)	($269,309)
Total Assets	**$1,267,222**	**$1,265,021**	**$1,262,580**	**$1,282,291**	**$1,300,661**
Liabilities and Equity					
Accounts Payable	$300	$615	$946	$1,293	$1,658
Long Term Liabilities	$960,902	$918,978	$874,023	$825,818	$774,128
Other Liabilities	$0	$0	$0	$0	$0
Total Liabilities	**$961,202**	**$919,593**	**$874,968**	**$827,111**	**$775,786**
Equity	**$306,020**	**$345,428**	**$387,612**	**$455,181**	**$524,876**
Total Liabilities and Equity	**$1,267,222**	**$1,265,021**	**$1,262,580**	**$1,282,291**	**$1,300,661**

9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	$46,607	$49,114	$51,781	$54,622	$57,649
Yearly Revenue	$559,288	$589,363	$621,377	$655,469	$691,791

9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
Revenue					
Sales Growth	0.0%	8.0%	8.0%	8.0%	8.0%
Gross Margin	88.6%	88.6%	88.6%	88.6%	88.6%
Financials					
Profit Margin	12.24%	14.07%	15.79%	17.42%	18.95%
Assets to Liabilities	1.32	1.38	1.44	1.55	1.68
Equity to Liabilities	0.32	0.38	0.44	0.55	0.68
Assets to Equity	4.14	3.66	3.26	2.82	2.48
Liquidity					
Acid Test	0.30	0.35	0.42	0.52	0.63
Cash to Assets	0.22	0.26	0.29	0.33	0.38

Appendix A – SWOT Analysis

Strengths

- Immense demand within South Florida for reasonably priced half day and full day yacht charters.
- The Company could easily scale of operations by acquiring additional marine vessels.
- The Company will use multiple forms of marketing, including direct outreach with corporate retreat and travel specialists.
- A Founder, Matthew Deutsch, that has extensive experience in the field of the yacht and boat chartering.

Weaknesses

- Operational complexities given that this is a business that provides a unique ocean based transportation experience.
- Pricing fluctuations may occur as a result of changes in energy pricing.

Opportunities

- Continued acquisition of larger yachts that can accommodate a greater number of guests.
- Expansion of operations to include overnight excursions.
- Development of locations in other areas of Florida.

Threats

- Potential liabilities resulting from injury
- Inclement weather can impact the operations of the business.

Appendix B – Critical Risks

Development Risk – **Low**
Matthew Deutsch is already sourced the vessel that will be acquired with a capital and sought in this document. The primary matter that needs to be addressed once this is dealt with is the rollout of marketing campaigns that will create substantial brand awareness for MLD Charters.

Financing Risk – **Low/Moderate**
The $1 million of funding sought in this document will be almost exclusively used for the acquisition of a marine vessel. This substantially reduces the financing risk associated with the business.

Marketing Risk **– Low**
As noted in the seventh section of document, the Company will use multiple forms of marketing, including direct outreach with entities that provide ongoing bookings to the business. The use of multiple online marketing strategies will also increase brand-name awareness.

Management Risk – **Low**
Matthew Deutsch is a highly experienced yacht captain who will be able to effectively manage the day-to-day operations of this business. Most importantly, he will focus on creating a substantial and well-regarded brand name for MLD Charters.

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

- Substantial tangible assets as the majority of capital will be used to acquire a vessel.
- Immense demand for yacht and boat charters in Miami.

Exit Risk **- Low**
There are no long ranging plans to sell this business to a third-party. If Mr. Deutsch wishes to retire or relocate, he will coordinate with a business broker that has extensive experience working with excursion-based enterprises. This event is not expected to occur within the next ten years.

Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	**$68,750**	**$69,375**	**$70,000**	**$70,625**	**$71,250**	**$71,875**	**$72,500**
Cost of Revenue	$7,838	$7,909	$7,980	$8,051	$8,123	$8,194	$8,265
Gross Profit	$60,913	$61,466	$62,020	$62,574	$63,128	$63,681	$64,235
Expenses							
Payroll	$16,250	$16,250	$16,250	$16,250	$16,250	$16,250	$16,250
General and Administrative	$1,516	$1,516	$1,516	$1,516	$1,516	$1,516	$1,516
Fuel	$13,716	$13,716	$13,716	$13,716	$13,716	$13,716	$13,716
Marketing	$2,888	$2,888	$2,888	$2,888	$2,888	$2,888	$2,888
Insurance Costs	$2,083	$2,083	$2,083	$2,083	$2,083	$2,083	$2,083
Professional Fees	$1,250	$1,250	$1,250	$1,250	$1,250	$1,250	$1,250
Dockage	$2,167	$2,167	$2,167	$2,167	$2,167	$2,167	$2,167
Misc. Costs	$182	$182	$182	$182	$182	$182	$182
Payroll Taxes	$1,243	$1,243	$1,243	$1,243	$1,243	$1,243	$1,243
Total Operating Costs	$41,294	$41,294	$41,294	$41,294	$41,294	$41,294	$41,294
EBITDA	$19,618	$20,172	$20,726	$21,280	$21,833	$22,387	$22,941
Federal Income Tax	$3,005	$3,032	$3,060	$3,087	$3,114	$3,142	$3,169
State Income Tax	$601	$606	$612	$617	$623	$628	$634
Interest Expense	$5,833	$5,815	$5,796	$5,778	$5,759	$5,740	$5,721
Depreciation Expenses	$4,313	$4,313	$4,313	$4,313	$4,313	$4,313	$4,313
Net Profit	$5,866	$6,406	$6,945	$7,485	$8,025	$8,564	$9,104

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
Revenue	**$73,125**	**$73,750**	**$74,375**	**$75,000**	**$75,625**	**$866,250**
Cost of Revenue	$8,336	$8,408	$8,479	$8,550	$8,621	$98,753
Gross Profit	$64,789	$65,343	$65,896	$66,450	$67,004	$767,498
Expenses						
Payroll	$16,250	$16,250	$16,250	$16,250	$16,250	$195,000
General and Administrative	$1,516	$1,516	$1,516	$1,516	$1,516	$18,191
Fuel	$13,716	$13,716	$13,716	$13,716	$13,716	$164,588
Marketing	$2,888	$2,888	$2,888	$2,888	$2,888	$34,650
Insurance Costs	$2,083	$2,083	$2,083	$2,083	$2,083	$25,000
Professional Fees	$1,250	$1,250	$1,250	$1,250	$1,250	$15,000
Dockage	$2,167	$2,167	$2,167	$2,167	$2,167	$26,000
Misc. Costs	$182	$182	$182	$182	$182	$2,183
Payroll Taxes	$1,243	$1,243	$1,243	$1,243	$1,243	$14,918
Total Operating Costs	$41,294	$41,294	$41,294	$41,294	$41,294	$495,529
EBITDA	$23,495	$24,048	$24,602	$25,156	$25,710	$271,968
Federal Income Tax	$3,196	$3,224	$3,251	$3,278	$3,306	$37,864
State Income Tax	$639	$645	$650	$656	$661	$7,573
Interest Expense	$5,702	$5,683	$5,664	$5,644	$5,625	$68,761
Depreciation Expenses	$4,313	$4,313	$4,313	$4,313	$4,313	$51,750
Net Profit	$9,644	$10,184	$10,725	$11,265	$11,806	$106,020

Profit and Loss Statement (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Revenue	$226,871	$231,549	$236,226	$240,904	$935,550
Cost of Revenue	$25,863	$26,397	$26,930	$27,463	$106,653
Gross Profit	**$201,008**	**$205,152**	**$209,297**	**$213,441**	**$828,897**
Expenses					
Payroll	$50,213	$50,213	$50,213	$50,213	$200,850
General and Administrative	$4,912	$4,912	$4,912	$4,912	$19,647
Fuel	$43,105	$43,994	$44,883	$45,772	$177,755
Marketing	$9,075	$9,262	$9,449	$9,636	$37,422
Insurance Costs	$6,563	$6,563	$6,563	$6,563	$26,250
Professional Fees	$3,819	$3,898	$3,977	$4,056	$15,750
Dockage	$6,695	$6,695	$6,695	$6,695	$26,780
Misc. Costs	$572	$584	$595	$607	$2,358
Payroll Taxes	$3,726	$3,803	$3,880	$3,956	$15,365
Total Operating Costs	**$128,679**	**$129,922**	**$131,166**	**$132,409**	**$522,176**
EBITDA	**$72,329**	**$75,230**	**$78,131**	**$81,032**	**$306,722**
Federal Income Tax	$11,398	$11,633	$11,868	$12,103	$47,000
State Income Tax	$2,280	$2,327	$2,374	$2,421	$9,400
Interest Expense	$16,756	$16,577	$16,394	$16,208	$65,935
Depreciation Expenses	$13,196	$13,196	$13,196	$13,196	$52,785
Net Profit	**$28,699**	**$31,498**	**$34,300**	**$37,105**	**$131,601**

Profit and Loss Statement (Third Year)					
		Year 3			
Quarter	Q1	Q2	Q3	Q4	Year 3
Revenue	$245,021	$250,073	$255,124	$260,176	$1,010,394
Cost of Revenue	$27,932	$28,508	$29,084	$29,660	$115,185
Gross Profit	**$217,088**	**$221,564**	**$226,040**	**$230,516**	**$895,209**
Expenses					
Payroll	$51,719	$51,719	$51,719	$51,719	$206,876
General and Administrative	$5,145	$5,252	$5,358	$5,464	$21,218
Fuel	$46,554	$47,514	$48,474	$49,434	$191,975
Marketing	$9,801	$10,003	$10,205	$10,407	$40,416
Insurance Costs	$6,891	$6,891	$6,891	$6,891	$27,563
Professional Fees	$4,010	$4,093	$4,176	$4,258	$16,538
Dockage	$6,896	$6,896	$6,896	$6,896	$27,583
Misc. Costs	$617	$630	$643	$656	$2,546
Payroll Taxes	$3,956	$3,956	$3,956	$3,956	$15,826
Total Operating Costs	**$135,590**	**$136,953**	**$138,317**	**$139,680**	**$550,540**
EBITDA	**$81,498**	**$84,611**	**$87,724**	**$90,836**	**$344,669**
Federal Income Tax	$13,818	$14,103	$14,388	$14,673	$56,981
State Income Tax	$2,764	$2,821	$2,878	$2,935	$11,396
Interest Expense	$16,019	$15,826	$15,630	$15,430	$62,904
Depreciation Expenses	$13,460	$13,460	$13,460	$13,460	$53,841
Net Profit	**$35,438**	**$38,402**	**$41,368**	**$44,339**	**$159,547**

Profit and Loss Statement (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Revenue	$264,622	$270,078	$275,534	$280,991	$1,091,226
Cost of Revenue	$30,167	$30,789	$31,411	$32,033	$124,400
Gross Profit	**$234,455**	**$239,289**	**$244,124**	**$248,958**	**$966,826**
Expenses					
Payroll	$53,270	$53,270	$53,270	$53,270	$213,082
General and Administrative	$5,557	$5,672	$5,786	$5,901	$22,916
Fuel	$50,278	$51,315	$52,352	$53,388	$207,333
Marketing	$10,585	$10,803	$11,021	$11,240	$43,649
Insurance Costs	$7,235	$7,235	$7,235	$7,235	$28,941
Professional Fees	$4,211	$4,298	$4,385	$4,471	$17,364
Dockage	$7,103	$7,103	$7,103	$7,103	$28,411
Misc. Costs	$667	$681	$694	$708	$2,750
Payroll Taxes	$4,075	$4,075	$4,075	$4,075	$16,301
Total Operating Costs	**$142,981**	**$144,451**	**$145,922**	**$147,392**	**$580,746**
EBITDA	**$91,474**	**$94,838**	**$98,202**	**$101,566**	**$386,080**
Federal Income Tax	$16,460	$16,800	$17,139	$17,478	$67,877
State Income Tax	$3,292	$3,360	$3,428	$3,496	$13,575
Interest Expense	$15,227	$15,021	$14,810	$14,596	$59,654
Depreciation Expenses	$13,729	$13,729	$13,729	$13,729	$54,918
Net Profit	**$42,765**	**$45,929**	**$49,096**	**$52,266**	**$190,056**

Profit and Loss Statement (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Revenue	$285,792	$291,685	$297,577	$303,470	$1,178,524
Cost of Revenue	$32,580	$33,252	$33,924	$34,596	$134,352
Gross Profit	**$253,212**	**$258,433**	**$263,653**	**$268,874**	**$1,044,172**
Expenses					
Payroll	$54,869	$54,869	$54,869	$54,869	$219,474
General and Administrative	$6,002	$6,125	$6,249	$6,373	$24,749
Fuel	$54,300	$55,420	$56,540	$57,659	$223,919
Marketing	$11,432	$11,667	$11,903	$12,139	$47,141
Insurance Costs	$7,597	$7,597	$7,597	$7,597	$30,388
Professional Fees	$4,421	$4,513	$4,604	$4,695	$18,233
Dockage	$7,316	$7,316	$7,316	$7,316	$29,263
Misc. Costs	$720	$735	$750	$765	$2,970
Payroll Taxes	$4,197	$4,197	$4,197	$4,197	$16,790
Total Operating Costs	**$150,854**	**$152,439**	**$154,024**	**$155,609**	**$612,927**
EBITDA	**$102,358**	**$105,993**	**$109,629**	**$113,265**	**$431,245**
Federal Income Tax	$19,343	$19,742	$20,141	$20,539	$79,765
State Income Tax	$3,869	$3,948	$4,028	$4,108	$15,953
Interest Expense	$14,379	$14,157	$13,932	$13,702	$56,170
Depreciation Expenses	$14,004	$14,004	$14,004	$14,004	$56,016
Net Profit	**$50,763**	**$54,142**	**$57,525**	**$60,911**	**$223,342**

Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	$10,179	$10,718	$11,258	$11,797	$12,337	$12,877	$13,417	$13,957
Cash From Receivables	$0	$0	$0	$0	$0	$0	$0	$0
Operating Cash Inflow	$10,179	$10,718	$11,258	$11,797	$12,337	$12,877	$13,417	$13,957
Other Cash Inflows								
Equity Investment	$200,000	$0	$0	$0	$0	$0	$0	$0
Increased Borrowings	$1,000,000	$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	**$1,200,083**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**	**$83**
Total Cash Inflow	**$1,210,262**	**$10,802**	**$11,341**	**$11,881**	**$12,420**	**$12,960**	**$13,500**	**$14,040**
Cash Outflows								
Repayment of Principal	$3,155	$3,173	$3,192	$3,210	$3,229	$3,248	$3,267	$3,286
A/P Decreases	$58	$58	$58	$58	$58	$58	$58	$58
A/R Increases	$0	$0	$0	$0	$0	$0	$0	$0
Asset Purchases	$1,035,000	$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	**$1,038,213**	**$3,232**	**$3,250**	**$3,269**	**$3,288**	**$3,306**	**$3,325**	**$3,344**
Net Cash Flow	**$172,049**	**$7,570**	**$8,091**	**$8,612**	**$9,133**	**$9,654**	**$10,175**	**$10,696**
Cash Balance	**$172,049**	**$179,619**	**$187,710**	**$196,322**	**$205,455**	**$215,109**	**$225,283**	**$235,979**

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	Year 1
Cash From Operations	$14,497	$15,037	$15,578	$16,118	$157,770
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$14,497**	**$15,037**	**$15,578**	**$16,118**	**$157,770**
Other Cash Inflows					
Equity Investment	$0	$0	$0	$0	$200,000
Increased Borrowings	$0	$0	$0	$0	$1,000,000
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	$1,201,000
Total Cash Inflow	**$14,580**	**$15,121**	**$15,661**	**$16,201**	**$1,358,770**
Cash Outflows					
Repayment of Principal	$3,305	$3,325	$3,344	$3,363	$39,098
A/P Decreases	$58	$58	$58	$58	$700
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$0	$0	$0	$0	$1,035,000
Dividends	$0	$0	$0	$0	$0
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$3,364**	**$3,383**	**$3,402**	**$3,422**	**$1,074,798**
Net Cash Flow	**$11,217**	**$11,738**	**$12,259**	**$12,780**	**$283,972**
Cash Balance	**$247,196**	**$258,934**	**$271,192**	**$283,972**	**$283,972**

Cash Flow Analysis (Second Year)					
		Year 2			
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	$41,895	$44,694	$47,496	$50,301	$184,386
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$41,895**	**$44,694**	**$47,496**	**$50,301**	**$184,386**
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	**$42,150**	**$44,954**	**$47,761**	**$50,572**	**$185,436**
Cash Outflows					
Repayment of Principal	$10,208	$10,388	$10,571	$10,757	$41,924
A/P Decreases	$178	$182	$186	$189	$735
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$9,219	$0	$0	$0	$9,219
Dividends	$0	$0	$0	$92,193	$92,193
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$19,606**	**$10,570**	**$10,757**	**$103,139**	**$144,072**
Net Cash Flow	**$22,544**	**$34,384**	**$37,005**	**-$52,568**	**$41,364**
Cash Balance	**$306,516**	**$340,899**	**$377,904**	**$325,336**	**$325,336**

Cash Flow Analysis (Third Year)					
		Year 3			
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	$48,898	$51,862	$54,829	$57,799	$213,388
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$48,898**	**$51,862**	**$54,829**	**$57,799**	**$213,388**
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	**$49,166**	**$52,135**	**$55,107**	**$58,083**	**$214,490**
Cash Outflows					
Repayment of Principal	$10,946	$11,139	$11,335	$11,535	$44,955
A/P Decreases	$187	$191	$195	$199	$772
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$10,669	$0	$0	$0	$10,669
Dividends	$0	$0	$0	$117,363	$117,363
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$21,803**	**$11,330**	**$11,530**	**$129,097**	**$173,759**
Net Cash Flow	**$27,363**	**$40,805**	**$43,577**	**-$71,014**	**$40,731**
Cash Balance	**$352,699**	**$393,504**	**$437,081**	**$366,067**	**$366,067**

Cash Flow Analysis (Fourth Year)					
		Year 4			
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	$56,494	$59,658	$62,825	$65,996	$244,973
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$56,494**	**$59,658**	**$62,825**	**$65,996**	**$244,973**
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	**$56,775**	**$59,944**	**$63,117**	**$66,294**	**$246,131**
Cash Outflows					
Repayment of Principal	$11,738	$11,944	$12,155	$12,368	$48,205
A/P Decreases	$197	$201	$205	$209	$810
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$6,124	$6,124	$0	$0	$12,249
Dividends	$0	$0	$0	$122,487	$122,487
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$18,058**	**$18,269**	**$12,359**	**$135,064**	**$183,750**
Net Cash Flow	**$38,717**	**$41,675**	**$50,758**	**-$68,770**	**$62,380**
Cash Balance	**$404,784**	**$446,459**	**$497,217**	**$428,447**	**$428,447**

Cash Flow Analysis (Fifth Year)					
		Year 5			
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	$64,767	$68,146	$71,529	$74,915	$279,358
Cash From Receivables	$0	$0	$0	$0	$0
Operating Cash Inflow	**$64,767**	**$68,146**	**$71,529**	**$74,915**	**$279,358**
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	**$65,062**	**$68,447**	**$71,836**	**$75,228**	**$280,573**
Cash Outflows					
Repayment of Principal	$12,586	$12,808	$13,033	$13,263	$51,690
A/P Decreases	$206	$211	$215	$219	$851
A/R Increases	$0	$0	$0	$0	$0
Asset Purchases	$6,984	$6,984	$0	$0	$13,968
Dividends	$0	$0	$0	$153,647	$153,647
Preferred Equity Payment	$0	$0	$0	$0	$0
Total Cash Outflows	**$19,776**	**$20,002**	**$13,248**	**$167,128**	**$220,155**
Net Cash Flow	**$45,286**	**$48,445**	**$58,588**	**-$91,900**	**$60,418**
Cash Balance	**$473,733**	**$522,177**	**$580,765**	**$488,865**	**$488,865**