

ARNOUS Forms

Virtual Business

Financial Planning and Modeling

Prepared By ZEEK Finance
www.zeekefinance.com
info@zeekefinance.com
 Mob: +9613951507
 Dated A-21

Amounts in USD Unless Other Stated

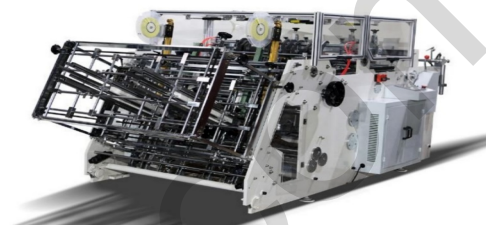
Executive Summary

ARNOUS Forms is a SME that projecting to launch business in Beirut Lebanon, it is specialized in food paper box forming. The Company will invest in improved technology machines that eligible it to provide high quality products with less fixed costs and competitive prices.
 Target Clients are restaurants and snacks from all different sizes and franchises.
 In this Plan we depend on several researches, especially in determining COGS and revenues by product, by client, by region, by machines productivity, by sensitivity to price change. For simplicity we did not plot them in this study, in order to ease the complexity of the file.

Assumptions & Drivers

CAPEX

	QTY	Cost&inst.	Productivity
Forming Machine	1	25,000	100 Box/Min
Die Cutting Machine	1	20,000	60 Pcs/Min
Printing Machine	1	20,000	80 m/Min
Distributing Vehicles	2	15,000	N/A
Furniture & Fixtures	N/A	3,500	N/A
Office Equipments	N/A	5,000	N/A
Software	1-2	3,000	N/A
		91,500	



Machine Optimization / Revenue & COGS Inputs

Description	Machine Full Productivity By QTY/Pieces					70% Sales Price		Year1 USD Revenues	COGS include Printing in USD	BOX Estmtd. Dimensions
	Per Minute	Per Hour	Per Day	Per Month	Per Year	Year1 Sale QTY	Piece USD			
Hamburger Paper Box	12	749	3,746	112,385	1,348,618	944,033	0.09	84,963		0.04 11*11*8.5
Potato Fried Paper Box	12	749	3,746	112,385	1,348,618	944,033	0.05	49,090		0.02 6*4*7
Plates Paper	9	537	2,684	80,512	966,141	676,299	0.07	47,341		0.03 18*10*6
Sandwiches Paper Box	10	626	3,132	93,961	1,127,533	789,273	0.07	55,249		0.03 17*6*7
Broasted Box	8	469	2,346	70,379	844,545	591,181	0.09	53,206		0.04 12*12*8
Kids Meal Box	8	469	2,346	70,379	844,545	591,181	0.09	53,206		0.04 12*12*8
	60	3,600	18,000	540,000	6,480,000	4,536,000		343,055		
Full Productivity Sales USD					490,079					

Working capital assumptions

Receivable Days	60
Inventory Days	30
Payable Days	30

Initial Investment Needed

Cash to Finance OPEX for 3 months	19,900
Working Capital Requirements	56,393
CAPEX	91,500
Total Initial Investment	167,793
Capital 10,000 Shares, Par \$10	60% 100,000
Bank Debt 8% - Due in Yr. 3	40% 67,793



Projected Profit&Loss By Year

Note

The Operating expenses are based on similar market costs in lebanese markets, also salaries include social security costs and transportation, some expenses their nature is in LBP , so converted to USD at the market rate, CAPEX are depreciated using straight line method on the life of the plan which is 5 years, no salvage values taken into consideration.
 Tax rate used is 17%.

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Sales Revenue	343,055	411,666	490,079	490,079	490,079
Growth		20%	19%	Full Prdctvty	Full Prdctvty
Cost Of Goods Sold (COGS)	137,222	164,667	196,032	220,536	220,536
Gross Profit	205,833	247,000	294,047	269,543	269,543
Gross Profit Ratio	60%	60%	60%	55%	55%
OPEX					
Place rent 200 sqm	3,600	3,600	3,600	3,600	3,600
Electricity	1,200	1,200	1,300	1,300	1,300
Stationary	600	600	600	600	600
Cleaning&Kitchen Supplies	600	600	600	600	600
Municipality Expenses	200	200	200	200	200
Mobile and Land Line	240	240	280	280	280
Cars Mnt&Rpr	900	900	1,000	1,100	1,200
Machines Mnt&Rpr	1,200	1,200	1,300	1,400	1,500
Vehicles Fuel	1,200	1,200	2,000	2,000	2,000
Auditing and Consulting	500	500	500	500	500
Advertising	1,200	1,100	900	800	800
Miscellaneous&Contingencies	1,000	1,000	1,000	1,000	1,000
Salaries&CNSS (5 employees)	42,000	44,100	46,305	48,620	51,051
Sales Commissions Avg. 2%	6,861	8,233	9,802	9,802	9,802
Depreciation	18,300	18,300	18,300	18,300	18,300
Total OPEX	79,601	82,973	87,687	90,102	92,733
Other Operating Expenses					
Interest Expenses	5,423	5,423	5,423	-	-
Net Income Before Tax	120,809	158,603	200,937	179,442	176,811
Taxes	20,537	26,963	34,159	30,505	30,058
Net Profit	100,271	131,641	166,778	148,937	146,753
Net Profit Ratio	29%	32%	34%	30%	30%

Projected Balance Sheet By Year

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Remarks
Current Assets						

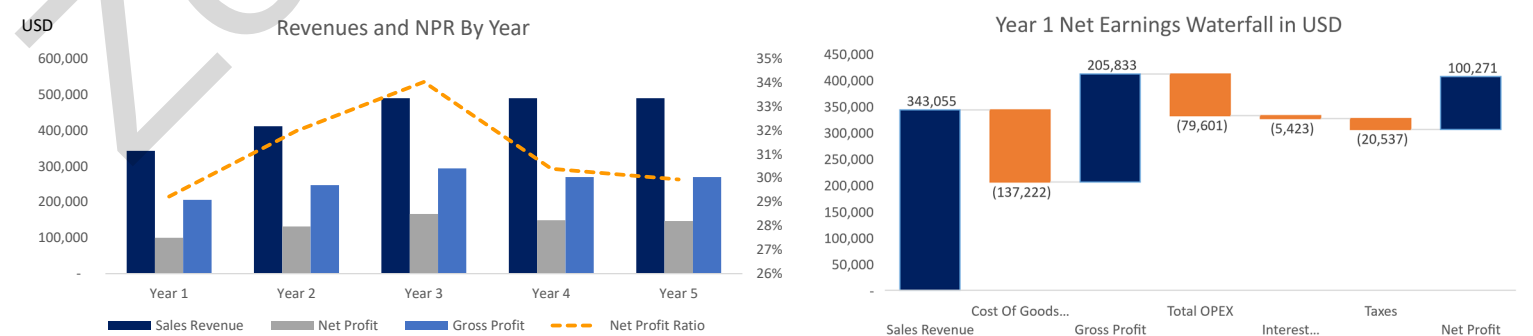
Cash & Banks	128,028	233,622	295,181	414,083	534,662	This figure is taken from Cash Flow Statement below. Please refer to working capital assumptions in Assumption&Drivers Please refer to working capital assumptions in Assumption&Drivers Workshop is paid in advance for every quarter
Receivables	56,393	67,671	80,561	80,561	80,561	
Inventory	11,279	13,534	16,112	18,126	18,126	
Prepaid Rent	900	900	900	900	900	
Total Current Assets	196,599	315,728	392,754	513,670	634,249	
Fixed Assets						
Machines-Net	52,000	39,000	26,000	13,000	-	Machines are depreciated on 5 years and measured here at net value
Vehicles-Net	12,000	9,000	6,000	3,000	-	Same
Furniture & Office Eqpts-Net	6,800	5,100	3,400	1,700	-	Same
Software	2,400	1,800	1,200	600	-	Same
Net Property Plant&Equipments	73,200	54,900	36,600	18,300	-	
Total Assets	269,799	370,628	429,354	531,970	634,249	
Current Liabilities						
Trade Payables	11,279	13,534	16,112	18,126	18,126	Please refer to working capital assumptions in Assumption&Drivers Income Taxes of previous year is paid in coming Year Shifted to current liabilities because due in next year
Income Tax Payable	20,537	26,963	34,159	30,505	30,058	
Long Term Loan Due in next Year		67,793	-	-	-	
Total Current Liabilities	31,816	108,290	50,272	48,631	48,184	
Long Term Liabilities						
Bank Debt 8% - Due in Yr. 3	67,793	-	-	-	-	Due in Year 3
Total Liabilities	99,609	108,290	50,272	48,631	48,184	
Owners Equity						
Capital 10,000 Shares, Par \$10	100,000	100,000	100,000	100,000	100,000	
Net Income For the year	100,271	131,641	166,778	148,937	146,753	
Dividends 30% Of Income	(30,081)	(39,492)	(50,033)	(44,681)	(44,026)	
Retained Earnings	70,190	162,338	279,083	383,338	486,065	
Total Owners Equity	170,190	262,338	379,083	483,338	586,065	
Total Liabilities and Owners Equity	269,799	370,628	429,354	531,970	634,249	
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Projected Cash Flow By Year

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Flow From Operating Activities					
Net Income	100,271	131,641	166,778	148,937	146,753
Cash From Receivables	(56,393)	(11,279)	(12,890)	-	-
Cash Related to Inventories	(11,279)	(2,256)	(2,578)	(2,014)	-
Cash Related to Payables	11,279	2,256	2,578	2,014	-
Cash Related to Prepaid Expenses	(900)	-	-	-	-
Cash Related to income Tax Paybls	20,537	6,425	7,197	(3,654)	(447)
Add Depreciation	18,300	18,300	18,300	18,300	18,300
Cash Flow From Operations	81,816	145,087	179,385	163,582	164,606
Cash Flow From Investing Activities					
Property Plant and Equipments	(91,500)	-	-	-	-
Cash Flow From Financing Activities					
Capital Raised	100,000	-	-	-	-
Bank Debt 8% - Due in Yr. 3	67,793	-	(67,793)	-	-
Dividends Declared and Paid	(30,081)	(39,492)	(50,033)	(44,681)	(44,026)
Cash Flow From Financing	137,712	(39,492)	(117,826)	(44,681)	(44,026)
Net Cash Flow	128,028	105,595	61,559	118,901	120,580
Add Beginning Cash	-	128,028	233,622	295,181	414,083
Cash at end of period	128,028	233,622	295,181	414,083	534,662

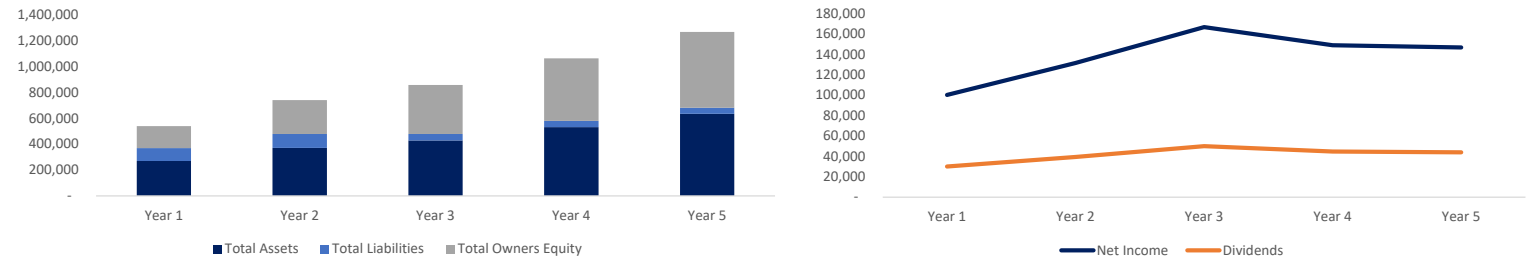
Charts & Graphs

Profit & Loss Dashboard



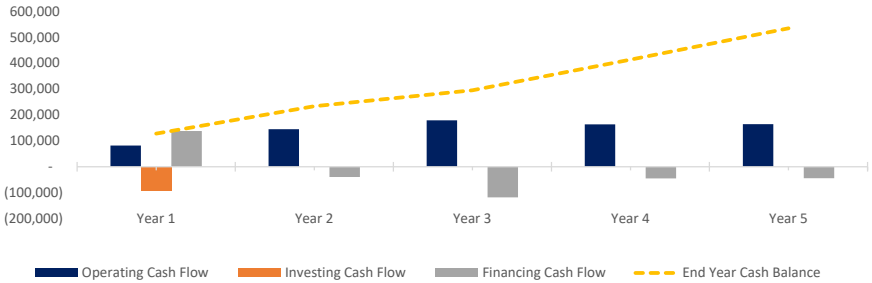
Balance Sheet Dashboard

Balance Sheet Parameters	Retained Earnings Components
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Cash Flow Dashboard

Cash Flow Parameters



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