



**DEUTSCH**  
COMPUTER REPAIR GROUP



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## 1.0 Executive Summary

Deutsch Computer Repair Group LLC (“the Company”) will provide a wide range of computer repair services as well as repair of mobile devices from its easy to reach location in Manalapan, New Jersey. The business was founded by Matthew Deutsch. The Company expects to commence revenue generating operations within the next six to nine months once the capital has been secured and the build out of the location has been completed. At this time, the Company is seeking a \$100,000 revolving credit facility to establish the businesses operations.

### Operations

The Company will principally generate its revenues from the ongoing repair of computers and mobile devices from its location in Manalapan. The business will generate income from the sale of replacement parts as well as the labor associated with making the repairs. The Company will be able to provide the services for any make and model of computer, including Windows PCs, Apple products, and Linux driven computers. The business will also be able to provide repairs related to iPhones as well as Android mobile devices.

To complement these operations, the company will produce significant income from the ongoing sale of customized personal computers. This will be a highly profitable segment of the Company’s operations.

The third section of this computer repair business panel further discuss the operations of the business.

### The Financing

The \$100,000 revolving credit facility will allow Deutsch Computer Repair Group to properly establish its operations to profitability. Matthew Deutsch will contribute \$25,000 towards a venture which will be principal used for working capital purposes.

Although it is not expected that additional capital will be sourced within the next five years of operation, the Company may see a business loan in the event that a second computer repair location is developed.

### The Future

Management will continue to expand the scope of the Company’s operation so that any type of computer or electronic good can be repaired at the location. The Company may also integrate mobile services so that direct repairs and technical services can be rendered at the homes of clients or at their offices. This would substantially boost the profitability of the business moving forward.

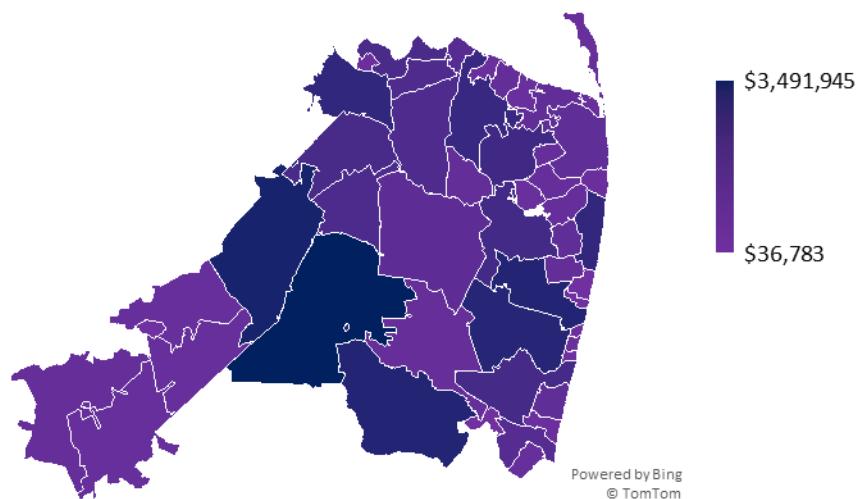
## Market Overview

Target Market Region



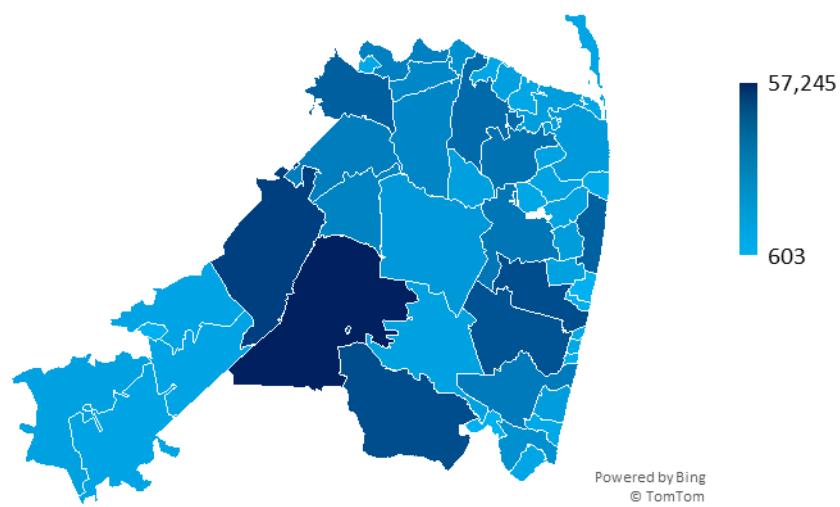
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Target Market Demand

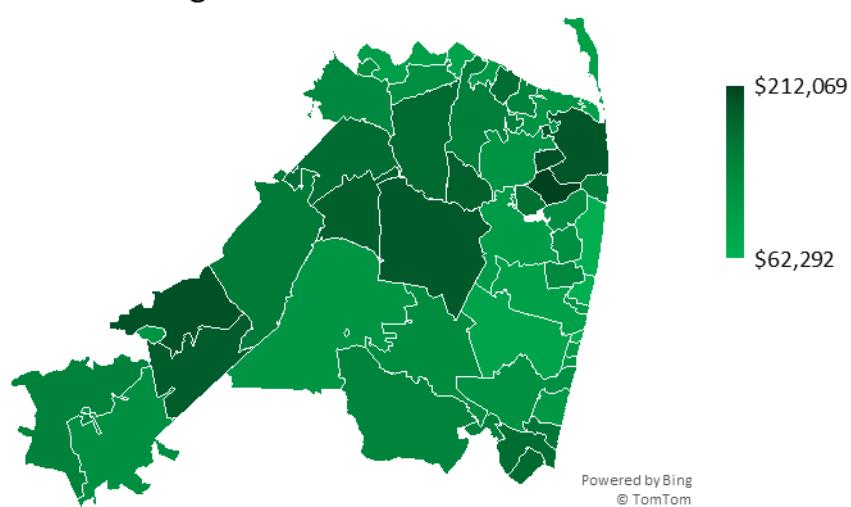


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### Target Market Population



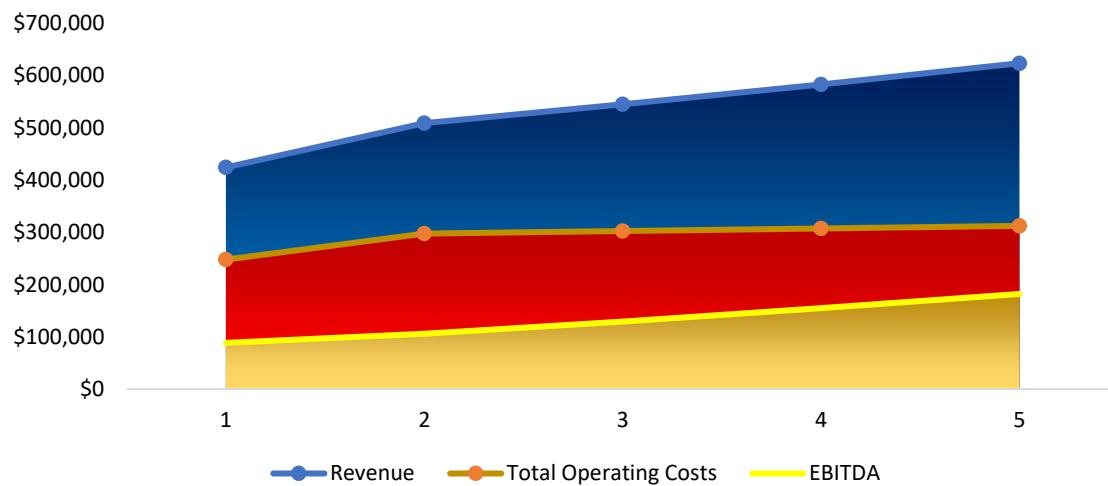
### Target Market Household Income



## Revenue Forecasts

Proforma Profit and Loss		1	2	3	4	5
Year						
<b>Revenue</b>		\$424,200	\$509,040	\$544,673	\$582,800	\$623,596
Cost of Revenue		\$87,870	\$105,444	\$112,825	\$120,723	\$129,173
<b>Gross Profit</b>		\$336,330	\$403,596	\$431,848	\$462,077	\$494,422
Total Operating Costs		\$247,785	\$297,862	\$302,532	\$307,363	\$312,364
<b>EBITDA</b>		<b>\$88,545</b>	<b>\$105,734</b>	<b>\$129,315</b>	<b>\$154,714</b>	<b>\$182,058</b>

Revenue, Operating Costs, EBITDA



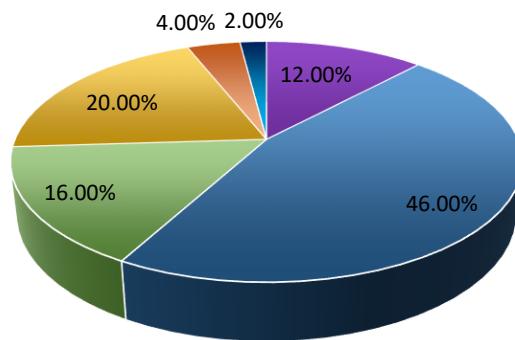
## 2.0 The Financing

### 2.1 Funds Required

The funding discussed in the executive summary will be allocated towards the following:

Use of Funds	
Location Development	\$15,000
Working Capital	\$57,500
Furniture, Fixtures, and Equipment	\$20,000
Inventories	\$25,000
Professional Fees and Licensure	\$5,000
Misc. Costs	\$2,500
<b>Total</b>	<b>\$125,000</b>

Use of Funds Overview



- Location Development
- Working Capital
- Furniture, Fixtures, and Equipment
- Inventories
- Professional Fees and Licensure
- Misc. Costs

### 2.2 Management and Investor Equity

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

### 2.3 Exit Strategies

Computer repair and electronics repair businesses enjoy a substantial degree of economic stability. This is primarily due to the fact that computers and electronics are now fully integrated into every aspect of life. In the event that it is prudent to do so, Matthew Deutsch will work for the qualified business broker to sell Deutsch Computer Repair Group to a third-party. There are entrepreneurs that are always looking to get into this economically stable industry. Based on the sales of comparable businesses, Deutsch Computer Repair Group could have a sales price of up to \$500,000 by the fifth year of operation.

### 3.0 Operations

As discussed in the executive summary, the Company will be actively involved with the ongoing repair of computers spanning Windows, Apple, and Linux devices. In order to ensure that repairs are made in a timely basis, the Company will have a substantial inventory of off the shelf parts so that repairs can be completed within a 24-to-48-hour timeframe. This one for a substantial degree of convenience for the Company's clients.

As a value-added service of benefit to clients, the Company will be able to pick up computers and electronics that need repair directly from a client's home. These devices will be brought back to the location for servicing. There is the potential that direct on-site service will be integrated into the Company's operations.

The Company will be also actively engaged in the sale of customized personal computers specific for the needs of each client. Given the capabilities and equipment available at the location, the business will be able to install custom motherboards, graphics processing units, central processing units, RAM chips, hard drives, power supplies, as well as other devices that are part and parcel of a computer. Aesthetic customization will also be available, including the integration of LED lighting.

## 4.0 Overview of the Organization

### 4.1 Registered Name

Deutsch Computer Repair Group LLC. The business is registered as a limited liability company in the State of New Jersey.

### 4.2 Commencement of Operations

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

### 4.3 Mission Statement

To provide exceptional and cost-effective computer repair services to the Manalapan general public.

### 4.4 Vision Statement

To become the preeminent computer repair service within Monmouth County.

### 4.5 Organizational Objectives

- Source a highly visible retail location from which to conduct computer repair operations.
- Maintain proper inventories of common parts that are used within the course of computer repair.
- Higher proper trained computer repair technicians that will be able to propel the growth of business in the coming years.
- Implement numerous marketing strategies that allow for the ongoing growth of the business into other markets in Central New Jersey.
- Establish mobile based operations that will allow the Company to further expand its revenues and brand visibility.
- Expand the scope of the Company's operations to include other types of electronics that can be repaired.

## 5.0 Market and Industry Analysis

### 5.1 External Environmental Analysis

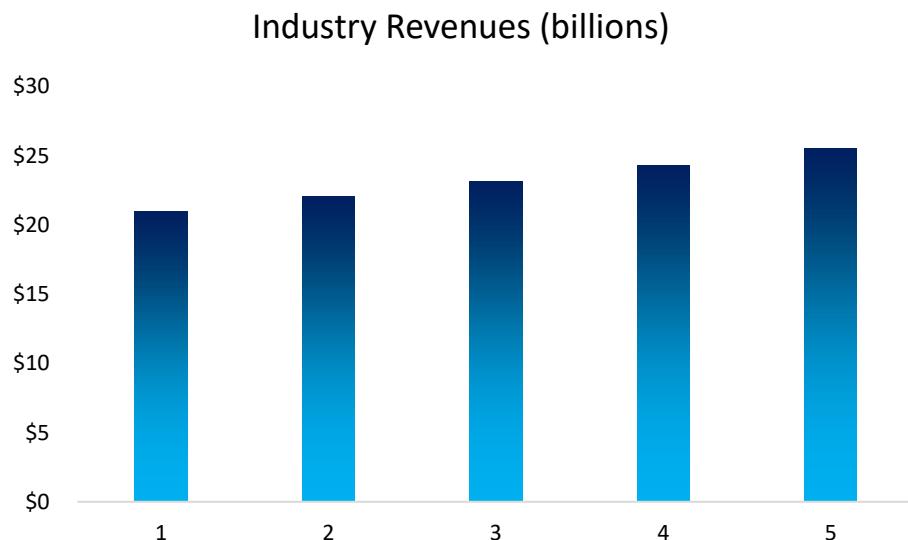
This section of the computer repair business plan will showcase the industry, customer profile, demographics, and current economic climate.

At the moment, the economic outlook of the United States is moderate. As a result of changing fiscal policy, especially related to international trade matters – there has been a significant degree of volatility introduced to the market, which has ultimately resulted in higher than anticipated inflation.

It should be noted that the revenues of Deutsch Computer Repair Group will be relatively immune from negative changes in the economy. The demand for comprehensive computer repair remains strong at all times as use of these devices is integral for work as well as personal life.

### 5.2 Industry Analysis

There are 40,000 companies that are actively engaged in providing computer repair services to the general public. These companies aggregate produce \$22 billion a year of revenue while employing 125,000 people.



One of the newer trends within this industry is that computer repair services are also providing highly customized desktop and laptop computers. Given the demand among individuals, especially among people that have an interest in gaming, the Company will be able to capitalize on this trend in the coming years.

### **5.3 Customer Profile**

The following demographics are noted:

- Household income of \$100,000+
- Will spend \$50 to \$250 per repair engagement
- Lives or works within 25 miles of the Deutsch Computer Repair Group location

### **5.4 Competitive Analysis**

This computer repair service will face moderate competition as it expands its operations within Manalapan and Central New Jersey. One of the unique aspects of the Company's operations is that it will be able to not only provide comprehensive computer and electronics repair, but also to provide customization services for personal computers. As the company integrates mobile based services into its operations, the Company will be able to further maintain a strong competitive advantage.

## 6.0 Key Strategic Issues

### 6.1 Sustainable Operations

Deutsch Computer Repair Group will have sustainable operations as a result of the following:

- An experienced Owner, Matthew Deutsch, that has more than two decades of experiencing repairing computers and related devices.
- Company will be able to provide services to both individuals and companies within the target market.
- The business will generate multiple streams of revenue ranging from labor, parts sales, and customization services.

### 6.2 Basis of Growth

The Company will expand via the following methods:

- Integration of mobile services will provide both a major differentiating factor as well as a competitive advantage.
- Expansion of the types of computers and electronics that can be serviced by the business, including servers.
- Continued hiring of computer repair technicians that can render services at the Company's location and at a client site.
- Development of additional locations within Central New Jersey.

## 7.0 Marketing Plan

### 7.1 Marketing Objectives

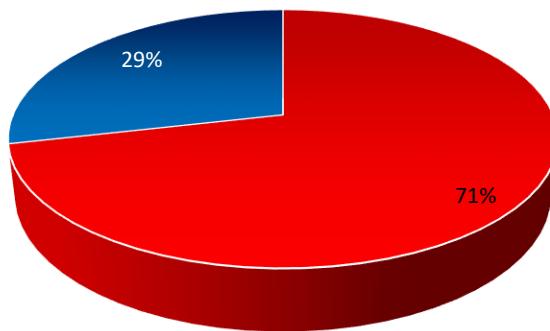
- Conduct direct outreach with companies that have ongoing needs for repairs of computers.
- Implement numerous online marketing strategies so that the business can be quickly found within the Central New Jersey market.
- Established ongoing relationships and schools that frequently maintain inventory of thousands of computers that need repair from time to time.

### 7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
Computer and Electronics Repairs	\$303,000	\$363,600	\$389,052	\$416,286	\$445,426
Custom PC Sales	\$121,200	\$145,440	\$155,621	\$166,514	\$178,170
<b>Total</b>	<b>\$424,200</b>	<b>\$509,040</b>	<b>\$544,673</b>	<b>\$582,800</b>	<b>\$623,596</b>

Gross Profit					
Year	1	2	3	4	5
<b>Total</b>	<b>\$336,330</b>	<b>\$403,596</b>	<b>\$431,848</b>	<b>\$462,077</b>	<b>\$494,422</b>

### Revenue Generation



■ Computer and Electronics Repairs   ■ Custom PC Sales

### 7.3 Revenue Assumptions

#### Year 1

- The Company will launch its computer repair location in the second quarter.
- Revenue will reach \$424,000.

#### Year 2

- The business will expand its marketing operations.
- Second year revenue will reach \$509,000.

#### Years 3-5

- In Year 5, revenue from repairs and computer sales will reach \$623,000.
- At this time, the Company may establish additional locations.

### 7.4 Marketing Strategies

The company will use a number of marketing strategies that will ensure that Deutsch Computer Repair Group has significant brand-name visibility within Manalapan as well as Central New Jersey. As noted earlier, the Company is currently in the process of sourcing a highly visible location that will be most likely be based in a strip mall. This will allow for extensive familiarity with the services provided by Deutsch Computer Repair Group among the Manalapan general public.

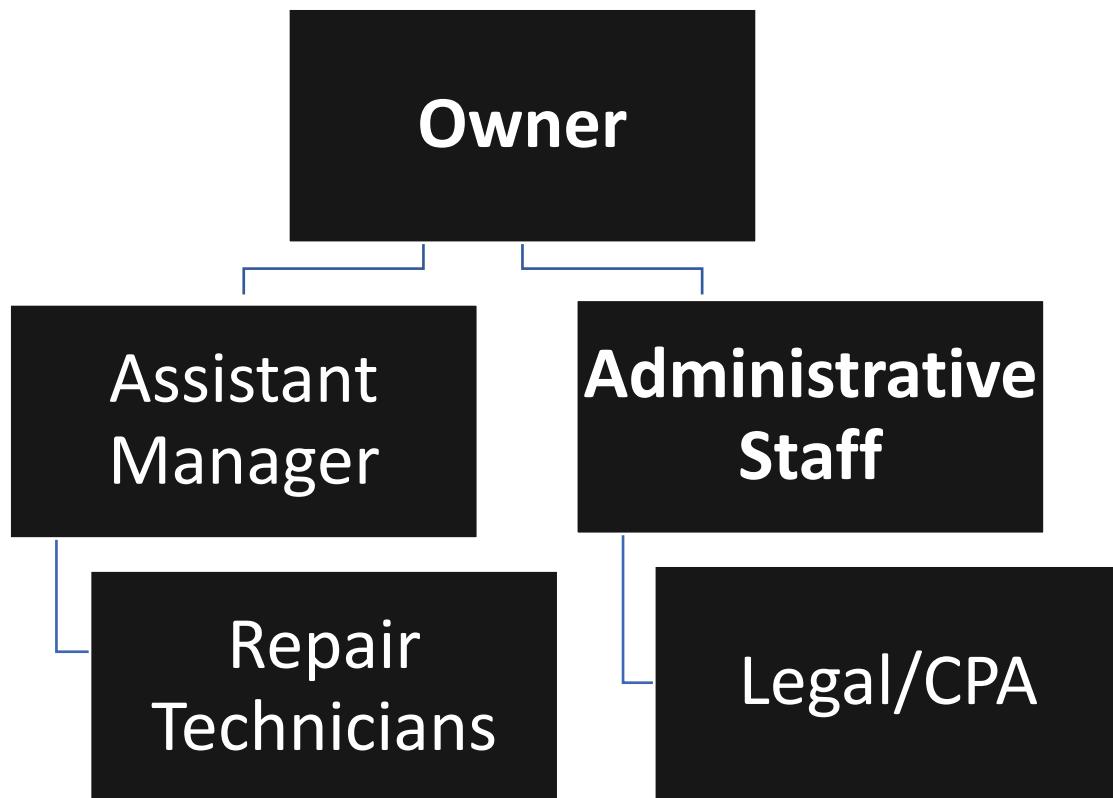
As it relates to the Company's online operations business, the business will have an extensive online platform that will showcase the services while concurrently acting as an educational resource among people that are facing computer issues. The Company will have a number of articles created as well as how to guides for addressing minor computer repair issues. This will foster trust with customers who will ultimately use the Company services when more complicated computer/electronics matters need to be addressed.

The business will also maintain pages among almost major social media pages. Here, the Company will aggressively promote its customization services as this is a high margin revenue center for the business. Images of custom personal computers that have been produced by Deutsch Computer Repair Group will be uploaded. Additionally, media content, including walk-through towards the Company's facilities, and a discussion regarding its capabilities will be uploaded to these platforms as well.

The Company will also maintain strong relationships with regional schools that often provide laptops and other computer devices to their students to use. Given the ongoing issues with these devices, Management sees a significant opportunity to develop contractual relationships with school districts in order to provide outsourced computer repair service services.

## 8.0 Organizational Plan

### 8.1 Organizational Hierarchy

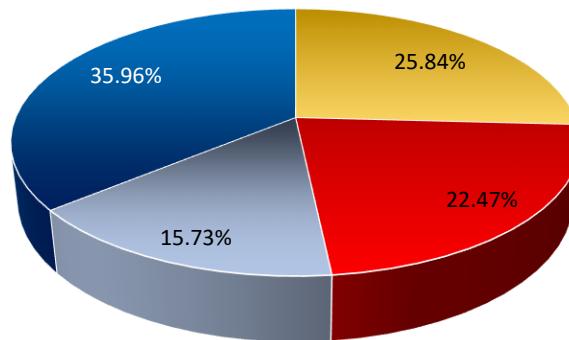


## 8.2 Personnel Costs

Personnel Plan - Yearly		1	2	3	4	5
Year						
Owner		\$57,500	\$58,075	\$58,656	\$59,242	\$59,835
Assistant Manager		\$50,000	\$50,500	\$51,005	\$51,515	\$52,030
Administrative Staff		\$35,000	\$35,350	\$35,704	\$36,061	\$36,421
Repair Technicians		\$40,000	\$80,800	\$81,608	\$82,424	\$83,248
<b>Total</b>		<b>\$182,500</b>	<b>\$224,725</b>	<b>\$226,972</b>	<b>\$229,242</b>	<b>\$231,534</b>

Numbers of Personnel (Year End Headcount)						
Year	1	2	3	4	5	
Owner	1	1	1	1	1	1
Assistant Manager	1	1	1	1	1	1
Administrative Staff	1	1	1	1	1	1
Repair Technicians	1	2	2	2	2	2
<b>Total</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>

### Personnel Summary



■ Owner ■ Assistant Manager ■ Administrative Staff ■ Repair Technicians

## 9.0 Financial Plan

### 9.1 Underlying Assumptions

- Deutsch Computer Repair Group will have a capitalization of \$25,000 provided by Matthew Deutsch.
- The Company will acquire a \$100,000 working capital line of credit.
- Deutsch Computer Repair Group will achieve a compounded annual growth rate of 10.1%.

### 9.2 Financial Highlights

- The business will aggregately achieve gross margins of 79%.
- On product sales, the Company will produce contribution margins of 50%.

### 9.3 Sensitivity Analysis

The Company's revenue generation will remain relatively strong, even in the face of a very severe economic recession. As it's been one of the ongoing themes throughout this document, computer repair is something that is absolutely required by both individuals and businesses as they are used during the course of both working life and personal life. The substantial and high margin stream of revenue produced from operations will fully support the operations of Deutsch Computer Repair Group in the coming years.

### 9.4 Source of Funds

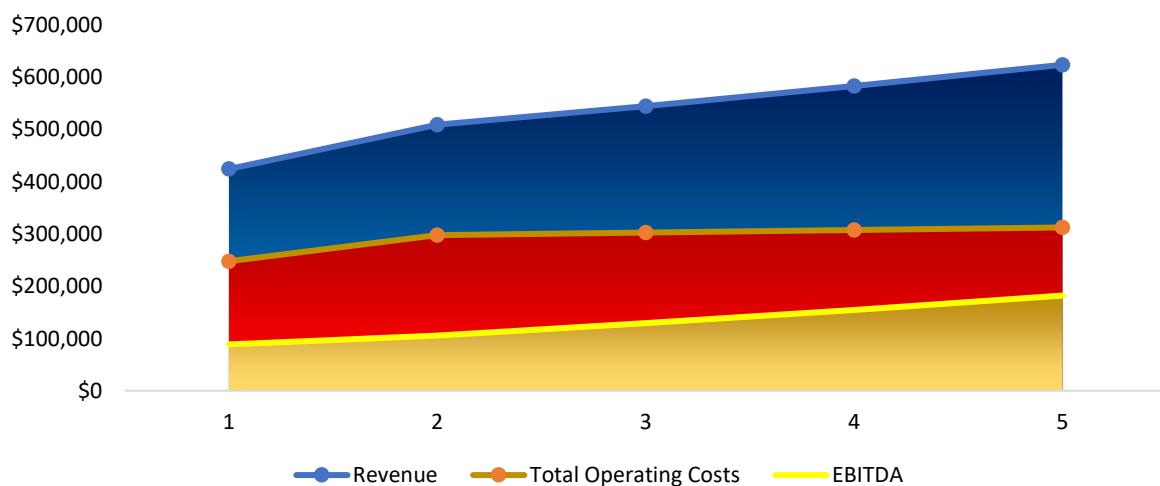
Financing	
<b>Equity</b>	
Equity Capitalization	\$25,000.00
<b>Total Equity Financing</b>	\$25,000.00
<b>Banks and Lenders</b>	
Revolving Credit Facility	\$100,000.00
<b>Total Debt Financing</b>	\$100,000.00
<b>Total Financing</b>	<b>\$125,000.00</b>

## 9.5 Financial Proformas

### A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$424,200	\$509,040	\$544,673	\$582,800	\$623,596
Cost of Revenue	\$87,870	\$105,444	\$112,825	\$120,723	\$129,173
Gross Margin	79.29%	79.29%	79.29%	79.29%	79.29%
<b>Gross Profit</b>	\$336,330	\$403,596	\$431,848	\$462,077	\$494,422
<b>Expenses</b>					
Payroll	\$182,500	\$224,725	\$226,972	\$229,242	\$231,534
Facility Costs	\$17,500	\$17,675	\$17,852	\$18,030	\$18,211
General and Administrative	\$10,605	\$12,726	\$13,617	\$14,570	\$15,590
Professional Fees and Licensure	\$3,250	\$3,283	\$3,315	\$3,348	\$3,382
Insurance	\$5,000	\$5,050	\$5,101	\$5,152	\$5,203
Marketing	\$6,787	\$8,145	\$8,715	\$9,325	\$9,978
Vehicle	\$5,000	\$5,250	\$5,513	\$5,788	\$6,078
Misc. Costs	\$3,182	\$3,818	\$4,085	\$4,371	\$4,677
Payroll Taxes	\$13,961	\$17,191	\$17,363	\$17,537	\$17,712
<b>Total Operating Costs</b>	<b>\$247,785</b>	<b>\$297,862</b>	<b>\$302,532</b>	<b>\$307,363</b>	<b>\$312,364</b>
<b>EBITDA</b>	<b>\$88,545</b>	<b>\$105,734</b>	<b>\$129,315</b>	<b>\$154,714</b>	<b>\$182,058</b>
Federal Income Tax	\$18,323	\$22,667	\$28,617	\$35,029	\$41,936
State Income Tax	\$3,665	\$4,533	\$5,723	\$7,006	\$8,387
Interest Expense	\$7,754	\$7,189	\$6,578	\$5,915	\$5,198
Depreciation Expenses	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
<b>Net Profit</b>	<b>\$51,304</b>	<b>\$63,469</b>	<b>\$80,128</b>	<b>\$98,082</b>	<b>\$117,421</b>
<b>Profit Margin</b>	<b>12.09%</b>	<b>12.47%</b>	<b>14.71%</b>	<b>16.83%</b>	<b>18.83%</b>

Revenue, Operating Costs, EBITDA



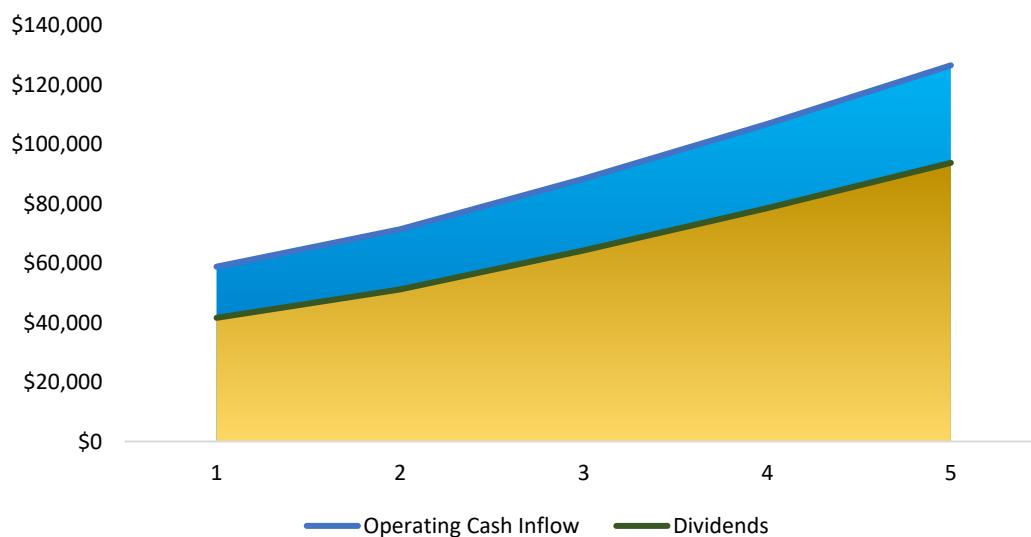
## B) Common Size Income Statement

<b>Proforma Profit and Loss (Common Size)</b>					
Year	1	2	3	4	5
<b>Revenue</b>	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	20.71%	20.71%	20.71%	20.71%	20.71%
 <b>Gross Profit</b>	 79.29%	 79.29%	 79.29%	 79.29%	 79.29%
 <b>Expenses</b>	 	 	 	 	 
Payroll	43.02%	44.15%	41.67%	39.33%	37.13%
Facility Costs	4.13%	3.47%	3.28%	3.09%	2.92%
General and Administrative	2.50%	2.50%	2.50%	2.50%	2.50%
Professional Fees and Licensure	0.77%	0.64%	0.61%	0.57%	0.54%
Insurance	1.18%	0.99%	0.94%	0.88%	0.83%
Marketing	1.60%	1.60%	1.60%	1.60%	1.60%
Vehicle	1.18%	1.03%	1.01%	0.99%	0.97%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	3.29%	3.38%	3.19%	3.01%	2.84%
<b>Total Operating Costs</b>	58.41%	58.51%	55.54%	52.74%	50.09%
 <b>EBITDA</b>	 20.87%	 20.77%	 23.74%	 26.55%	 29.19%
Federal Income Tax	4.32%	4.45%	5.25%	6.01%	6.72%
State Income Tax	0.86%	0.89%	1.05%	1.20%	1.34%
Interest Expense	1.83%	1.41%	1.21%	1.01%	0.83%
Depreciation Expenses	1.77%	1.55%	1.52%	1.49%	1.46%
 <b>Net Profit</b>	 12.09%	 12.47%	 14.71%	 16.83%	 18.83%

### C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$58,804	\$71,344	\$88,397	\$106,764	\$126,537
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$58,804</b>	<b>\$71,344</b>	<b>\$88,397</b>	<b>\$106,764</b>	<b>\$126,537</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$25,000	\$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
<b>Total Other Cash Inflows</b>	<b>\$126,000</b>	<b>\$1,050</b>	<b>\$1,103</b>	<b>\$1,158</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$184,804</b>	<b>\$72,394</b>	<b>\$89,500</b>	<b>\$107,921</b>	<b>\$127,753</b>
<b>Cash Outflows</b>					
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	\$60,000	\$3,567	\$4,420	\$5,338	\$6,327
Dividends	\$41,599	\$51,179	\$64,332	\$78,496	\$93,740
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$109,104</b>	<b>\$62,851</b>	<b>\$77,506</b>	<b>\$93,288</b>	<b>\$110,280</b>
<b>Net Cash Flow</b>	<b>\$75,700</b>	<b>\$9,543</b>	<b>\$11,994</b>	<b>\$14,633</b>	<b>\$17,473</b>
<b>Cash Balance</b>	<b>\$75,700</b>	<b>\$85,242</b>	<b>\$97,236</b>	<b>\$111,869</b>	<b>\$129,342</b>

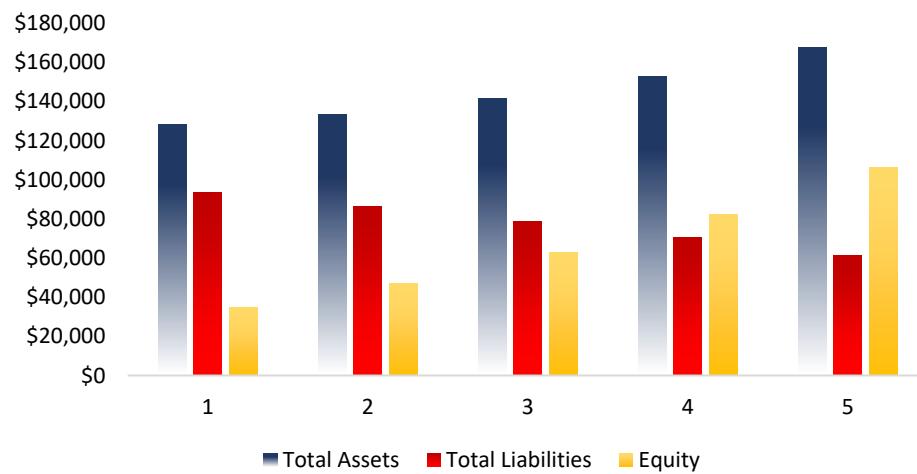
### Cash Flow Analysis



## D) Balance Sheet

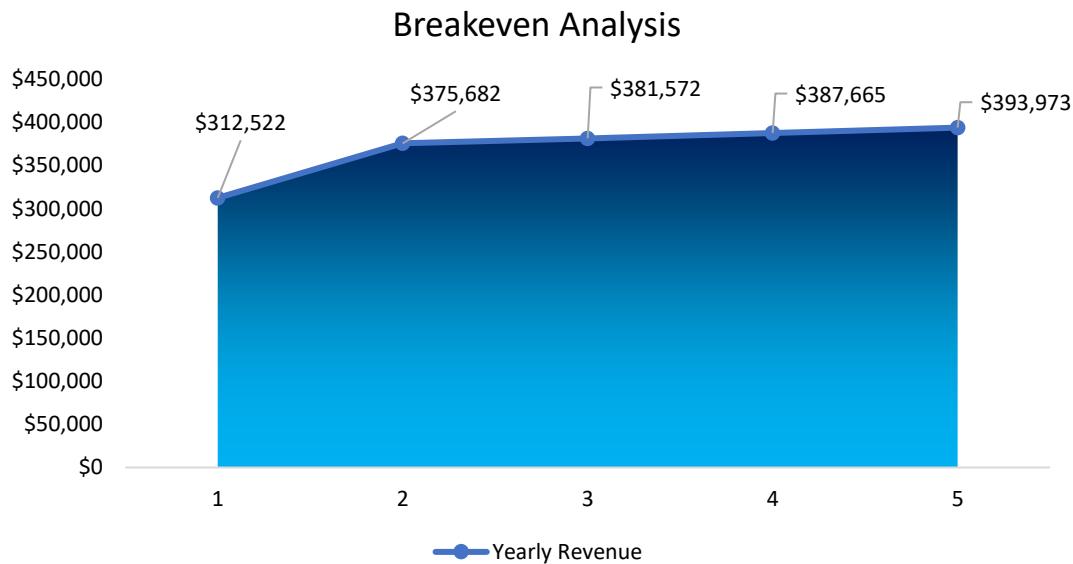
Proforma Balance Sheet - Yearly		1	2	3	4	5
Year						
<b>Assets</b>						
Cash		\$75,700	\$85,242	\$97,236	\$111,869	\$129,342
Fixed Assets		\$60,000	\$63,567	\$67,987	\$73,325	\$79,652
Accumulated Depreciation		(\$7,500)	(\$15,375)	(\$23,644)	(\$32,326)	(\$41,442)
<b>Total Assets</b>		<b>\$128,200</b>	<b>\$133,434</b>	<b>\$141,579</b>	<b>\$152,868</b>	<b>\$167,552</b>
<b>Liabilities and Equity</b>						
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
<b>Total Liabilities</b>		<b>\$93,495</b>	<b>\$86,440</b>	<b>\$78,789</b>	<b>\$70,492</b>	<b>\$61,495</b>
<b>Equity</b>		<b>\$34,705</b>	<b>\$46,995</b>	<b>\$62,791</b>	<b>\$82,377</b>	<b>\$106,057</b>
<b>Total Liabilities and Equity</b>		<b>\$128,200</b>	<b>\$133,434</b>	<b>\$141,579</b>	<b>\$152,868</b>	<b>\$167,552</b>

Balance Sheet



## 9.6 Breakeven Analysis

Break Even Analysis		1	2	3	4	5
Year	Monthly Revenue	\$26,043	\$31,307	\$31,798	\$32,305	\$32,831
	Yearly Revenue	\$312,522	\$375,682	\$381,572	\$387,665	\$393,973



## 9.7 Business Ratios

Business Ratios - Yearly						
	Year	1	2	3	4	5
<b>Revenue</b>						
Sales Growth		0.0%	20.0%	7.0%	7.0%	7.0%
Gross Margin		79.3%	79.3%	79.3%	79.3%	79.3%
<b>Financials</b>						
Profit Margin		12.09%	12.47%	14.71%	16.83%	18.83%
Assets to Liabilities		1.37	1.54	1.80	2.17	2.72
Equity to Liabilities		0.37	0.54	0.80	1.17	1.72
Assets to Equity		3.69	2.84	2.25	1.86	1.58
<b>Liquidity</b>						
Acid Test		0.81	0.99	1.23	1.59	2.10
Cash to Assets		0.59	0.64	0.69	0.73	0.77

## Appendix A – SWOT Analysis

### Strengths

- The target market is population dense and has numerous businesses in the area.
- The Company's founder and CEO, Matthew Deutsch, is certified among numerous disciplines related to technology repair.
- The Company will offer a number of value-added services that will ensure that clients will use the business' computer repair services on an ongoing basis.

### Weaknesses

- Ongoing competition from highly established businesses in the target market, including national level competitors.
- Moderately high cost related to payroll as the Company will need to employ highly skilled computer repair technicians.

### Opportunities

- Integration of mobile repair service services at clients' homes and offices.
- Development of new computer repair service locations within Central New Jersey.
- Continued expansion of the Company's personal computer customization services.

### Threats

- Ongoing issues with inflation and trade policies may cause the cost of computer components to increase.

## Appendix B – Critical Risks

### Development Risk – Low

Matthew Deutsch has already designed the service architecture that will be employed by Deutsch Computer Repair Group at the onset of operations. The primary matter that needs to be addressed to securing the working capital line of credit discussed in this document.

### Financing Risk – Low/Moderate

The funding that will be used to establish the operations of Deutsch Computer Repair Group will be principally used for the location development, computer parts, and general furniture, fixtures, and equipment. The economically secure nature of the Company's income will reduce financing risks.

### Marketing Risk – Low/Moderate

The Company will use the marketing strategies discussed earlier, including direct outreach with school districts in order develop contractual relationships. Given the strong demand for computer repair services in this market, the Company will be able to implement marketing campaigns that will onboard a number of ongoing customers.

### Management Risk – Low

Matthew Deutsch is a certified computer repair professional that has the ability to address any issue with a Windows, Apple, or Linux computer. He will be able to provide exceptional service to his customers in tandem with the Company's retained repair specialists.

### Valuation Risk – Low

The valuation risk is offset by:

- The Company can provide its services on a mobile basis throughout Monmouth County.
- The business will produce profits in any economic climate.
- Sales of custom personal computers can be provided to clients on a nationwide basis.

### Exit Risk - Low

As these businesses are highly lucrative and economically secure, it would be relatively easy to find a suitable buyer for Deutsch Computer Repair Group. In this event, a qualified business sales professional, attorney, accountant, and business valuation expert will be hired to assist in managing the transaction.

## Appendix C – Expanded Profit and Loss Statements

<b>Profit and Loss Statement (First Year)</b>							
Months	1	2	3	4	5	6	7
<b>Revenue</b>	<b>\$31,500</b>	<b>\$32,200</b>	<b>\$32,900</b>	<b>\$33,600</b>	<b>\$34,300</b>	<b>\$35,000</b>	<b>\$35,700</b>
Cost of Revenue	\$6,525	\$6,670	\$6,815	\$6,960	\$7,105	\$7,250	\$7,395
<b>Gross Profit</b>	<b>\$24,975</b>	<b>\$25,530</b>	<b>\$26,085</b>	<b>\$26,640</b>	<b>\$27,195</b>	<b>\$27,750</b>	<b>\$28,305</b>
<b>Expenses</b>							
Payroll	\$15,208	\$15,208	\$15,208	\$15,208	\$15,208	\$15,208	\$15,208
Facility Costs	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458
General and Administrative	\$884	\$884	\$884	\$884	\$884	\$884	\$884
Professional Fees and Licensure	\$271	\$271	\$271	\$271	\$271	\$271	\$271
Insurance	\$417	\$417	\$417	\$417	\$417	\$417	\$417
Marketing	\$566	\$566	\$566	\$566	\$566	\$566	\$566
Vehicle	\$417	\$417	\$417	\$417	\$417	\$417	\$417
Misc. Costs	\$265	\$265	\$265	\$265	\$265	\$265	\$265
Payroll Taxes	\$1,163	\$1,163	\$1,163	\$1,163	\$1,163	\$1,163	\$1,163
<b>Total Operating Costs</b>	<b>\$20,649</b>						
<b>EBITDA</b>	<b>\$4,326</b>	<b>\$4,881</b>	<b>\$5,436</b>	<b>\$5,991</b>	<b>\$6,546</b>	<b>\$7,101</b>	<b>\$7,656</b>
Federal Income Tax	\$1,361	\$1,391	\$1,421	\$1,451	\$1,482	\$1,512	\$1,542
State Income Tax	\$272	\$278	\$284	\$290	\$296	\$302	\$308
Interest Expense	\$667	\$663	\$659	\$656	\$652	\$648	\$644
Depreciation Expenses	\$625	\$625	\$625	\$625	\$625	\$625	\$625
<b>Net Profit</b>	<b>\$1,402</b>	<b>\$1,924</b>	<b>\$2,447</b>	<b>\$2,969</b>	<b>\$3,491</b>	<b>\$4,014</b>	<b>\$4,536</b>

<b>Profit and Loss Statement (First Year Cont.)</b>						
Month	8	9	10	11	12	Year 1
<b>Revenue</b>	<b>\$36,400</b>	<b>\$37,100</b>	<b>\$37,800</b>	<b>\$38,500</b>	<b>\$39,200</b>	<b>\$424,200</b>
Cost of Revenue	\$7,540	\$7,685	\$7,830	\$7,975	\$8,120	\$87,870
<b>Gross Profit</b>	<b>\$28,860</b>	<b>\$29,415</b>	<b>\$29,970</b>	<b>\$30,525</b>	<b>\$31,080</b>	<b>\$336,330</b>
<b>Expenses</b>						
Payroll	\$15,208	\$15,208	\$15,208	\$15,208	\$15,208	\$182,500
Facility Costs	\$1,458	\$1,458	\$1,458	\$1,458	\$1,458	\$17,500
General and Administrative	\$884	\$884	\$884	\$884	\$884	\$10,605
Professional Fees and Licensure	\$271	\$271	\$271	\$271	\$271	\$3,250
Insurance	\$417	\$417	\$417	\$417	\$417	\$5,000
Marketing	\$566	\$566	\$566	\$566	\$566	\$6,787
Vehicle	\$417	\$417	\$417	\$417	\$417	\$5,000
Misc. Costs	\$265	\$265	\$265	\$265	\$265	\$3,182
Payroll Taxes	\$1,163	\$1,163	\$1,163	\$1,163	\$1,163	\$13,961
<b>Total Operating Costs</b>	<b>\$20,649</b>	<b>\$20,649</b>	<b>\$20,649</b>	<b>\$20,649</b>	<b>\$20,649</b>	<b>\$247,785</b>
<b>EBITDA</b>	<b>\$8,211</b>	<b>\$8,766</b>	<b>\$9,321</b>	<b>\$9,876</b>	<b>\$10,431</b>	<b>\$88,545</b>
Federal Income Tax	\$1,572	\$1,602	\$1,633	\$1,663	\$1,693	\$18,323
State Income Tax	\$314	\$320	\$327	\$333	\$339	\$3,665
Interest Expense	\$641	\$637	\$633	\$629	\$625	\$7,754
Depreciation Expenses	\$625	\$625	\$625	\$625	\$625	\$7,500
<b>Net Profit</b>	<b>\$5,059</b>	<b>\$5,581</b>	<b>\$6,104</b>	<b>\$6,627</b>	<b>\$7,149</b>	<b>\$51,304</b>

Profit and Loss Statement (Second Year)					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
<b>Revenue</b>	\$123,442	\$125,987	\$128,533	\$131,078	\$509,040
Cost of Revenue	\$25,570	\$26,097	\$26,625	\$27,152	\$105,444
<b>Gross Profit</b>	<b>\$97,872</b>	<b>\$99,890</b>	<b>\$101,908</b>	<b>\$103,926</b>	<b>\$403,596</b>
<b>Expenses</b>					
Payroll	\$56,181	\$56,181	\$56,181	\$56,181	\$224,725
Facility Costs	\$4,419	\$4,419	\$4,419	\$4,419	\$17,675
General and Administrative	\$3,086	\$3,150	\$3,213	\$3,277	\$12,726
Professional Fees and Licensure	\$796	\$812	\$829	\$845	\$3,283
Insurance	\$1,263	\$1,263	\$1,263	\$1,263	\$5,050
Marketing	\$1,975	\$2,016	\$2,057	\$2,097	\$8,145
Vehicle	\$1,313	\$1,313	\$1,313	\$1,313	\$5,250
Misc. Costs	\$926	\$945	\$964	\$983	\$3,818
Payroll Taxes	\$4,169	\$4,255	\$4,341	\$4,427	\$17,191
<b>Total Operating Costs</b>	<b>\$74,127</b>	<b>\$74,353</b>	<b>\$74,579</b>	<b>\$74,804</b>	<b>\$297,862</b>
<b>EBITDA</b>	<b>\$23,745</b>	<b>\$25,537</b>	<b>\$27,329</b>	<b>\$29,122</b>	<b>\$105,734</b>
Federal Income Tax	\$5,497	\$5,610	\$5,724	\$5,837	\$22,667
State Income Tax	\$1,099	\$1,122	\$1,145	\$1,167	\$4,533
Interest Expense	\$1,852	\$1,816	\$1,779	\$1,742	\$7,189
Depreciation Expenses	\$1,969	\$1,969	\$1,969	\$1,969	\$7,875
<b>Net Profit</b>	<b>\$13,328</b>	<b>\$15,020</b>	<b>\$16,713</b>	<b>\$18,407</b>	<b>\$63,469</b>

Profit and Loss Statement (Third Year)					
Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
<b>Revenue</b>	\$132,083	\$134,807	\$137,530	\$140,253	\$544,673
Cost of Revenue	\$27,360	\$27,924	\$28,488	\$29,052	\$112,825
<b>Gross Profit</b>	<b>\$104,723</b>	<b>\$106,882</b>	<b>\$109,042</b>	<b>\$111,201</b>	<b>\$431,848</b>
<b>Expenses</b>					
Payroll	\$56,743	\$56,743	\$56,743	\$56,743	\$226,972
Facility Costs	\$4,463	\$4,463	\$4,463	\$4,463	\$17,852
General and Administrative	\$3,302	\$3,370	\$3,438	\$3,506	\$13,617
Professional Fees and Licensure	\$804	\$821	\$837	\$854	\$3,315
Insurance	\$1,275	\$1,275	\$1,275	\$1,275	\$5,101
Marketing	\$2,113	\$2,157	\$2,200	\$2,244	\$8,715
Vehicle	\$1,378	\$1,378	\$1,378	\$1,378	\$5,513
Misc. Costs	\$991	\$1,011	\$1,031	\$1,052	\$4,085
Payroll Taxes	\$4,341	\$4,341	\$4,341	\$4,341	\$17,363
<b>Total Operating Costs</b>	<b>\$75,410</b>	<b>\$75,559</b>	<b>\$75,707</b>	<b>\$75,856</b>	<b>\$302,532</b>
<b>EBITDA</b>	<b>\$29,313</b>	<b>\$31,324</b>	<b>\$33,334</b>	<b>\$35,345</b>	<b>\$129,315</b>
Federal Income Tax	\$6,940	\$7,083	\$7,226	\$7,369	\$28,617
State Income Tax	\$1,388	\$1,417	\$1,445	\$1,474	\$5,723
Interest Expense	\$1,704	\$1,665	\$1,625	\$1,584	\$6,578
Depreciation Expenses	\$2,067	\$2,067	\$2,067	\$2,067	\$8,269
<b>Net Profit</b>	<b>\$17,215</b>	<b>\$19,092</b>	<b>\$20,971</b>	<b>\$22,850</b>	<b>\$80,128</b>

Profit and Loss Statement (Fourth Year)					
Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
<b>Revenue</b>	\$141,329	\$144,243	\$147,157	\$150,071	\$582,800
Cost of Revenue	\$29,275	\$29,879	\$30,483	\$31,086	\$120,723
<b>Gross Profit</b>	<b>\$112,054</b>	<b>\$114,364</b>	<b>\$116,674</b>	<b>\$118,985</b>	<b>\$462,077</b>
<b>Expenses</b>					
Payroll	\$57,310	\$57,310	\$57,310	\$57,310	\$229,242
Facility Costs	\$4,508	\$4,508	\$4,508	\$4,508	\$18,030
General and Administrative	\$3,533	\$3,606	\$3,679	\$3,752	\$14,570
Professional Fees and Licensure	\$812	\$829	\$845	\$862	\$3,348
Insurance	\$1,288	\$1,288	\$1,288	\$1,288	\$5,152
Marketing	\$2,261	\$2,308	\$2,355	\$2,401	\$9,325
Vehicle	\$1,447	\$1,447	\$1,447	\$1,447	\$5,788
Misc. Costs	\$1,060	\$1,082	\$1,104	\$1,126	\$4,371
Payroll Taxes	\$4,384	\$4,384	\$4,384	\$4,384	\$17,537
<b>Total Operating Costs</b>	<b>\$76,604</b>	<b>\$76,762</b>	<b>\$76,920</b>	<b>\$77,078</b>	<b>\$307,363</b>
<b>EBITDA</b>	<b>\$35,450</b>	<b>\$37,602</b>	<b>\$39,755</b>	<b>\$41,907</b>	<b>\$154,714</b>
Federal Income Tax	\$8,495	\$8,670	\$8,845	\$9,020	\$35,029
State Income Tax	\$1,699	\$1,734	\$1,769	\$1,804	\$7,006
Interest Expense	\$1,543	\$1,501	\$1,458	\$1,414	\$5,915
Depreciation Expenses	\$2,171	\$2,171	\$2,171	\$2,171	\$8,682
<b>Net Profit</b>	<b>\$21,543</b>	<b>\$23,527</b>	<b>\$25,513</b>	<b>\$27,499</b>	<b>\$98,082</b>

**Profit and Loss Statement (Fifth Year)**

Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
<b>Revenue</b>	\$151,222	\$154,340	\$157,458	\$160,576	\$623,596
Cost of Revenue	\$31,325	\$31,970	\$32,616	\$33,262	\$129,173
<b>Gross Profit</b>	<b>\$119,897</b>	<b>\$122,370</b>	<b>\$124,842</b>	<b>\$127,314</b>	<b>\$494,422</b>
<b>Expenses</b>					
Payroll	\$57,884	\$57,884	\$57,884	\$57,884	\$231,534
Facility Costs	\$4,553	\$4,553	\$4,553	\$4,553	\$18,211
General and Administrative	\$3,781	\$3,858	\$3,936	\$4,014	\$15,590
Professional Fees and Licensure	\$820	\$837	\$854	\$871	\$3,382
Insurance	\$1,301	\$1,301	\$1,301	\$1,301	\$5,203
Marketing	\$2,420	\$2,469	\$2,519	\$2,569	\$9,978
Vehicle	\$1,519	\$1,519	\$1,519	\$1,519	\$6,078
Misc. Costs	\$1,134	\$1,158	\$1,181	\$1,204	\$4,677
Payroll Taxes	\$4,428	\$4,428	\$4,428	\$4,428	\$17,712
<b>Total Operating Costs</b>	<b>\$77,839</b>	<b>\$78,007</b>	<b>\$78,175</b>	<b>\$78,343</b>	<b>\$312,364</b>
<b>EBITDA</b>	<b>\$42,059</b>	<b>\$44,363</b>	<b>\$46,667</b>	<b>\$48,971</b>	<b>\$182,058</b>
Federal Income Tax	\$10,170	\$10,379	\$10,589	\$10,799	\$41,936
State Income Tax	\$2,034	\$2,076	\$2,118	\$2,160	\$8,387
Interest Expense	\$1,369	\$1,323	\$1,277	\$1,229	\$5,198
Depreciation Expenses	\$2,279	\$2,279	\$2,279	\$2,279	\$9,116
<b>Net Profit</b>	<b>\$26,207</b>	<b>\$28,305</b>	<b>\$30,404</b>	<b>\$32,504</b>	<b>\$117,421</b>

## Appendix D – Expanded Cash Flow Analysis

<b>Cash Flow Analysis (First Year)</b>								
Month	1	2	3	4	5	6	7	8
Cash From Operations	\$2,027	\$2,549	\$3,072	\$3,594	\$4,116	\$4,639	\$5,161	\$5,684
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$2,027</b>	<b>\$2,549</b>	<b>\$3,072</b>	<b>\$3,594</b>	<b>\$4,116</b>	<b>\$4,639</b>	<b>\$5,161</b>	<b>\$5,684</b>
<b>Other Cash Inflows</b>								
Equity Investment	\$25,000	\$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
<b>Total Other Cash Inflows</b>	<b>\$125,083</b>	<b>\$83</b>						
<b>Total Cash Inflow</b>	<b>\$127,110</b>	<b>\$2,633</b>	<b>\$3,155</b>	<b>\$3,677</b>	<b>\$4,200</b>	<b>\$4,722</b>	<b>\$5,245</b>	<b>\$5,767</b>
<b>Cash Outflows</b>								
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	\$60,000	\$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
<b>Total Cash Outflows</b>	<b>\$60,605</b>	<b>\$609</b>	<b>\$612</b>	<b>\$616</b>	<b>\$620</b>	<b>\$623</b>	<b>\$627</b>	<b>\$631</b>
<b>Net Cash Flow</b>	<b>\$66,505</b>	<b>\$2,024</b>	<b>\$2,543</b>	<b>\$3,061</b>	<b>\$3,580</b>	<b>\$4,099</b>	<b>\$4,618</b>	<b>\$5,136</b>
<b>Cash Balance</b>	<b>\$66,505</b>	<b>\$68,529</b>	<b>\$71,072</b>	<b>\$74,133</b>	<b>\$77,713</b>	<b>\$81,812</b>	<b>\$86,430</b>	<b>\$91,566</b>

<b>Cash Flow Analysis (First Year Cont.)</b>					
Month	9	10	11	12	Year 1
Cash From Operations	\$6,206	\$6,729	\$7,252	\$7,774	\$58,804
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$6,206</b>	<b>\$6,729</b>	<b>\$7,252</b>	<b>\$7,774</b>	<b>\$58,804</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$25,000
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
<b>Total Other Cash Inflows</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$126,000</b>
<b>Total Cash Inflow</b>	<b>\$6,290</b>	<b>\$6,812</b>	<b>\$7,335</b>	<b>\$7,858</b>	<b>\$184,804</b>
<b>Cash Outflows</b>					
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	\$60,000
Dividends	\$0	\$0	\$0	\$41,599	\$41,599
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$635</b>	<b>\$639</b>	<b>\$642</b>	<b>\$42,245</b>	<b>\$109,104</b>
<b>Net Cash Flow</b>	<b>\$5,655</b>	<b>\$6,174</b>	<b>\$6,692</b>	<b>-\$34,388</b>	<b>\$75,700</b>
<b>Cash Balance</b>	<b>\$97,221</b>	<b>\$103,395</b>	<b>\$110,087</b>	<b>\$75,700</b>	<b>\$75,700</b>

<b>Cash Flow Analysis (Second Year)</b>					
Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$15,297	\$16,989	\$18,682	\$20,376	\$71,344
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$15,297</b>	<b>\$16,989</b>	<b>\$18,682</b>	<b>\$20,376</b>	<b>\$71,344</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$255	\$260	\$265	\$270	\$1,050
<b>Total Other Cash Inflows</b>	<b>\$255</b>	<b>\$260</b>	<b>\$265</b>	<b>\$270</b>	<b>\$1,050</b>
<b>Total Cash Inflow</b>	<b>\$15,552</b>	<b>\$17,249</b>	<b>\$18,947</b>	<b>\$20,646</b>	<b>\$72,394</b>
<b>Cash Outflows</b>					
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	\$3,567	\$0	\$0	\$0	\$3,567
Dividends	\$0	\$0	\$0	\$51,179	\$51,179
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$5,533</b>	<b>\$2,006</b>	<b>\$2,046</b>	<b>\$53,266</b>	<b>\$62,851</b>
<b>Net Cash Flow</b>	<b>\$10,018</b>	<b>\$15,243</b>	<b>\$16,901</b>	<b>-\$32,620</b>	<b>\$9,543</b>
<b>Cash Balance</b>	<b>\$85,718</b>	<b>\$100,961</b>	<b>\$117,862</b>	<b>\$85,242</b>	<b>\$85,242</b>

Cash Flow Analysis (Third Year)					
Quarter	Year 3				
	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$19,282	\$21,160	\$23,038	\$24,918	\$88,397
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$19,282</b>	<b>\$21,160</b>	<b>\$23,038</b>	<b>\$24,918</b>	<b>\$88,397</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$267	\$273	\$278	\$284	\$1,103
<b>Total Other Cash Inflows</b>	<b>\$267</b>	<b>\$273</b>	<b>\$278</b>	<b>\$284</b>	<b>\$1,103</b>
<b>Total Cash Inflow</b>	<b>\$19,549</b>	<b>\$21,432</b>	<b>\$23,317</b>	<b>\$25,202</b>	<b>\$89,500</b>
<b>Cash Outflows</b>					
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	\$4,420	\$0	\$0	\$0	\$4,420
Dividends	\$0	\$0	\$0	\$64,332	\$64,332
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$6,543</b>	<b>\$2,166</b>	<b>\$2,210</b>	<b>\$66,587</b>	<b>\$77,506</b>
<b>Net Cash Flow</b>	<b>\$13,006</b>	<b>\$19,266</b>	<b>\$21,107</b>	<b>-\$41,385</b>	<b>\$11,994</b>
<b>Cash Balance</b>	<b>\$98,248</b>	<b>\$117,514</b>	<b>\$138,621</b>	<b>\$97,236</b>	<b>\$97,236</b>

Cash Flow Analysis (Fourth Year)					
Quarter	Year 4				
	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$23,714	\$25,698	\$27,683	\$29,669	\$106,764
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$23,714</b>	<b>\$25,698</b>	<b>\$27,683</b>	<b>\$29,669</b>	<b>\$106,764</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$281	\$287	\$292	\$298	\$1,158
<b>Total Other Cash Inflows</b>	<b>\$281</b>	<b>\$287</b>	<b>\$292</b>	<b>\$298</b>	<b>\$1,158</b>
<b>Total Cash Inflow</b>	<b>\$23,994</b>	<b>\$25,984</b>	<b>\$27,975</b>	<b>\$29,967</b>	<b>\$107,921</b>
<b>Cash Outflows</b>					
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	\$5,338	\$0	\$0	\$0	\$5,338
Dividends	\$0	\$0	\$0	\$78,496	\$78,496
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$7,632</b>	<b>\$2,340</b>	<b>\$2,387</b>	<b>\$80,930</b>	<b>\$93,288</b>
<b>Net Cash Flow</b>	<b>\$16,363</b>	<b>\$23,645</b>	<b>\$25,589</b>	<b>-\$50,963</b>	<b>\$14,633</b>
<b>Cash Balance</b>	<b>\$113,599</b>	<b>\$137,244</b>	<b>\$162,832</b>	<b>\$111,869</b>	<b>\$111,869</b>

Cash Flow Analysis (Fifth Year)					
Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$28,486	\$30,584	\$32,683	\$34,783	\$126,537
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$28,486</b>	<b>\$30,584</b>	<b>\$32,683</b>	<b>\$34,783</b>	<b>\$126,537</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$295	\$301	\$307	\$313	\$1,216
<b>Total Other Cash Inflows</b>	<b>\$295</b>	<b>\$301</b>	<b>\$307</b>	<b>\$313</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$28,781</b>	<b>\$30,885</b>	<b>\$32,990</b>	<b>\$35,096</b>	<b>\$127,753</b>
<b>Cash Outflows</b>					
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	\$6,327	\$0	\$0	\$0	\$6,327
Dividends	\$0	\$0	\$0	\$93,740	\$93,740
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$8,804</b>	<b>\$2,527</b>	<b>\$2,578</b>	<b>\$96,370</b>	<b>\$110,280</b>
<b>Net Cash Flow</b>	<b>\$19,977</b>	<b>\$28,358</b>	<b>\$30,412</b>	<b>-\$61,274</b>	<b>\$17,473</b>
<b>Cash Balance</b>	<b>\$131,846</b>	<b>\$160,204</b>	<b>\$190,616</b>	<b>\$129,342</b>	<b>\$129,342</b>