



Red Sprinkle, LLC

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Business Plan



Business Plan Confidentiality Agreement

The undersigned reader of this Red Sprinkle, LLC Business Plan hereby acknowledges that the information provided is completely confidential and therefore the reader agrees not to disclose anything found in the business plan without the express written consent of Knobbe Martens Olson & Bear LLP.

It is also acknowledged by the reader that the information to be furnished in this business plan is in all aspects confidential in nature, other than information that is in the public domain through other means and that any disclosure or use of the same by the reader may cause serious harm and or damage to Red Sprinkle, LLC.

Upon request this business plan document will be immediately returned to Knobbe Martens Olson & Bear LLP. This is a business plan. It does not imply an offer of any securities.

Applicable Law

This contract shall be governed by the laws of the County of _____ in the State of _____ and any applicable Federal law.

Signature

Date

Printed Name

Table of Contents

Title Page.....	1
Confidentiality Statement.....	2
Table of Contents.....	3
Executive Summary.....	4-5
Business Description.....	6-7
Target Market.....	8
Market Pricing.....	8-9
Market Characteristics.....	9-11
Market Competition.....	11-13
Management Structure.....	14-16
Cash Flow.....	17
Cash Flow Forecast.....	17
Cash Flow Detail.....	18
Balance Sheet Forecast.....	19
Profit and Loss Detail.....	20

Executive Summary

Red Sprinkle, LLC was established as a for-profit company in 2011 by sisters Madiana and Rebecca Margao as an online vintage retail store. While building a strong online presence, we began to recognize a deficiency in available resources for students interested in developing creative careers relative to the fashion and entertainment industries.

Through the Red Sprinkle Fashion Boot Camp for Youth, our mission is to provide year-round workforce development programs for youth ages 4-18 that provide exposure to career options in various fields; particularly fashion, media and entertainment. We currently operate this program throughout the Washington, DC Metropolitan area and have served over 500 youth to date.

Our additional services include Beauty and Health workshops; One on One Beauty Consultations; and Small Business Development for businesses and organizations working within the fashion and beauty industries. Our business model includes the following components:

- Strong youth development programming that allows for support from both local and federal government partners
- Collaborations with various partners (both public and private) which support company exposure and growth
- Strong online presence
- Company that maintains minimal debt and minimizes expenses

Located in Washington, DC, Red Sprinkle has garnered a total annual revenue of \$110,000.00 with \$0 in debt. We are extremely pleased with our current financial forecast and expect to continue positive financial growth. We do realize that in order for us to maintain this growth, we will need to hire additional staff. Immediately, we are seeking to hire staff to handle all our public relations, marketing and branding. While most of our services and programs are within the Washington, DC metro area, we are confident that our program can be adopted by any school district that seeks to increase workforce development options for its students.

During 2016-2017, we will continue to expand our partners and look to duplicate our Fashion Boot Camp for Youth into other jurisdictions. Staff is critical for us this year as we are seeking to expand our services into other locations. We are also seeking to increase our current revenue in other program areas and are looking to host additional

beauty, fashion and health forums and workshops for women within the Washington, DC area.

Business Description

Red Sprinkle, LLC is a five year old operation specializing in fashion, beauty, and healthy lifestyles products and services. Located in Washington, DC, this fashion and beauty company is the co-vision of sister team Madiana and Rebecca Margao. Together, this business team has over 15 years of experience in the fashion and entertainment industries. Our services include educational programming for youth, beauty and healthy lifestyle workshops/classes, individual beauty consultations and business consulting services. Our current programming includes:

- **Fashion Boot Camp for Youth:** This program provides instructional and workforce development for youth through fashion and entertainment. Targeting youth ages 4-18, this program offers exposure to creative careers, with a special emphasis on at-risk youth residing in communities of color. For younger youth (ages 4-12) program is more focused on healthy eating and healthy lifestyles combined with an introduction to beauty techniques. For youth ages 13-18, our program consists of a 10 week curricular that introduces youth to fashion, beauty, entertainment concepts and careers. Currently, this programming is funding through the FY 15-16 school year by various funders, to include the DC Promise Neighborhood Initiative, DC Department of Employment Services, Montgomery County Recreation Department, Montgomery Public County Schools (both in in the state of Maryland) and various non-profits to include the Mary's Center.
- **Classes/Workshops on Beauty and Healthy Living:** Red Sprinkle provides health and beauty workshops to adult females through beauty pop ups events. We reach customers who are seeking fashion and beauty guidance through individual consultations, beauty and health workshops, and skin and hygienic therapy. Participants are targeted through direct marketing, social media and other online portals, including a partnership with Livingsocial.com.
- **Business Consulting Services:** Program offers support and direction to other business and entrepreneurs within the fashion, arts and entertainment industries. Currently, our team of consultants provides guidance and direction around marketing/branding, sponsorship and resource development, PR and business development. We currently have three clients and have provided over one hundred hours of consulting services to these clients. We are currently seeking office space to serve as an incubator, where business tenants are provided rental space, resources and technical assistance.

We have operated the Red Sprinkle Fashion Boot Camp since 2011. After recognizing a deficiency in available resources for public school students looking to explore career options in the fashion and entertainment industries, the program was developed to fill a much needed void in educational programming, while introducing disadvantaged youth to alternative careers and workforce development opportunities. Our students learn about fashion styling and design, makeup, nail and hair artistry, photography and

much more. In collaboration with the Department of Employment Services, Red Sprinkle served as a 2014 host agency for 80 female Summer Youth Employment (SYEP) participants. Housed at the District of Columbia Public School John Hayden Johnson Middle School, the 6-week program provided hands-on experience to youth around fashion and entertainment industries, and culminated with a successful fashion show hosted and sponsored by retail giant, Macy's, Inc. In addition, Red Sprinkle has provided and hosted creative arts programs for Ron Brown Middle School and Coolidge High School in Washington, DC.

We have also successfully implemented the program with several non-profits, including the Mary's Center, located in Washington, DC for two years. Here students participated in career panels with notable guest speakers and performed hands on activities while gaining knowledge about career options in the fashion and entertainment industries. Red Sprinkle has expanded its partnerships to include the Life Success Center, Excel Beyond the Bell, and the Far Southeast Family Strengthening Collaborative. In addition, we serve as beauty and fashion consultants for the teen division of Miss Teen DC (USA network), and have most recently hosted fashion workshops for Oprah's "The Life You Want" National Tour. As a result of the successful implementation of the program, the fashion boot camp has been featured on news networks NBC, WUSA 9, and DCTV.

Though the mission of Red Sprinkle is to provide an overall unique experience and exposure to beauty, fashion and healthy living, our focus is to promote a hands on approach to the youth and adult we serve. Our goal is to not only promote these creative forms but to support the entrepreneurs and businesses that provide these services as well. We are committed to fostering vital business relationships in an effort to secure untapped resources for the businesses and entrepreneurs that we often partner with and serve.

Target Market

Red Sprinkle has clearly identified three (3) primary customers based on each program/service offered. Our market is segmented in the following way:

- **District and Federal Government Agencies and Privately-Funded Organizations:** The primary customer for our Fashion Bootcamp for Youth includes these particular agencies and organizations.
- **Adults (Female):** This demographic of women, specifically between the ages of 18-80, who are seeking the ultimate beauty experience.
- **Small Businesses and Organizations:** Targeting small businesses and organizations that work within the fashion, beauty and entertainment industries, we harnessed our supports and networks to create a safety net of resources for our peer businesses and organizations working in the District and surrounding areas.

MARKET PRICING: Currently, Red Sprinkle's profits are yielded from creative workshops, programs and our business consulting services.

Red Sprinkle, LLC will implement an inclusive pricing structure which will charge an hourly rate to individuals and organizations, versus a per participant rate. This overall fee will cover instructor(s) fees, as well as the cost of all program materials. The general hourly rate for all educational workshops and beauty classes range from \$200--for class sizes of 0-25--, to \$250--for class sizes of 25+---. This pricing structure will grant organizations the opportunity to maximize class sizes, without the worry of additional surcharge, and also bear the full responsibility of adequate staffing and class preparation (i.e. course materials) on Red Sprinkle, LLC. These rates were calculated based on a median hourly rate for consultants of \$200 or more per hour (*IEEE-USA Consultants Fee Survey Report 2014*). Median hourly wages correlates positively with number of years of experience in consulting. Given the years of experience possessed by both the owners, and affiliates of Red Sprinkle, which totals to over fifteen years, the company is able to command an hourly rate reflective of the national average.

Currently, Red Sprinkle, LLC partners with over four organizations to provide our Fashion Boot Camp educational workshops, with plans to include no less than two additional partners, annually. In the company's first year of incorporation (2014), Red Sprinkle, LLC earned over \$65,000 in revenue from the educational workshops.

Currently, year-to-date, the company has earned over \$100,000 in profits, from programming alone. Additionally, the company provides consulting services for companies and organizations who work within the fashion, entertainment and beauty industries. Our goal is to assist these businesses grow and develop through technical assistance and capacity building programming. Currently, our fee for consulting services ranges from \$50.00/hr to \$500.00 per month for retainers. This rate is determined based on individual client needs, and project demands. However, if a business requires 20 or more hours of assistance per month, they are then urged to retain the services of Red Sprinkle in three, six, or twelve-month intervals. Ensuring that the company is able secure not only client sustainability, but also increased profits.

Positive features of our services and programs include:

- Vested interest and support of disadvantaged communities
- Over 50 years of combined experience, from company owners, affiliates, and employees within the fashion and entertainment industries
- Sustainable clients/contracts for services with District and Federal Agencies
- Bootcamp has served over 500 youth to date; program is easily duplicated in any community

Red Sprinkle, LLC possesses a scalable business structure, as it is not dependent on any one particular offering to ensure cash-flow, but rather each of the company's servicing adds a positive impact on annual revenue.

MARKET CHARACTERISTICS: Through our programming, Red Sprinkle has clearly identified three (3) primary customers based on each program/service offered.

The primary customer for our Fashion Bootcamp for Youth includes District and Federal Government Agencies and privately-funded organizations. Within DC government alone, there is over \$11 million allotted for FY (2015-16) out-of-school time programming. For privately funded organizations, such as DC Promise Neighborhood Initiative, there is an allotment of over \$50 million to be distributed over a 5 year period. We have developed and aligned company priorities with the goals and required outcomes of our primary funders, ensuring sustainable funding from these organizations and agencies. Currently, we receive funds from five agencies/organizations and will target an additional two agencies to include the District's Department of Youth Rehabilitation Services (DYRS) and the DC Department of Parks and Recreation. We will continue to seek out funding opportunities through these agencies and seek to increase our private/public partnerships as well.

We do know that these Government Agencies have a vested interest in ensuring the disadvantaged communities we work with are provided the necessary supports to become healthy thriving communities. The Bowser Administration recently provided over \$40 million for community grants to provide services to families and youth within seven (7) distressed District of Columbia communities. These funding opportunities show a commitment from both District and Federal partners to support quality youth programming such as ours. We have also forged strategic alliances with other organizations that have a vested interest in these communities we are working in. We have worked in these communities for over five years, providing evidenced-based youth development programming with a positive track record.

Through our health and beauty workshops, we are able to target a much larger demographic of women between the ages of 18-80 who are seeking the ultimate beauty experience. Our pop up beauty shops provide women with experiential learning experiences that focus on hands-on training and exposure in various specialty areas, to include: makeup, hair and nail artistry, modeling, and photography. These health and beauty workshops not only impart technical knowledge through hands-on presentations for attendees, but also increase their knowledge of creative industries.

Our health and beauty workshops have many inherent benefits; specifically by imparting technical knowledge for women, through hands-on programming experiences. Furthermore, our workshops grant access to successful industry figures (who serve as voluntary instructors for courses), which ultimately provides maximum exposure for participants. An additional benefit of the workshops is that they allow women the opportunity to implement techniques developing during courses within their everyday lives. For instance, during makeup workshops, attendees are provided accurate and professional full-face application demonstrations, which feature looks that range from those worn within professional or causal settings, to those displayed within evening environments.

Since the inception of our health and beauty workshop, Red Sprinkle has served over 100 women, annually. Our clients are acquired through aggressive marketing tactics, which includes online and print advertisement, press features, and word-of-mouth. In addition, given our newly-formed partnership with LivingSocial.com, which also offers our workshops, we have been able to reach a large population of women. LivingSocial.com offers a viewership of over 13,000 individuals living within the Metropolitan area, alone, and has worked with Red Sprinkle, directly, to provide customizable marketing options for the company to target the population of women we seek to serve.

Lastly, we target small businesses and organizations that work within the fashion, beauty and entertainment industries, for our business to business consulting services.

Red Sprinkle serves as an incubator to these companies by providing one-on-one mentoring, business technical assistance and capacity building. As a company working within these industries, we have witnessed, first-hand, the lack of resources available to support the potential growth and development of creative businesses here in the District of Columbia. Recognizing this need, we harnessed our supports and networks to create a safety net of resources for our peer businesses and organizations working in the District and surrounding areas. Through this network of supporters, we are able to strengthen and support the growth of other businesses and organizations working within the District's creative economy.

The specific concerns of our past and current clients are the following:

- Funding acquisition
- Network relations

Red Sprinkle serves these specific needs of peer businesses and organizations, by primarily providing various methods for funding acquisition. This is facilitated through grant-sourcing and writing, as well as liaising partnerships with various agencies, which possess disposable resources, on behalf of the client. Additionally, we work closely with peer businesses and organizations to identify areas where they are best able to monetize. For instance, in working with Pique Boutique, where we were able to create partnerships between the online retailer, and local bloggers, where the business received free advertisement on individual blog sites, thus leading to a 20% profit increase for the business within a three-month time span.

Additionally, Red Sprinkle provides network relations for peer businesses and organizations, by providing connections and the development of integral relationships in areas where they may be best served. For instance, the company Cupcakes, Cakes, and Treats had expressed interest in developing a youth confectionary program, however, was unaware of how to prompt this particular option. Once Red Sprinkle was able to identify the particular need of this company, we then could outline exactly how this potential program could be best facilitated. We were able to connect Cupcakes, Cakes, and Treats with a local non-profit organization, which possessed a vested need for youth development programs; thus bringing a mere conception of a confectionary program, to fruition.

MARKET COMPETITION: Red Sprinkle, LLC has identified three (3) direct competitors which are located within the Washington, DC metro area. They include: DC Fashion Foundation, Bits of Thread Sewing Studio, and Creative Youth. Each of these organizations offer similar services in scope to our current offerings.

DC Fashion Foundation supports the development of creative professionals. DCFF offers an annual fashion summer design camp and serves as an incubator that houses local fashion designers from the District of Columbia and surrounding areas. While Red Sprinkle programs and services mirror many of those offered by DCFF, we also offer a beauty, health and wellness component. DCFF programs and services are specifically targeted to creative professionals and youth seeking careers within these professions. Our health and beauty pop ups allows for Red Sprinkle to provide women with experiential learning experiences that focus on hands-on training and exposure in various specialty areas, to include: makeup, hair and nail artistry, modeling, and photography. These health and beauty workshops not only impart technical knowledge through hands-on presentations for attendees, but also increase their knowledge of creative industries.

Bits of Threads is a sewing studio located in Adams Morgan, Washington, DC. The company offers individual and group sewing courses as well as offers sewing products, machinery and equipment for sale. Bits of Threads is unique in that it offers a marriage between specific course offerings and product sales. While Red Sprinkle's primary income generator is service based, this allows for a very low overhead, with limited debt. Unlike Bit of Threads, we have no product investments. Red Sprinkle also focuses on a more comprehensive overview of the fashion and beauty industries with course offerings to expand well beyond the techniques of sewing.

Lastly, Creative Youth offers year-round creative programs in the areas of fashion design, sewing, and film/acting. While they offer programs to youth only, these are fee based services with costs that parents and other care providers must absorb. One advantage that Red Sprinkle has is that our programs and services are free for the youth we serve. Funding from government and other private sources allow for us to target those youth that cannot afford to pay for a fee based program. Additionally, our programs and services are offered to adults as well, a demographic that Creative Youth does not reach.

Red Sprinkle has a competitive advantage over these and other similar organizations in that we offer a multi-layered educational experience for consumers that encompasses fashion, beauty and entertainment. With a focus on disadvantaged communities and at-risk youth, we are able to provide critical workforce experiences and skills development that can lead to sustainable careers in these creative industries. We offer a fun nurturing learning environment that is culturally sensitive to those with special needs and who experience learning disabilities. Through our Fashion Bootcamp, we provide a structured evidenced based learning experience based on the STEP (Step-by-step training/instruction, active forms of learning, focused time on skill development, explicit definition of the skills the program attempts to promote) model. Statistically, SAFE programs are associated with significant improvements in self-perceptions, school

bonding and positive social behaviors, reductions in drug and alcohol use, and increases in school attendance and test scores. The Improvement Index by the Institute of Education Sciences reflects an 8% gain in test scores, 11% gain in social behaviors, 12% decrease in behavioral problems by youth who were involved in SAFE programs.

Management Structure

Red Sprinkle's management includes the following individuals:

Madiana Margao, Co-Owner

Madiana Margao, proves to be a shining pillar within her community, by working tirelessly toward the development of underprivileged youth within the Metropolitan area. Having earned a Bachelor's of Arts from Marymount University of Arlington, VA, **Ms. Margao** has held a number of professional positions within creative industries including: serving as costume designer for famed songstress Patti LaBelle; personal stylist for R&B artist Chris Brown; and also working as Visual Director for Macy's, Inc. (Mid-Atlantic). Over the past decade she has worked in a wide variety of professional capacities in both the public and private sectors, to include collaborations with organizations such as Miss USA Organization, USO Metro, Department of Employment Services, DC Commission on the Arts and Humanities, and a host of others. In addition, she also serves as a consultant and mentor to several non-profit organizations throughout the Metropolitan area, including; Do the Write Thing (DC), Life Success Center (DC), and more.

Madiana currently spearheads creative development programs through Red Sprinkle, LLC at four (4) separate locations within the Metropolitan area to include: DC Promise Neighborhood (DC), Excel Beyond the Bell (MD), The Sports Academy (MD), and the Montgomery County Recreation Department (MD). In addition, she consults as Program Coordinator for the teen division of Miss DC (USA), providing fashion and beauty consultations.

Rebecca Margao, Co-Owner

Rebecca Margao has earned a Bachelor's in English Language and Literature at the University of Maryland of College Park, MD. Rebecca Margao has held a number of professional positions within creative industries including: serving as manager for famed celebrity hair stylist, Adrin Washington. Ms. Margao orchestrated long-lasting client relationships with celebrities including; America Ferrera, Naomi Campbell, and Jennifer Hudson. Additionally, Rebecca Margao serves as Creative Director for the Black Rebecca, and online publication and lifestyle branding company, which provides daily, low-cost tips for healthy living for each of its followers.

Moreover, she has served as a Program Administrator during the District of Columbia's SummerYouth Employment Program (SYEP) during summer 2014 and 2015, and additionally as a Program

Supervisor for collaborative programming hosted by Red Sprinkle; including partnerships with DC Promise Neighborhood Initiative (DCPNI), Excel Beyond the Bell (MD), and Mary's Center (DC).

Camille Gaskin, Lead Instructor

Camille Gaskin is a graduate of Cesar Chavez High School (Capitol Hill), and has worked with the company for over one year. Camille Gaskin first became acquainted with the company in 2014, when she attended the Fashion Bootcamp as a participant of the Summer Youth Employment Program (SYEP), held in collaboration with the Department of Employment Services. She worked as a summer intern for just two weeks, until she was then promoted as an instructor, serving initially at Coolidge High School.

Camille Gaskin has served as a Program Supervisor during the District of Columbia's Summer Youth Employment Program (SYEP) during 2015, and currently is a lead instructor for collaborative programming hosted by Red Sprinkle; including partnerships with DC Promise Neighborhood Initiative (DCPNI), Excel Beyond the Bell (MD), and Mary's Center (DC).

Lashawn Ellis, Instructor

Lashawn Ellis is also a graduate of Cesar Chavez High School (Capitol Hill), and additionally, has worked with the company for over one year. Lashawn Ellis first became acquainted with the company in 2014, when she attended the Fashion Bootcamp as a participant of the Summer Youth Employment Program (SYEP), held in collaboration with the Department of Employment Services. She was then asked to return to company as an instructor during the fall of 2014, on a part-time basis.

Lashawn Ellis has served as a Program Assistant during the District of Columbia's Summer Youth Employment Program (SYEP) during 2015, and currently is an instructor for collaborative programming hosted by Red Sprinkle; including partnerships with DC Promise Neighborhood Initiative (DCPNI), Excel Beyond the Bell (MD), and Mary's Center (DC).

Our success in current business operations lie in specified methodology: to hire from within. Specifically, our employees and affiliates are individuals who have not only participated within programming, similarly to the above-listed instructors, but who also have a vested interest in the company's mission. Through previous exposure to programming, employees and affiliates not only understand how courses must be

presented—according to company standard—but solidifies the effectiveness of our company's primary goal—to provide career options in the fashion and entertainment industries.

Red Sprinkle seeks to hire additional staff at a rate of no less than two additional (part-time) employees, annually. It is impossible to ensure the company's exponential growth, without the acquisition of additional staff. As it is our goal to gain two additional partners, annually, in our core and most-profitable offering: the Fashion Bootcamp for Youth; it is important that we are able to hire individuals that will be able to supervise these new acquisitions.

Additionally, we have identified that Red Sprinkle's greatest area of opportunity is in the area of marketing. In order to effectively grow, the demographics that our company serves must be aware of our core offerings. How this need could be supported, is the acquisition of a public relations representative, who is responsible for identifying media sources, advertising options, and the alignment of integral marketing relationships, with outlets that not only support the company's mission, but who also have a vested interest in our core offerings.

Lastly, the company does seek to attain outside advisors, such as an accountant, to manage company finances, and to ensure that tax requirements are satisfied. Given that the company is registered as an LLC, ensuring proper resource management is of utmost importance. Our company is currently tax-compliance, and in good-standing with the Office of Tax and Revenue. Additionally, Red Sprinkle seeks to attain the services of an Intellectual Property lawyer, to protect the company's interests, and program structures.

Cash Flow

The owners have invested a total of \$15,000 and have or are seeking loans totaling \$0.

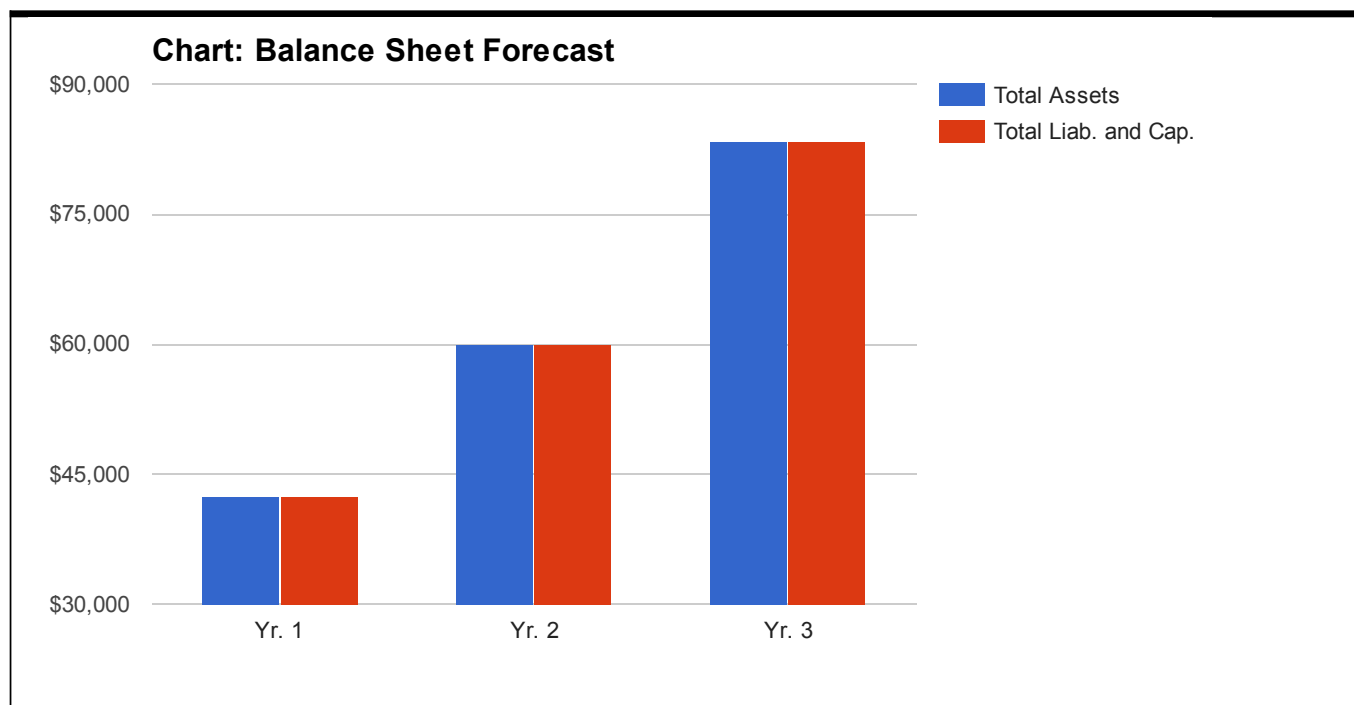
Red Sprinkle, LLC is forecasting Net Cash Flow for the first year of operations at \$6,042, increasing to \$18,596 in the second year and increasing to \$24,839 in the third year.

The Ending Cash Balance for the first year of operations is projected at \$37,508, increasing to \$56,104 in the second year and increasing to \$80,943 in the third year.

Cash Flow Forecast	Yr. 1	Yr. 2	Yr. 3
Cash In			
Sales	\$110,000	\$123,975	\$151,500
Other Income	\$2,300	\$4,000	\$5,750
Loans Requiring Payback	\$0	\$0	\$0
Investments	\$3,500	\$5,000	\$6,500
Total Cash In	\$115,800	\$132,975	\$163,750
Cash Out			
COGS	\$2,661	\$3,459	\$3,959
Other Expenses	\$18,868	\$22,241	\$24,921
Payroll	\$81,532	\$86,308	\$104,258
Cash Paid for Taxes	\$498	\$2,371	\$5,772
Cash Paid for Fixed Assets	\$6,200	\$0	\$0
Loan Principal Payments	\$0	\$0	\$0
Loan Interest Payments	\$0	\$0	\$0
Owners Draws and Dividends	\$0	\$0	\$0
Changes in Other Assets	\$0	\$0	\$0
Total Cash Out	\$109,758	\$114,379	\$138,911
Net and Balance			
Starting Cash Balance	\$31,466	\$37,508	\$56,104
Net Cash Flow	\$6,042	\$18,596	\$24,839
Ending Cash Balance	\$37,508	\$56,104	\$80,943

Cash Flow Detail													Yr. 1
	Mo. 1	Mo. 2	Mo. 3	Mo. 4	Mo. 5	Mo. 6	Mo. 7	Mo. 8	Mo. 9	Mo. 10	Mo. 11	Mo. 12	
Cash In													
Sales	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$10,000
Other Income	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$2,300
Loans Requiring Payback	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$2,300
Investments	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$3,500
Total Cash In	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$9,650	\$115,800
Cash Out													
COGS	\$-89	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$2,661
Other Expenses	\$23	\$1,713	\$1,713	\$1,713	\$1,713	\$1,713	\$1,713	\$1,713	\$1,713	\$1,713	\$1,713	\$1,713	\$18,868
Payroll	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$81,532
Cash Paid for Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$498	\$0	\$0	\$0	\$0	\$0	\$498
Loan Paid for Fixed Assets	\$6,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,200
Loan Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loan Interest Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Owners Draws and Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Changes in Other Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Out	\$12,929	\$8,757	\$8,757	\$8,757	\$8,757	\$8,757	\$9,255	\$8,757	\$8,757	\$8,757	\$8,757	\$8,757	\$109,758
Net and Balance													
Starting Cash Balance	\$31,466	\$28,187	\$29,090	\$29,072	\$30,865	\$31,758	\$32,650	\$33,045	\$33,938	\$34,830	\$35,723	\$36,615	\$31,466
Net Cash Flow	\$-3,279	\$993	\$896	\$896	\$865	\$923	\$895	\$893	\$903	\$903	\$903	\$903	\$8,042
Ending Cash Balance	\$28,187	\$29,080	\$29,972	\$30,865	\$31,756	\$32,650	\$33,045	\$33,938	\$34,850	\$35,723	\$36,615	\$37,508	\$37,508

Balance Sheet Forecast	Yr. 1	Yr. 2	Yr. 3
Current Assets			
Cash	\$37,508	\$56,104	\$80,943
Accounts Receivable	\$0	\$0	\$0
Inventory	\$0	\$0	\$0
Total Current Assets	\$37,508	\$56,104	\$80,943
Fixed Assets			
Fixed Assets	\$6,200	\$6,200	\$6,200
Less Accumulated Depreciation	\$1,240	\$2,480	\$3,720
Net Fixed Assets	\$4,960	\$3,720	\$2,480
Other Assets			
Other Assets	\$0	\$0	\$0
Current Liabilities			
Accounts Payable	\$3,024	\$5,205	\$8,064
Deferred Revenue	\$0	\$0	\$0
Short Term Debt	\$0	\$0	\$0
Total Current Liabilities	\$3,024	\$5,205	\$8,064
Long Term Liabilities			
Long-Term Loans	\$0	\$0	\$0
Total Capital	\$39,444	\$54,619	\$75,359
Totals			
Total Assets	\$42,468	\$59,824	\$83,423
Total Liabilities and Capital	\$42,468	\$59,824	\$83,423



Profit & Loss Detail	Mo. 1	Mo. 2	Mo. 3	Mo. 4	Mo. 5	Mo. 6	Mo. 7	Mo. 8	Mo. 9	Mo. 10	Mo. 11	Mo. 12	Yr. 1
Revenue													
Sales	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$9,167	\$10,000
Other Income	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$192	\$2,300
COGS	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$4,126
Gross Profit	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$8,823	\$105,874
Payroll Expenses													
Salaries	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$6,794	\$81,532
Payroll Taxes and Benefits	\$476	\$476	\$476	\$476	\$476	\$476	\$476	\$476	\$476	\$476	\$476	\$476	\$5,707
Operating Expenses													
Depreciation	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$114
Insurance	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$500
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal and Accounting	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$1,000
Maintenance	\$146	\$146	\$146	\$146	\$146	\$146	\$146	\$146	\$146	\$146	\$146	\$146	\$1,750
Marketing	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$3,500
Supplies	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$3,500
Telephone	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$2,100
Travel	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$2,500
Totals													
Total Operating Expenses	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$8,517	\$102,203
Earnings before Taxes	\$498	\$498	\$498	\$498	\$498	\$498	\$498	\$498	\$498	\$498	\$498	\$498	\$5,971
Income Taxes	\$124	\$124	\$124	\$124	\$124	\$124	\$124	\$124	\$124	\$124	\$124	\$124	\$1,493
Owners Draws/Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained earnings	\$373	\$373	\$373	\$373	\$373	\$373	\$373	\$373	\$373	\$373	\$373	\$373	\$4,478