# 8.0 Financial Planning

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## 8.1 Profit and Loss Projection

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| **Profit and Loss Projection** | | | |
|  | Year 1 | Year 2 | Year 3 |
| **Income** |  |  |  |
| Sales | RM 104 400 | RM 156 000 | RM 234 900 |
| Cost of Goods Sold | RM 0 | RM 0 | RM 0 |
| Gross Profit | RM 104 400 | RM 156 000 | RM 234 900 |
| **Expenses** |  |  |  |
| Technologies and Equipment | RM 20 000 | RM 25 000 | RM 40 000 |
| Taxes | RM 1 000 | RM 1 500 | RM 2 000 |
| Insurance | RM 500 | RM 500 | RM 500 |
| Copyright | RM 25 000 | RM 37 000 | RM 50 000 |
| Salaries | RM 15 000 | RM 30 000 | RM 50 000 |
| Advertising | RM 5 000 | RM 2 500 | RM 1 500 |
| Miscellaneous | RM 5 000 | RM 5 000 | RM 5 000 |
| Total Expenses | RM 70 000 | RM 89 500 | RM 116 500 |
| **Net Profit** | **RM 32 500** | **RM 54 500** | **RM 85 900** |

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## 8.2 Balance Sheet Projection

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| **Balance Sheet Projection** | | | |
| **Assets** | Year 1 | Year 2 | Year 3 |
| Current Assets |  |  |  |
| Cash | RM 204 400 | RM 206 000 | RM 234 900 |
| Short-term investments | RM 10 000 | RM 16 000 | RM 17 000 |
| Total Current Assets | RM 214 400 | RM 206 600 | RM 251 900 |
| Fixed Assets |  |  |  |
| Equipment | RM 30 000 | RM 40 000 | RM 62 320 |
| Lo11ng-term investments | RM 26 500 | RM 32 100 | RM 48 900 |
| Total Fixed Assets | RM 56 500 | RM 82 100 | RM 111 220 |
| **TOTAL ASSETS** | **RM 270 900** | **RM 321 800** | **RM 363 120** |
| **Liabilities** | Year 1 | Year 2 | Year 3 |
| Current Liabilities |  |  |  |
| Account payable | RM 10 220 | RM 13 480 | RM 17 300 |
| Accrued income taxes | RM 12 310 | RM 14 730 | RM 16 580 |
| Accrued expenses | RM 50 330 | RM 58 070 | RM 61 410 |
| Short-term loans | RM 17 240 | RM 22 480 | RM 23 590 |
| Total Current Liabilities | RM 90 100 | RM 107 760 | RM 118 880 |
| Long-term Liabilities | RM 30 440 | RM 38 100 | RM 42 020 |
| Total Liabilities | RM 120 540 | RM 145 860 | RM 160 820 |
| **Equity** |  |  |  |
| Common stock | RM 80 030 | RM 90 150 | RM 110 570 |
| Legal reserve | RM 10 270 | RM 11 850 | RM 15 790 |
| Retained earning | RM 60 060 | RM 68 940 | RM 75 940 |
| Total equity | RM 150 360 | RM 175 940 | RM 202 300 |
| **TOTAL LIABILITIES & EQUITY** | **RM 270 900** | **RM 321 800** | **RM 363 120** |
| Net Worth | RM 150 360 | RM 170 940 | RM 202 300 |