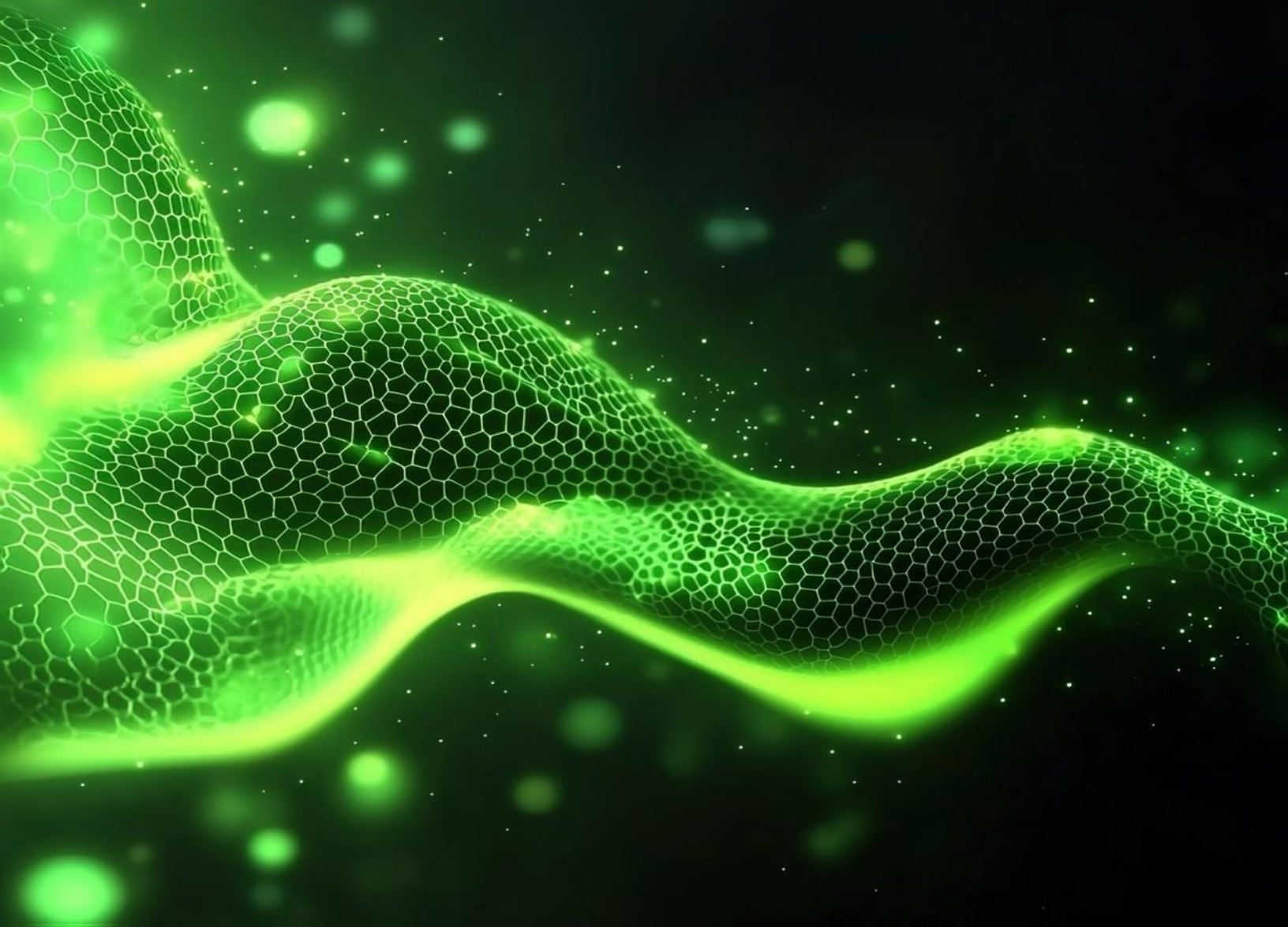




DEUTSCH

INTELLIGENCE GROUP



## Table of Contents

1.0 Executive Summary .....	4
2.0 The Financing .....	7
2.1 Funds Required .....	7
2.2 Management and Investor Equity .....	7
2.3 Exit Strategies .....	7
3.0 Operations .....	8
4.0 Overview of the Organization.....	9
4.1 Registered Name .....	9
4.2 Commencement of Operations .....	9
4.3 Mission Statement.....	9
4.4 Vision Statement.....	9
4.5 Organizational Objectives.....	9
5.0 Market and Industry Analysis.....	10
5.1 External Environmental Analysis .....	10
5.2 Industry Analysis .....	10
5.3 Customer Profile .....	10
5.4 Competitive Analysis.....	11
6.0 Key Strategic Issues .....	11
6.1 Sustainable Operations.....	12
6.2 Basis of Growth .....	12
7.0 Marketing Plan.....	13
7.1 Marketing Objectives.....	13
7.2 Revenue Forecasts .....	13
7.3 Revenue Assumptions.....	14
7.4 Marketing Strategies .....	14
8.0 Organizational Plan.....	15
8.1 Organizational Hierarchy.....	15
8.2 Personnel Costs .....	16
9.0 Financial Plan.....	17

9.1 Underlying Assumptions .....	17
9.2 Financial Highlights.....	17
9.3 Sensitivity Analysis .....	17
9.4 Source of Funds .....	17
9.5 Financial Proformas .....	18
A) Profit and Loss Statement.....	18
B) Common Size Income Statement.....	19
C) Cash Flow Analysis .....	20
D) Balance Sheet.....	21
9.6 Breakeven Analysis .....	22
9.7 Business Ratios .....	22
Appendix A – SWOT Analysis.....	23
Appendix B – Critical Risks .....	24
Appendix C – Expanded Profit and Loss Statements .....	25
Appendix D – Expanded Cash Flow Analysis.....	31

## **1.0 Executive Summary**

Deutsch Intelligence Group LLC (“the Company”) was founded with the intention of providing a wide range of business intelligence and in-depth market research to corporate clients throughout the United States. At this time, the Founder is seeking a \$150,000 revolving credit facility in order to establish these operations in Chicago, Illinois. Through online channels, the Company will be able to render the services to any business within the United States.

### **Operations**

The primary revenue center for the Company will come from providing business intelligence regarding deep analysis of competitors on behalf of the Company’s clients. Through these reports, the Company will provide in depth analysis as it relates to their revenue, differentiating factors, number of employees, as well as related market matters. The Company will also provide ongoing advice as to how to properly address competitive issues.

In addition to this primary revenue stream, the Company will also provide in-depth market research reports regarding any potential area where a client is thinking of establishing business operations. For these operations, the Company will typically generate revenues of \$1,000 to \$10,000 depending on the scale and scope of a report.

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

### **The Financing**

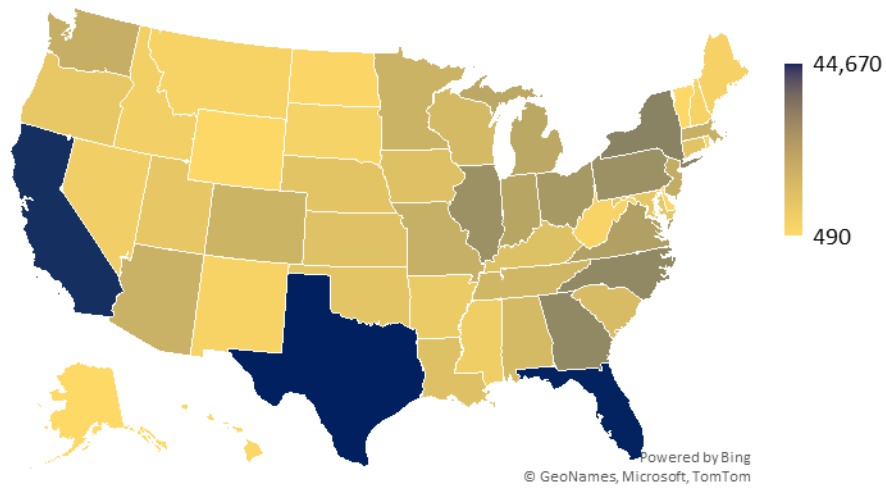
The \$150,000 of capital required to establish the business will be principally used for the development of the Company’s offices, working capital, furniture, fixtures, equipment, as well as the onboarding of personnel to assist with intelligence engagements. The business has chosen to use a revolving credit facility rather than a business loan in order to ensure that interest rate expenses are kept under control by using capital on an as needed basis. The Founder will contribute \$50,000 towards the venture.

### **The Future**

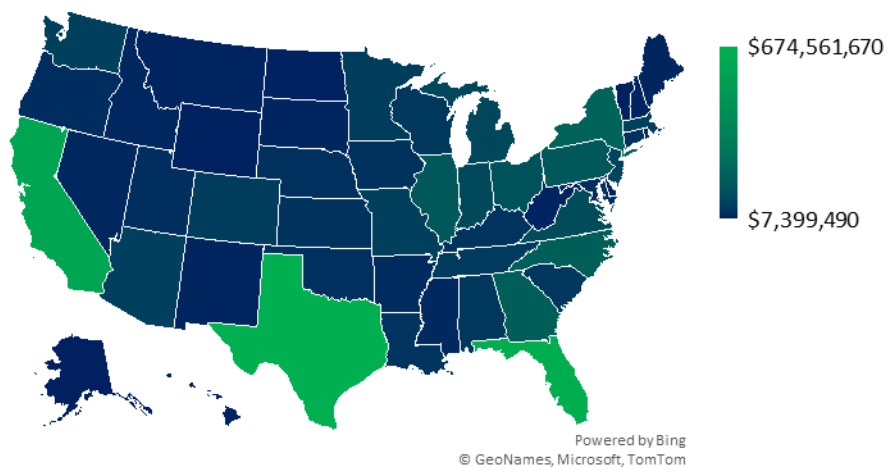
Given the immense demand among enterprises to understand their competitors, as well as having an in-depth understanding of any potential market, the Company will be able to easily scale its operations. As the Company is not constrained by any geographic region, the business will use multiple forms of online marketing in order to establish a widely regarded brand-name within the business intelligence community.

## Market Overview

### Potential Clients by State



### Demand by State

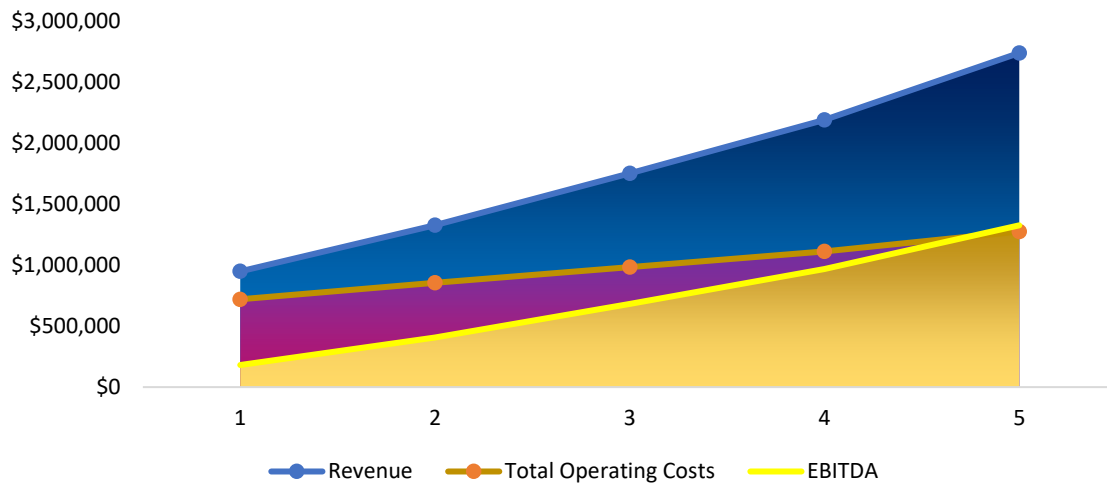




## Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$949,050	\$1,328,670	\$1,753,844	\$2,192,306	\$2,740,382
Cost of Revenue	\$47,453	\$66,434	\$87,692	\$109,615	\$137,019
<b>Gross Profit</b>	\$901,598	\$1,262,237	\$1,666,152	\$2,082,690	\$2,603,363
Total Operating Costs	\$720,295	\$856,445	\$983,648	\$1,113,939	\$1,276,479
<b>EBITDA</b>	<b>\$181,303</b>	<b>\$405,791</b>	<b>\$682,504</b>	<b>\$968,751</b>	<b>\$1,326,884</b>

### Revenue, Operating Costs, EBITDA



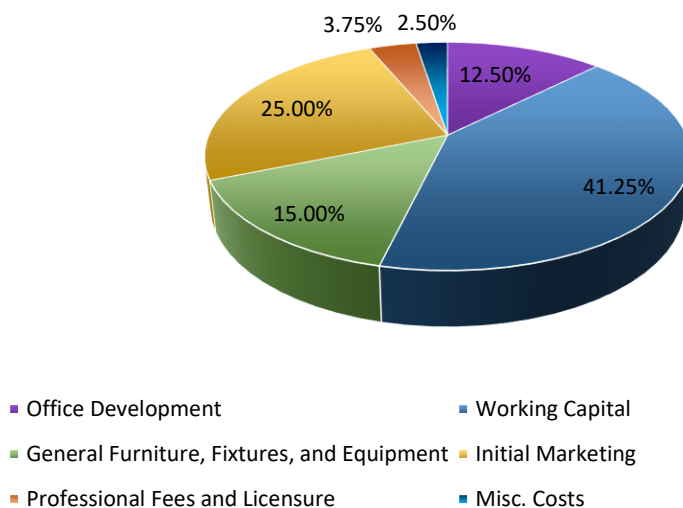
## 2.0 The Financing

### 2.1 Funds Required

The funds discussed will be used as follows:

Use of Funds	
Office Development	\$25,000
Working Capital	\$82,500
General Furniture, Fixtures, and Equipment	\$30,000
Initial Marketing	\$50,000
Professional Fees and Licensure	\$7,500
Misc. Costs	\$5,000
<b>Total</b>	<b>\$200,000</b>

Use of Funds Overview



### 2.2 Management and Investor Equity

The Founder is the 100% owner of Deutsch Intelligence Group LLC.

### 2.3 Exit Strategies

There would be a significant degree of complexity with selling this business intelligence firm to a third-party. In all likelihood, the Company will coordinate these efforts with a business broker that will work with established entities within the consulting industry that are seeking to acquire a business intelligence and market research arm. There is also the possibility that the Company staff could ultimately become the owners of the business through a highly structured buyout program. In either a scenario, Management will have a formal valuation completed so that the free market price of this business is understood. There are no long ranging plans to sell this business to a third-party.

### 3.0 Operations

As noted in the executive summary, Deutsch Intelligence Group will be actively involved with providing in-depth market analysis, competitive analysis, and deep industry research on behalf of its clients.

For market research engagements, the business will typically produce revenue of \$1,000 to \$10,000 based on the number of markets that need to be examined. For business intelligence engagements, these fees will typically range from \$50,000 to \$100,000 depending on the size of the Company.

Moving forward, the Company intends to develop ongoing relationships with clients so that highly recurring streams of revenue can be produced on an ongoing basis. The Company may also develop specific types of programs that are more appropriate for smaller enterprises that are seeking comprehensive intelligence on a more local regional basis.



## **4.0 Overview of the Organization**

### **4.1 Registered Name**

Deutsch Intelligence Group LLC. The Company is registered as a limited liability Company in the State of Illinois.

### **4.2 Commencement of Operations**

The Company will begin its business intelligence and market research operation starting in the fourth quarter of this year.

### **4.3 Mission Statement**

To cost-effectively provide business intelligence and in-depth market research reports for its clients.

### **4.4 Vision Statement**

To become a pre-business intelligence and market research firm within the United States.

### **4.5 Organizational Objectives**

- Properly developed the offices in Chicago so the business can quickly on-board supportive personnel for rendering services.
- Use the latest in technology so that the Company can receive real time industry and market analysis reports.
- Adhere to all regulatory frameworks as it relates to rendering business intelligence and market research.
- Leverage multiple forms of online marketing, including search engine optimization in order to drive traffic to the Company's website.
- Maintain highly secure protocols for protecting client's confidential information.
- Frequently attend industry events specific for major industries, as well as the business intelligence community.
- Provide upwardly mobile employment opportunities for the Company's staff, especially among those that operating and operational capacity.
- Potentially establish satellite offices in international markets if it is economically viable to do so.

## 5.0 Market and Industry Analysis

### 5.1 External Environmental Analysis

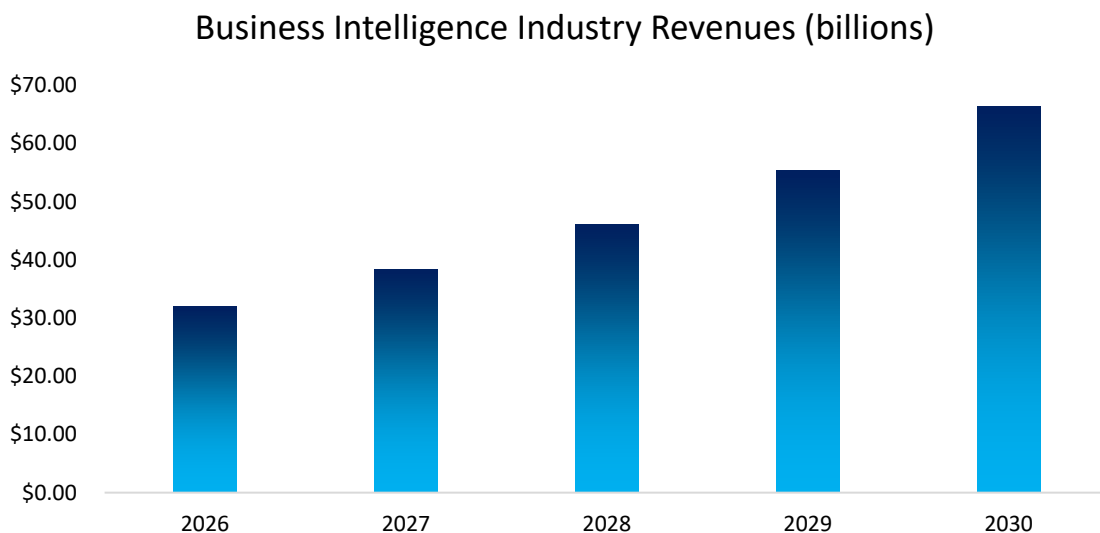
This section of the business intelligence business plan will focus on the current economic climate, the industry, the demographics of companies using the businesses services, and ongoing competitive issues.

Inflation continues to remain as the primary issue that is causing upward pricing pressure within the United States. As a result of changing trade policy, capital injections from the government, as well as related issues the price of nearly all products and services have increased significantly over the past six years.

However, the demand for comprehensive business intelligence and market research for remain substantial in the coming years. Corporations always take a risk focused approach when determining whether or not to make capital investments into new markets. Deutsch Intelligence Group will be able to provide comprehensive and in-depth report reports that will ensure that the decisions being made by clients are economically viable.

### 5.2 Industry Analysis

There are 23,000 firms that provide business intelligence in market research to clients. These companies aggregately produce \$30 billion of revenue while providing jobs for 305,000 people.



The internet has changed the landscape in the way that these entities operate given that engagements can be provided to clients on a global basis. Deutsch Intelligence Group will leverage multiple forms of communication technologies in order to create significant market reach for the business' operations. The business will also leverage this technology when sourcing data for client reports.

### **5.3 Customer Profile**

Generally, the Company's clients will have an annual revenue ranging from \$2 million-\$50 million. They will be specifically engaging Deutsch Intelligence Group in order to develop business intelligence reports as well as in depth market research in order to guide their business decisions. It should be noted that the Company may also develop programs that are specific for the needs of smaller scale enterprises that are seeking to understand the local in regional competitive landscape.

### **5.4 Competitive Analysis**

Given the dual focus of providing both business intelligence as well as market research, the Company will maintain a major differentiating factor over other entities within this industry. The Company will also maintain highly controllable operating costs will ensure that superior work can be provided on a cost-effective basis.

## **6.0 Key Strategic Issues**

### **6.1 Sustainable Operations**

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

- Limited competition among consulting firms that provide both market research as well as in depth business intelligence.
- The Company will be able to operate on a national level prior to scaling to global markets.
- The Company will generate substantial contribution margins on all business intelligence and market research engagements.
- Significant demand in any economic climate as companies are frequently seeking to have the best information possible when rendering business decisions.

### **6.2 Basis of Growth**

The Company will expand via the following methods:

- Continued hiring of project managers and support staff in order to drive greater billable revenues.
- Integration of additional services that will drive higher billings in the coming years.
- Expansion of the Company's marketing operations to include major global markets.

## 7.0 Marketing Plan

### 7.1 Marketing Objectives

- Conduct extensive direct outreach with the targeted demographics discussed earlier.
- Engage in regional marketing so that smaller scale enterprises within Chicago can become clients at the onset of operations.
- Leverage search engine optimization as well as extensive targeted social media marketing on LinkedIn to create a well-regarded brand name for Deutsch Intelligence Group.

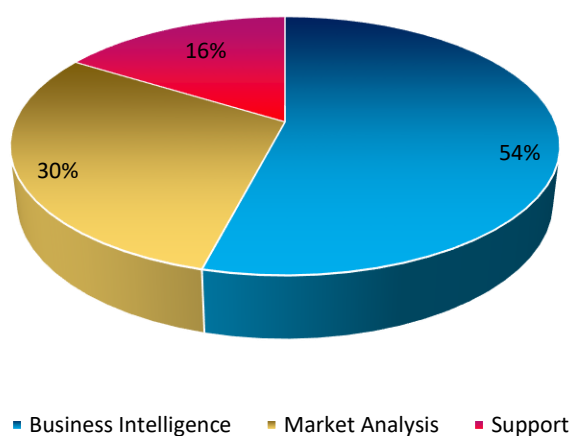
### 7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
Business Intelligence	\$513,000	\$718,200	\$948,024	\$1,185,030	\$1,481,288
Market Analysis	\$282,150	\$395,010	\$521,413	\$651,767	\$814,708
Support	\$153,900	\$215,460	\$284,407	\$355,509	\$444,386
<b>Total</b>	<b>\$949,050</b>	<b>\$1,328,670</b>	<b>\$1,753,844</b>	<b>\$2,192,306</b>	<b>\$2,740,382</b>

Gross Profit					
Year	1	2	3	4	5
<b>Total</b>	<b>\$901,598</b>	<b>\$1,262,237</b>	<b>\$1,666,152</b>	<b>\$2,082,690</b>	<b>\$2,603,363</b>

### Revenue Generation



### **7.3 Revenue Assumptions**

#### **Year 1**

- Deutsch Intelligence Group will launch its operations in Chicago.
- First year revenue will reach \$949,000.

#### **Year 2**

- The Company will expand the number of engagements that it maintains with major corporations.
- Revenue will reach \$1.38 million.

#### **Years 3-5**

- By Year 5, Deutsch Intelligence Group will operate on a global basis.
- Fifth year revenues will reach \$2.7 million.

### **7.4 Marketing Strategies**

The business will use multiple forms of online marketing in order to drive engagements for business intelligence as well as in depth market research. Most importantly, the Company's website will feature the entire service architecture and how these services can drastically improve the profitability of the clients' operations. The Company will have numerous videos that discussed its capabilities, especially as it relates to addressing market research as well as deep competitive analysis.

The Founder will also continue to attend major industry trade shows, especially as it relates to enterprises that deal in technology, finance, and healthcare. As these are large scale businesses that are less swayed for during economic recession, Management sees a significant opportunity to expand within these market segments.

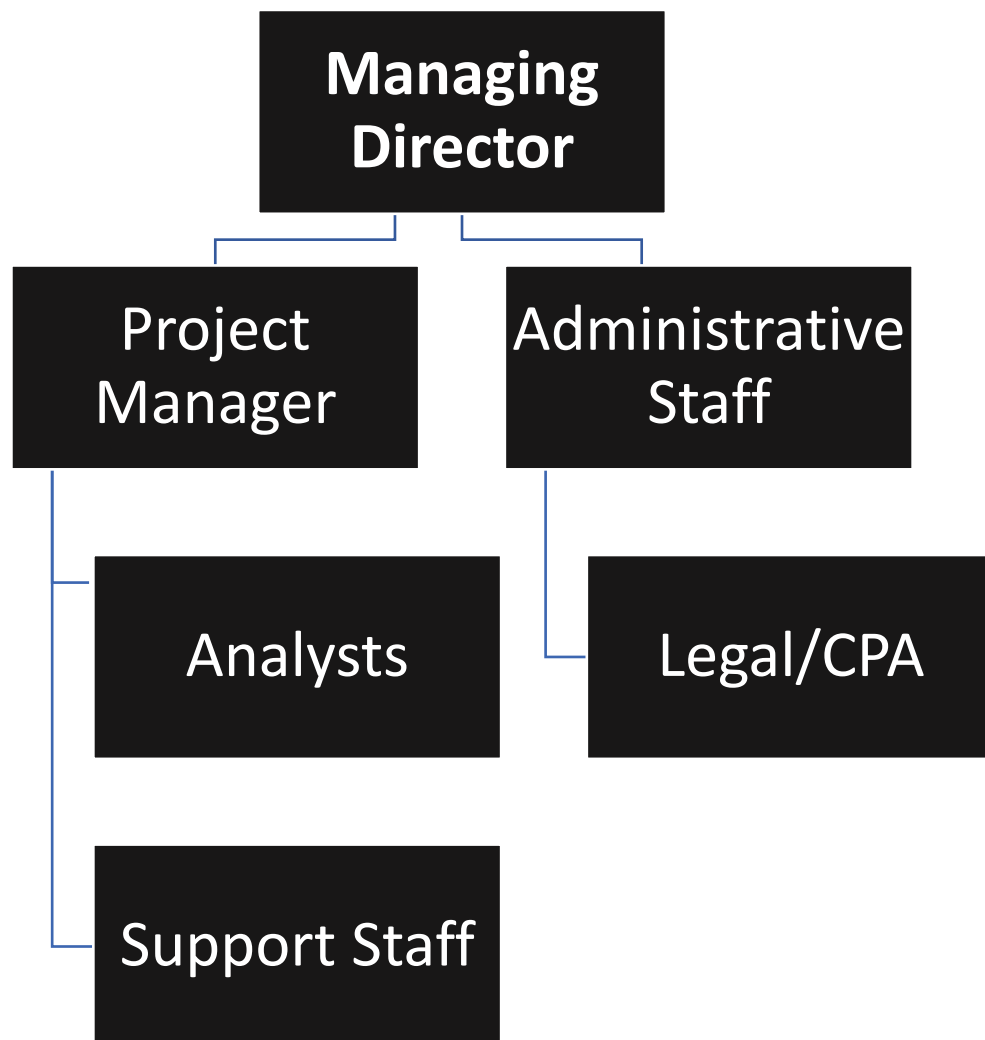
LinkedIn will remain as the primary platform that is used when targeting potential clients through social media. On this platform, the Company will release numerous sample market research reports in order to familiarize potential clients with the scope of the Company's work.

The Company will also use pay per click marketing and advertising in order to drive initial traffic to the website. As the Company, search engine optimization campaigns take hold these expenditures may be reduced in the coming years.



## 8.0 Organizational Plan

### 8.1 Organizational Hierarchy

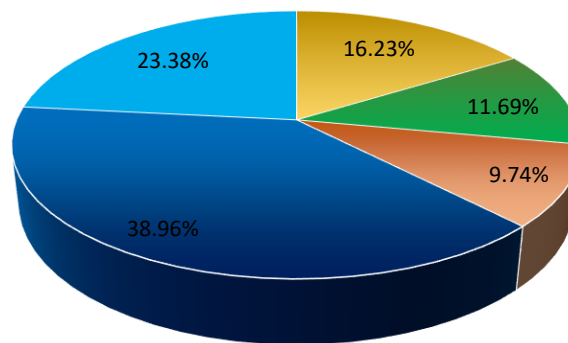


## 8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
Managing Director	\$125,000	\$126,250	\$127,513	\$128,788	\$130,076
Project Managers	\$90,000	\$90,900	\$91,809	\$92,727	\$93,654
Administrative Staff	\$75,000	\$75,750	\$76,508	\$77,273	\$78,045
Analysts	\$150,000	\$227,250	\$229,523	\$231,818	\$312,181
Support Staff	\$60,000	\$60,600	\$122,412	\$185,454	\$187,309
<b>Total</b>	<b>\$500,000</b>	<b>\$580,750</b>	<b>\$647,764</b>	<b>\$716,059</b>	<b>\$801,265</b>

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Managing Director	1	1	1	1	1
Project Managers	1	1	1	1	1
Administrative Staff	1	1	1	1	1
Analysts	2	3	3	3	4
Support Staff	1	1	2	3	3
<b>Total</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>

### Personnel Summary



- Managing Director
  Project Managers
  Administrative Staff
- Analysts
  Support Staff

## 9.0 Financial Plan

### 9.1 Underlying Assumptions

- Deutsch Intelligence Group will acquire a \$150,000 revolving credit facility.
- The Founder will invest \$50,000 for the development of this business intelligence firm.
- The Company will achieve a compounded annual growth rate of 31%.

### 9.2 Financial Highlights

- The average business intelligence engagement will produce \$75,000 of revenue.
- The average market research report will have a price of \$5,000.

### 9.3 Sensitivity Analysis

The demand for comprehensive business intelligence in market research remains strong in any economic climate. Once Deutsch Intelligence Group onboards large-scale enterprises, the economic risks of the business will be substantially reduced. On all engagements, the Company will generate substantial contribution margins as this is a service focused business.

### 9.4 Source of Funds

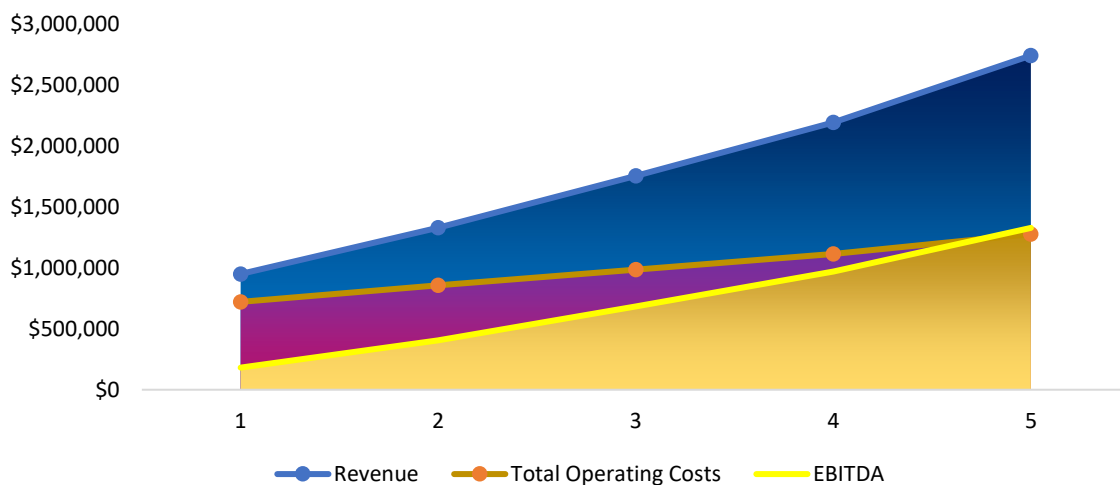
Financing	
<b>Equity</b>	
Equity Capitalization	\$50,000.00
<b>Total Equity Financing</b>	<b>\$50,000.00</b>
<b>Banks and Lenders</b>	
Revolving Credit Line	\$150,000.00
<b>Total Debt Financing</b>	<b>\$150,000.00</b>
<b>Total Financing</b>	<b>\$200,000.00</b>

## 9.5 Financial Proformas

### A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$949,050	\$1,328,670	\$1,753,844	\$2,192,306	\$2,740,382
Cost of Revenue	\$47,453	\$66,434	\$87,692	\$109,615	\$137,019
Gross Margin	95.00%	95.00%	95.00%	95.00%	95.00%
<b>Gross Profit</b>	\$901,598	\$1,262,237	\$1,666,152	\$2,082,690	\$2,603,363
<b>Expenses</b>					
Payroll	\$500,000	\$580,750	\$647,764	\$716,059	\$801,265
Facility Costs	\$35,000	\$35,350	\$35,704	\$36,061	\$36,421
General and Administrative	\$26,573	\$37,203	\$49,108	\$61,385	\$76,731
Professional Fees and Licensure	\$5,500	\$5,555	\$5,611	\$5,667	\$5,723
Insurance	\$20,000	\$20,200	\$20,402	\$20,606	\$20,812
Marketing	\$71,179	\$99,650	\$131,538	\$164,423	\$205,529
Business Development	\$16,865	\$23,610	\$31,166	\$38,957	\$48,697
Misc. Costs	\$6,928	\$9,699	\$12,803	\$16,004	\$20,005
Payroll Taxes	\$38,250	\$44,427	\$49,554	\$54,779	\$61,297
<b>Total Operating Costs</b>	<b>\$720,295</b>	<b>\$856,445</b>	<b>\$983,648</b>	<b>\$1,113,939</b>	<b>\$1,276,479</b>
<b>EBITDA</b>	<b>\$181,303</b>	<b>\$405,791</b>	<b>\$682,504</b>	<b>\$968,751</b>	<b>\$1,326,884</b>
Federal Income Tax	\$41,267	\$97,230	\$166,080	\$237,145	\$326,013
State Income Tax	\$8,253	\$19,446	\$33,216	\$47,429	\$65,203
Interest Expense	\$12,635	\$12,372	\$12,084	\$11,772	\$11,432
Depreciation Expenses	\$3,600	\$4,500	\$6,100	\$8,400	\$11,400
<b>Net Profit</b>	<b>\$115,547</b>	<b>\$272,244</b>	<b>\$465,024</b>	<b>\$664,005</b>	<b>\$912,836</b>
<b>Profit Margin</b>	<b>12.18%</b>	<b>20.49%</b>	<b>26.51%</b>	<b>30.29%</b>	<b>33.31%</b>

Revenue, Operating Costs, EBITDA



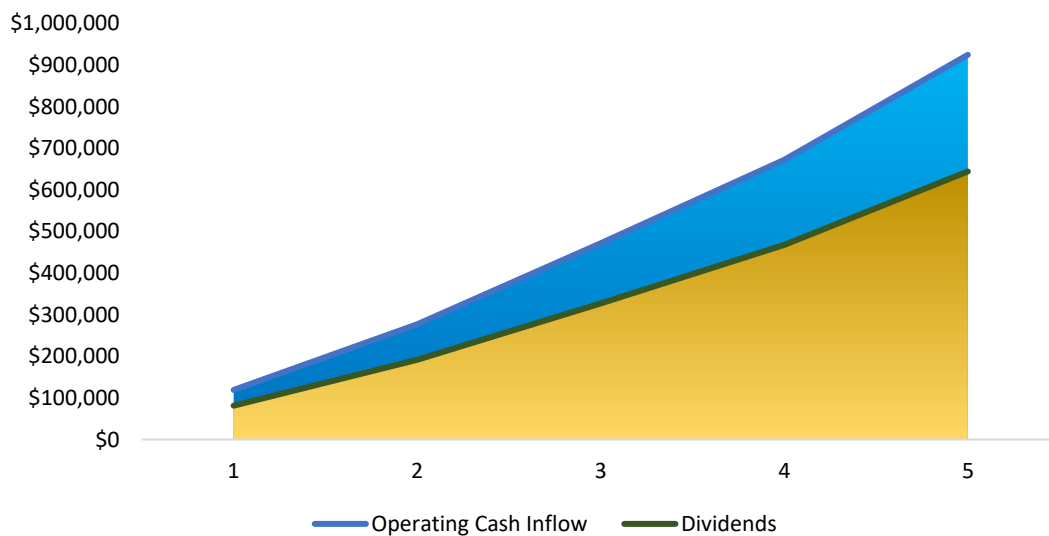
## B) Common Size Income Statement

Proforma Profit and Loss (Common Size)					
Year	1	2	3	4	5
<b>Revenue</b>	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	5.00%	5.00%	5.00%	5.00%	5.00%
<b>Gross Profit</b>	95.00%	95.00%	95.00%	95.00%	95.00%
<b>Expenses</b>					
Payroll	52.68%	43.71%	36.93%	32.66%	29.24%
Facility Costs	3.69%	2.66%	2.04%	1.64%	1.33%
General and Administrative	2.80%	2.80%	2.80%	2.80%	2.80%
Professional Fees and Licensure	0.58%	0.42%	0.32%	0.26%	0.21%
Insurance	2.11%	1.52%	1.16%	0.94%	0.76%
Marketing	7.50%	7.50%	7.50%	7.50%	7.50%
Business Development	1.78%	1.78%	1.78%	1.78%	1.78%
Misc. Costs	0.73%	0.73%	0.73%	0.73%	0.73%
Payroll Taxes	4.03%	3.34%	2.83%	2.50%	2.24%
<b>Total Operating Costs</b>	75.90%	64.46%	56.09%	50.81%	46.58%
<b>EBITDA</b>	19.10%	30.54%	38.91%	44.19%	48.42%
Federal Income Tax	4.35%	7.32%	9.47%	10.82%	11.90%
State Income Tax	0.87%	1.46%	1.89%	2.16%	2.38%
Interest Expense	1.33%	0.93%	0.69%	0.54%	0.42%
Depreciation Expenses	0.38%	0.34%	0.35%	0.38%	0.42%
<b>Net Profit</b>	12.18%	20.49%	26.51%	30.29%	33.31%

## C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$119,147	\$276,744	\$471,124	\$672,405	\$924,236
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$119,147</b>	<b>\$276,744</b>	<b>\$471,124</b>	<b>\$672,405</b>	<b>\$924,236</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$50,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$150,000	\$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>\$201,000</b>	<b>\$1,050</b>	<b>\$1,103</b>	<b>\$1,158</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$320,147</b>	<b>\$277,794</b>	<b>\$472,226</b>	<b>\$673,563</b>	<b>\$925,452</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$2,985	\$3,249	\$3,536	\$3,849	\$4,189
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$55,000	\$13,837	\$23,556	\$33,620	\$46,212
Dividends	\$81,313	\$191,446	\$327,311	\$467,989	\$644,033
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$139,999</b>	<b>\$209,268</b>	<b>\$355,175</b>	<b>\$506,269</b>	<b>\$695,285</b>
<b>Net Cash Flow</b>	<b>\$180,149</b>	<b>\$68,526</b>	<b>\$117,051</b>	<b>\$167,294</b>	<b>\$230,167</b>
<b>Cash Balance</b>	<b>\$180,149</b>	<b>\$248,675</b>	<b>\$365,725</b>	<b>\$533,019</b>	<b>\$763,186</b>

### Cash Flow Analysis

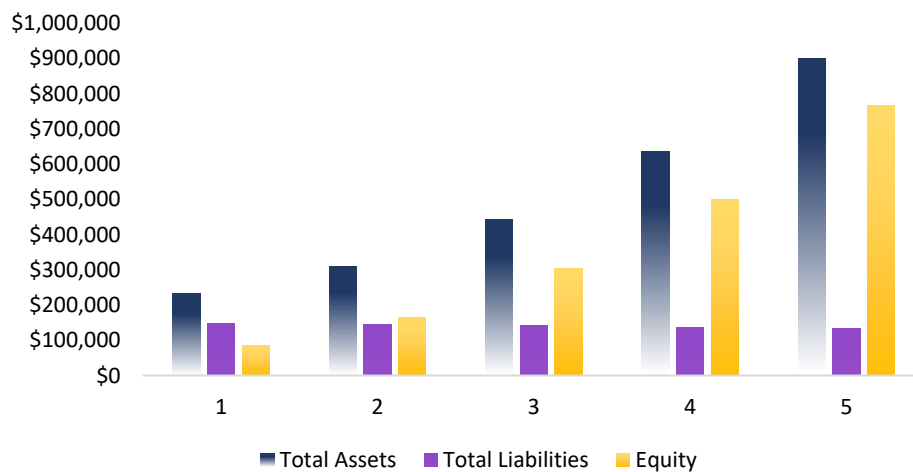




## D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
<b>Assets</b>					
Cash	\$180,149	\$248,675	\$365,725	\$533,019	\$763,186
Fixed Assets	\$55,000	\$68,837	\$92,393	\$126,014	\$172,225
Accumulated Depreciation	(\$3,600)	(\$8,100)	(\$14,200)	(\$22,600)	(\$34,000)
<b>Total Assets</b>	<b>\$231,549</b>	<b>\$309,412</b>	<b>\$443,919</b>	<b>\$636,433</b>	<b>\$901,412</b>
<b>Liabilities and Equity</b>					
Accounts Payable	\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities	\$147,015	\$143,765	\$140,229	\$136,380	\$132,191
Other Liabilities	\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>	<b>\$147,315</b>	<b>\$144,380</b>	<b>\$141,175</b>	<b>\$137,673</b>	<b>\$133,848</b>
<b>Equity</b>	<b>\$84,234</b>	<b>\$165,031</b>	<b>\$302,744</b>	<b>\$498,760</b>	<b>\$767,563</b>
<b>Total Liabilities and Equity</b>	<b>\$231,549</b>	<b>\$309,412</b>	<b>\$443,919</b>	<b>\$636,433</b>	<b>\$901,412</b>

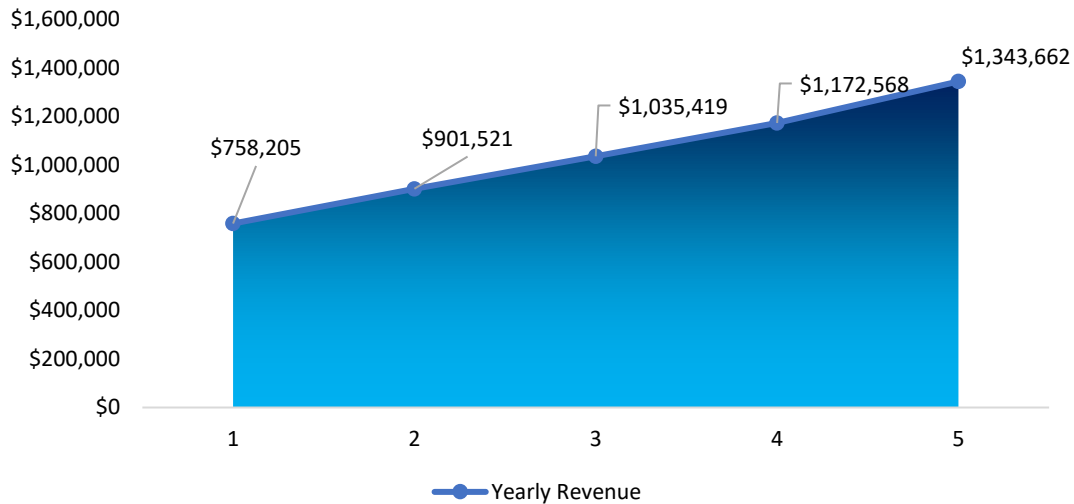
Balance Sheet



## 9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	\$63,184	\$75,127	\$86,285	\$97,714	\$111,972
Yearly Revenue	\$758,205	\$901,521	\$1,035,419	\$1,172,568	\$1,343,662

### Breakeven Analysis



## 9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
<b>Revenue</b>					
Sales Growth	0.0%	40.0%	32.0%	25.0%	25.0%
Gross Margin	95.0%	95.0%	95.0%	95.0%	95.0%
<b>Financials</b>					
Profit Margin	12.18%	20.49%	26.51%	30.29%	33.31%
Assets to Liabilities	1.57	2.14	3.14	4.62	6.73
Equity to Liabilities	0.57	1.14	2.14	3.62	5.73
Assets to Equity	2.75	1.87	1.47	1.28	1.17
<b>Liquidity</b>					
Acid Test	1.22	1.72	2.59	3.87	5.70
Cash to Assets	0.78	0.80	0.82	0.84	0.85

## **Appendix A – SWOT Analysis**

### **Strengths**

- The Company will be able to properly scale its operations in the coming years to operate as a global enterprise.
- The Company can easily establish programs that will produce recurring streams of revenue for the business.
- Significant and ongoing national level demand.
- Limited competition among companies that operate in both a business intelligence and market research focus capacity.

### **Weaknesses**

- Moderately high operating cost as relates to payroll as highly skilled employees need to be retained.
- The Company needs to implement highly focused marketing campaigns in order to onboard clients.

### **Opportunities**

- Expansion of operations to include ongoing engagements that produce recurring revenue.
- Expansion the types of business intelligence services offered.
- Developed satellite offices in major global markets (especially within the European Union or Asia)

### **Threats**

- Inflation could cause many of the Company's underlying operating cost to increase, especially as it relates to travel and technology costs.

## Appendix B – Critical Risks

### Development Risk – **Low/Moderate**

The service architecture that will provide both business intelligence as well as in-depth market research has been developed by the Founder. The primary matter that needs to be addressed to securing the revolving credit facility in order to establish operations in Chicago.

### Financing Risk – **Low/Moderate**

The \$150,000 a capital will be primarily used for working capital purposes. Given the substantial amount of revenue produce from each engagement, the risks are substantially reduced from a financing standpoint.

### Marketing Risk – **Moderate**

The Company will use multiple marketing strategies to ensure a nationally in globally recognized brand name for Deutsch Intelligence Group. This will be accomplished through the use of both online advertising as well as direct outreach initiatives with enterprises that are actively engaged in the field of finance, technology, technology, and healthcare.

### Management Risk – **Low**

The Founder has more than fifteen years of experience as a business intelligence and analysis. He will be able to leverage his experience and expertise to bring this business to profitability.

### Valuation Risk – **Low**

The valuation risk is offset by:

- The Company will generate contribution margins of 95% on most engagements.
- Programs that produce recurring income can be easily integrated into the service architecture.
- The operations of Deutsch Intelligence Group are highly scalable given global demand.

### Exit Risk - **Low**

As noted earlier, there would be a moderate degree of complexity with selling Deutsch Intelligence Group to a third-party. This event is not expected to occur for a significant period of time as management intends to develop the business as a globally focused business intelligence enterprise.

## Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
<b>Revenue</b>	<b>\$74,000</b>	<b>\$74,925</b>	<b>\$75,850</b>	<b>\$76,775</b>	<b>\$77,700</b>	<b>\$78,625</b>	<b>\$79,550</b>
Cost of Revenue	\$3,700	\$3,746	\$3,793	\$3,839	\$3,885	\$3,931	\$3,978
<b>Gross Profit</b>	<b>\$70,300</b>	<b>\$71,179</b>	<b>\$72,058</b>	<b>\$72,936</b>	<b>\$73,815</b>	<b>\$74,694</b>	<b>\$75,573</b>
<b>Expenses</b>							
Payroll	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667
Facility Costs	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917
General and Administrative	\$2,214	\$2,214	\$2,214	\$2,214	\$2,214	\$2,214	\$2,214
Professional Fees and Licensure	\$458	\$458	\$458	\$458	\$458	\$458	\$458
Insurance	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667
Marketing	\$5,932	\$5,932	\$5,932	\$5,932	\$5,932	\$5,932	\$5,932
Business Development	\$1,405	\$1,405	\$1,405	\$1,405	\$1,405	\$1,405	\$1,405
Misc. Costs	\$577	\$577	\$577	\$577	\$577	\$577	\$577
Payroll Taxes	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188
<b>Total Operating Costs</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>
<b>EBITDA</b>	<b>\$10,275</b>	<b>\$11,154</b>	<b>\$12,033</b>	<b>\$12,912</b>	<b>\$13,790</b>	<b>\$14,669</b>	<b>\$15,548</b>
Federal Income Tax	\$3,218	\$3,258	\$3,298	\$3,338	\$3,379	\$3,419	\$3,459
State Income Tax	\$644	\$652	\$660	\$668	\$676	\$684	\$692
Interest Expense	\$1,063	\$1,061	\$1,059	\$1,057	\$1,056	\$1,054	\$1,052
Depreciation Expenses	\$300	\$300	\$300	\$300	\$300	\$300	\$300
<b>Net Profit</b>	<b>\$5,052</b>	<b>\$5,884</b>	<b>\$6,716</b>	<b>\$7,548</b>	<b>\$8,380</b>	<b>\$9,213</b>	<b>\$10,045</b>

**Profit and Loss Statement (First Year Cont.)**

Month	8	9	10	11	12	Year 1
<b>Revenue</b>	<b>\$80,475</b>	<b>\$81,400</b>	<b>\$82,325</b>	<b>\$83,250</b>	<b>\$84,175</b>	<b>\$949,050</b>
Cost of Revenue	\$4,024	\$4,070	\$4,116	\$4,163	\$4,209	\$47,453
<b>Gross Profit</b>	<b>\$76,451</b>	<b>\$77,330</b>	<b>\$78,209</b>	<b>\$79,088</b>	<b>\$79,966</b>	<b>\$901,598</b>
<b>Expenses</b>						
Payroll	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$500,000
Facility Costs	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$35,000
General and Administrative	\$2,214	\$2,214	\$2,214	\$2,214	\$2,214	\$26,573
Professional Fees and Licensure	\$458	\$458	\$458	\$458	\$458	\$5,500
Insurance	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$20,000
Marketing	\$5,932	\$5,932	\$5,932	\$5,932	\$5,932	\$71,179
Business Development	\$1,405	\$1,405	\$1,405	\$1,405	\$1,405	\$16,865
Misc. Costs	\$577	\$577	\$577	\$577	\$577	\$6,928
Payroll Taxes	\$3,188	\$3,188	\$3,188	\$3,188	\$3,188	\$38,250
<b>Total Operating Costs</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$60,025</b>	<b>\$720,295</b>
<b>EBITDA</b>	<b>\$16,427</b>	<b>\$17,305</b>	<b>\$18,184</b>	<b>\$19,063</b>	<b>\$19,942</b>	<b>\$181,303</b>
Federal Income Tax	\$3,499	\$3,539	\$3,580	\$3,620	\$3,660	\$41,267
State Income Tax	\$700	\$708	\$716	\$724	\$732	\$8,253
Interest Expense	\$1,050	\$1,049	\$1,047	\$1,045	\$1,043	\$12,635
Depreciation Expenses	\$300	\$300	\$300	\$300	\$300	\$3,600
<b>Net Profit</b>	<b>\$10,877</b>	<b>\$11,709</b>	<b>\$12,542</b>	<b>\$13,374</b>	<b>\$14,206</b>	<b>\$115,547</b>



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

Quarter	Year 2				
	Q1	Q2	Q3	Q4	Year 2
<b>Revenue</b>	\$322,202	\$328,846	\$335,489	\$342,133	\$1,328,670
Cost of Revenue	\$16,110	\$16,442	\$16,774	\$17,107	\$66,434
<b>Gross Profit</b>	<b>\$306,092</b>	<b>\$312,404</b>	<b>\$318,715</b>	<b>\$325,026</b>	<b>\$1,262,237</b>
<b>Expenses</b>					
Payroll	\$145,188	\$145,188	\$145,188	\$145,188	\$580,750
Facility Costs	\$8,838	\$8,838	\$8,838	\$8,838	\$35,350
General and Administrative	\$9,022	\$9,208	\$9,394	\$9,580	\$37,203
Professional Fees and Licensure	\$1,347	\$1,375	\$1,403	\$1,430	\$5,555
Insurance	\$5,050	\$5,050	\$5,050	\$5,050	\$20,200
Marketing	\$24,165	\$24,663	\$25,162	\$25,660	\$99,650
Business Development	\$5,903	\$5,903	\$5,903	\$5,903	\$23,610
Misc. Costs	\$2,352	\$2,401	\$2,449	\$2,498	\$9,699
Payroll Taxes	\$10,774	\$10,996	\$11,218	\$11,440	\$44,427
<b>Total Operating Costs</b>	<b>\$212,637</b>	<b>\$213,620</b>	<b>\$214,603</b>	<b>\$215,585</b>	<b>\$856,445</b>
<b>EBITDA</b>	<b>\$93,455</b>	<b>\$98,784</b>	<b>\$104,112</b>	<b>\$109,441</b>	<b>\$405,791</b>
Federal Income Tax	\$23,578	\$24,064	\$24,551	\$25,037	\$97,230
State Income Tax	\$4,716	\$4,813	\$4,910	\$5,007	\$19,446
Interest Expense	\$3,119	\$3,102	\$3,084	\$3,067	\$12,372
Depreciation Expenses	\$1,125	\$1,125	\$1,125	\$1,125	\$4,500
<b>Net Profit</b>	<b>\$60,918</b>	<b>\$65,680</b>	<b>\$70,442</b>	<b>\$75,205</b>	<b>\$272,244</b>

Profit and Loss Statement (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
<b>Revenue</b>	\$425,307	\$434,076	\$442,846	\$451,615	\$1,753,844
Cost of Revenue	\$21,265	\$21,704	\$22,142	\$22,581	\$87,692
<b>Gross Profit</b>	<b>\$404,042</b>	<b>\$412,373</b>	<b>\$420,703</b>	<b>\$429,034</b>	<b>\$1,666,152</b>
<b>Expenses</b>					
Payroll	\$161,941	\$161,941	\$161,941	\$161,941	\$647,764
Facility Costs	\$8,926	\$8,926	\$8,926	\$8,926	\$35,704
General and Administrative	\$11,909	\$12,154	\$12,400	\$12,645	\$49,108
Professional Fees and Licensure	\$1,361	\$1,389	\$1,417	\$1,445	\$5,611
Insurance	\$5,101	\$5,101	\$5,101	\$5,101	\$20,402
Marketing	\$31,898	\$32,556	\$33,213	\$33,871	\$131,538
Business Development	\$7,791	\$7,791	\$7,791	\$7,791	\$31,166
Misc. Costs	\$3,105	\$3,169	\$3,233	\$3,297	\$12,803
Payroll Taxes	\$12,388	\$12,388	\$12,388	\$12,388	\$49,554
<b>Total Operating Costs</b>	<b>\$244,419</b>	<b>\$245,414</b>	<b>\$246,410</b>	<b>\$247,405</b>	<b>\$983,648</b>
<b>EBITDA</b>	<b>\$159,623</b>	<b>\$166,958</b>	<b>\$174,294</b>	<b>\$181,629</b>	<b>\$682,504</b>
Federal Income Tax	\$40,274	\$41,105	\$41,935	\$42,766	\$166,080
State Income Tax	\$8,055	\$8,221	\$8,387	\$8,553	\$33,216
Interest Expense	\$3,049	\$3,031	\$3,012	\$2,993	\$12,084
Depreciation Expenses	\$1,525	\$1,525	\$1,525	\$1,525	\$6,100
<b>Net Profit</b>	<b>\$106,720</b>	<b>\$113,077</b>	<b>\$119,435</b>	<b>\$125,793</b>	<b>\$465,024</b>

<b>Profit and Loss Statement (Fourth Year)</b>					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
<b>Revenue</b>	\$531,634	\$542,596	\$553,557	\$564,519	\$2,192,306
Cost of Revenue	\$26,582	\$27,130	\$27,678	\$28,226	\$109,615
<b>Gross Profit</b>	<b>\$505,052</b>	<b>\$515,466</b>	<b>\$525,879</b>	<b>\$536,293</b>	<b>\$2,082,690</b>
<b>Expenses</b>					
Payroll	\$179,015	\$179,015	\$179,015	\$179,015	\$716,059
Facility Costs	\$9,015	\$9,015	\$9,015	\$9,015	\$36,061
General and Administrative	\$14,886	\$15,193	\$15,500	\$15,807	\$61,385
Professional Fees and Licensure	\$1,374	\$1,402	\$1,431	\$1,459	\$5,667
Insurance	\$5,152	\$5,152	\$5,152	\$5,152	\$20,606
Marketing	\$39,873	\$40,695	\$41,517	\$42,339	\$164,423
Business Development	\$9,739	\$9,739	\$9,739	\$9,739	\$38,957
Misc. Costs	\$3,881	\$3,961	\$4,041	\$4,121	\$16,004
Payroll Taxes	\$13,695	\$13,695	\$13,695	\$13,695	\$54,779
<b>Total Operating Costs</b>	<b>\$276,629</b>	<b>\$277,866</b>	<b>\$279,104</b>	<b>\$280,341</b>	<b>\$1,113,939</b>
<b>EBITDA</b>	<b>\$228,424</b>	<b>\$237,600</b>	<b>\$246,776</b>	<b>\$255,952</b>	<b>\$968,751</b>
Federal Income Tax	\$57,508	\$58,693	\$59,879	\$61,065	\$237,145
State Income Tax	\$11,502	\$11,739	\$11,976	\$12,213	\$47,429
Interest Expense	\$2,973	\$2,953	\$2,933	\$2,912	\$11,772
Depreciation Expenses	\$2,100	\$2,100	\$2,100	\$2,100	\$8,400
<b>Net Profit</b>	<b>\$154,341</b>	<b>\$162,114</b>	<b>\$169,888</b>	<b>\$177,662</b>	<b>\$664,005</b>

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

Quarter	Year 5				
	Q1	Q2	Q3	Q4	Year 5
<b>Revenue</b>	\$664,543	\$678,245	\$691,946	\$705,648	\$2,740,382
Cost of Revenue	\$33,227	\$33,912	\$34,597	\$35,282	\$137,019
<b>Gross Profit</b>	<b>\$631,315</b>	<b>\$644,332</b>	<b>\$657,349</b>	<b>\$670,366</b>	<b>\$2,603,363</b>
<b>Expenses</b>					
Payroll	\$200,316	\$200,316	\$200,316	\$200,316	\$801,265
Facility Costs	\$9,105	\$9,105	\$9,105	\$9,105	\$36,421
General and Administrative	\$18,607	\$18,991	\$19,374	\$19,758	\$76,731
Professional Fees and Licensure	\$1,388	\$1,417	\$1,445	\$1,474	\$5,723
Insurance	\$5,203	\$5,203	\$5,203	\$5,203	\$20,812
Marketing	\$49,841	\$50,868	\$51,896	\$52,924	\$205,529
Business Development	\$12,174	\$12,174	\$12,174	\$12,174	\$48,697
Misc. Costs	\$4,851	\$4,951	\$5,051	\$5,151	\$20,005
Payroll Taxes	\$15,324	\$15,324	\$15,324	\$15,324	\$61,297
<b>Total Operating Costs</b>	<b>\$316,810</b>	<b>\$318,350</b>	<b>\$319,890</b>	<b>\$321,430</b>	<b>\$1,276,479</b>
<b>EBITDA</b>	<b>\$314,506</b>	<b>\$325,982</b>	<b>\$337,459</b>	<b>\$348,936</b>	<b>\$1,326,884</b>
Federal Income Tax	\$79,058	\$80,688	\$82,318	\$83,948	\$326,013
State Income Tax	\$15,812	\$16,138	\$16,464	\$16,790	\$65,203
Interest Expense	\$2,891	\$2,869	\$2,847	\$2,824	\$11,432
Depreciation Expenses	\$2,850	\$2,850	\$2,850	\$2,850	\$11,400
<b>Net Profit</b>	<b>\$213,895</b>	<b>\$223,437</b>	<b>\$232,980</b>	<b>\$242,524</b>	<b>\$912,836</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	\$5,352	\$6,184	\$7,016	\$7,848	\$8,680	\$9,513	\$10,345	\$11,177
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$5,352</b>	<b>\$6,184</b>	<b>\$7,016</b>	<b>\$7,848</b>	<b>\$8,680</b>	<b>\$9,513</b>	<b>\$10,345</b>	<b>\$11,177</b>
<b>Other Cash Inflows</b>								
Equity Investment	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$150,000	\$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>\$200,083</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>
<b>Total Cash Inflow</b>	<b>\$205,435</b>	<b>\$6,267</b>	<b>\$7,099</b>	<b>\$7,932</b>	<b>\$8,764</b>	<b>\$9,596</b>	<b>\$10,428</b>	<b>\$11,261</b>
<b>Cash Outflows</b>								
Repayment of Principal	\$239	\$241	\$243	\$244	\$246	\$248	\$250	\$251
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$55,000	\$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>\$55,298</b>	<b>\$299</b>	<b>\$301</b>	<b>\$303</b>	<b>\$304</b>	<b>\$306</b>	<b>\$308</b>	<b>\$310</b>
<b>Net Cash Flow</b>	<b>\$150,137</b>	<b>\$5,968</b>	<b>\$6,798</b>	<b>\$7,629</b>	<b>\$8,459</b>	<b>\$9,290</b>	<b>\$10,120</b>	<b>\$10,951</b>
<b>Cash Balance</b>	<b>\$150,137</b>	<b>\$156,105</b>	<b>\$162,904</b>	<b>\$170,533</b>	<b>\$178,992</b>	<b>\$188,282</b>	<b>\$198,403</b>	<b>\$209,353</b>

<b>Cash Flow Analysis (First Year Cont.)</b>					
Month	9	10	11	12	Year 1
Cash From Operations	\$12,009	\$12,842	\$13,674	\$14,506	\$119,147
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$12,009</b>	<b>\$12,842</b>	<b>\$13,674</b>	<b>\$14,506</b>	<b>\$119,147</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$50,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$150,000
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>\$201,000</b>
<b>Total Cash Inflow</b>	<b>\$12,093</b>	<b>\$12,925</b>	<b>\$13,757</b>	<b>\$14,590</b>	<b>\$320,147</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$253	\$255	\$257	\$259	\$2,985
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$55,000
Dividends	\$0	\$0	\$0	\$81,313	\$81,313
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$311</b>	<b>\$313</b>	<b>\$315</b>	<b>\$81,630</b>	<b>\$139,999</b>
<b>Net Cash Flow</b>	<b>\$11,781</b>	<b>\$12,612</b>	<b>\$13,442</b>	<b>-\$67,040</b>	<b>\$180,149</b>
<b>Cash Balance</b>	<b>\$221,135</b>	<b>\$233,747</b>	<b>\$247,189</b>	<b>\$180,149</b>	<b>\$180,149</b>



Cash Flow Analysis (Second Year)					
	Year 2				
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$62,043	\$66,805	\$71,567	\$76,330	\$276,744
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$62,043</b>	<b>\$66,805</b>	<b>\$71,567</b>	<b>\$76,330</b>	<b>\$276,744</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>\$62,297</b>	<b>\$67,064</b>	<b>\$71,832</b>	<b>\$76,600</b>	<b>\$277,794</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$787	\$804	\$821	\$838	\$3,249
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$13,837	\$0	\$0	\$0	\$13,837
Dividends	\$0	\$0	\$0	\$191,446	\$191,446
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$14,802</b>	<b>\$985</b>	<b>\$1,006</b>	<b>\$192,474</b>	<b>\$209,268</b>
<b>Net Cash Flow</b>	<b>\$47,495</b>	<b>\$66,079</b>	<b>\$70,826</b>	<b>-\$115,874</b>	<b>\$68,526</b>
<b>Cash Balance</b>	<b>\$227,644</b>	<b>\$293,723</b>	<b>\$364,548</b>	<b>\$248,675</b>	<b>\$248,675</b>

Cash Flow Analysis (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$108,245	\$114,602	\$120,960	\$127,318	\$471,124
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$108,245</b>	<b>\$114,602</b>	<b>\$120,960</b>	<b>\$127,318</b>	<b>\$471,124</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>\$108,512</b>	<b>\$114,875</b>	<b>\$121,238</b>	<b>\$127,602</b>	<b>\$472,226</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$856	\$875	\$893	\$912	\$3,536
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$23,556	\$0	\$0	\$0	\$23,556
Dividends	\$0	\$0	\$0	\$327,311	\$327,311
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$24,600</b>	<b>\$1,066</b>	<b>\$1,088</b>	<b>\$328,422</b>	<b>\$355,175</b>
<b>Net Cash Flow</b>	<b>\$83,912</b>	<b>\$113,809</b>	<b>\$120,150</b>	<b>-\$200,821</b>	<b>\$117,051</b>
<b>Cash Balance</b>	<b>\$332,587</b>	<b>\$446,396</b>	<b>\$566,546</b>	<b>\$365,725</b>	<b>\$365,725</b>

Cash Flow Analysis (Fourth Year)					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$156,441	\$164,214	\$171,988	\$179,762	\$672,405
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$156,441</b>	<b>\$164,214</b>	<b>\$171,988</b>	<b>\$179,762</b>	<b>\$672,405</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>\$156,722</b>	<b>\$164,501</b>	<b>\$172,280</b>	<b>\$180,060</b>	<b>\$673,563</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$932	\$952	\$972	\$993	\$3,849
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$33,620	\$0	\$0	\$0	\$33,620
Dividends	\$0	\$0	\$0	\$467,989	\$467,989
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$34,749</b>	<b>\$1,152</b>	<b>\$1,177</b>	<b>\$469,191</b>	<b>\$506,269</b>
<b>Net Cash Flow</b>	<b>\$121,973</b>	<b>\$163,348</b>	<b>\$171,103</b>	<b>-\$289,131</b>	<b>\$167,294</b>
<b>Cash Balance</b>	<b>\$487,699</b>	<b>\$651,047</b>	<b>\$822,150</b>	<b>\$533,019</b>	<b>\$533,019</b>

Cash Flow Analysis (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$216,745	\$226,287	\$235,830	\$245,374	\$924,236
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$216,745</b>	<b>\$226,287</b>	<b>\$235,830</b>	<b>\$245,374</b>	<b>\$924,236</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>\$217,040</b>	<b>\$226,588</b>	<b>\$236,137</b>	<b>\$245,687</b>	<b>\$925,452</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$1,014	\$1,036	\$1,058	\$1,081	\$4,189
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$46,212	\$0	\$0	\$0	\$46,212
Dividends	\$0	\$0	\$0	\$644,033	\$644,033
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$47,432</b>	<b>\$1,247</b>	<b>\$1,273</b>	<b>\$645,333</b>	<b>\$695,285</b>
<b>Net Cash Flow</b>	<b>\$169,607</b>	<b>\$225,342</b>	<b>\$234,864</b>	<b>-\$399,646</b>	<b>\$230,167</b>
<b>Cash Balance</b>	<b>\$702,627</b>	<b>\$927,968</b>	<b>\$1,162,832</b>	<b>\$763,186</b>	<b>\$763,186</b>