

Executive Summary

CompuDate is a new company that offers Denver area singles computer-based matchmaking services. CompuDate has purchased the assets of Date MatchMaker and is a sole proprietorship owned by Shamseer and Mohammed Unais.

The Market

CompuDate will target two distinct market segments, 18-35 year olds, and 36-60 year olds. CompuDate's services must appear hip and cool in order to be popular with the younger age group which has a 9% annual growth rate and 54,000 potential customers. CompuDate's services must appear to be effective to appeal to the older age group which has a 11% growth rate and 64,000 possible customers. Having two distinct large groups that CompuDate can market its services to indicates an exciting market opportunity.

Keys to Success

CompuDate has identified three keys to success which will be closely monitored. The first is to know the market. CompuDate is compiling extensive market research to provide it with accurate information regarding its target market. The second is to pick right matches. If CompuDate does not pick the right people, the business will not progress. The last is to ensure sustainable profits. CompuDate will be run with a long-term vision.

Management

CompuDate will be lead by a seasoned manager, Shamseer. shamseer's first job was with Digital Nervous System! working as a Software developer for their web development department. This position provided shamseer with invaluable skills for managing a variety of different projects. After one years Suzie moved over to the dns! Personals division where she got direct experience for the matchmaking

industry which gave Suzie the insight and confidence in developing her own company to compete within this industry.

CompuDate has conservatively forecasted sales for year two, rising in year three. CompuDate will obtain pleasant profit margins for years two and three respectively. CompuDate is an exciting opportunity for a local company to leverage professional computer matchmaking software with seasoned industry management into a sustainable company.

1.1 Keys to Success

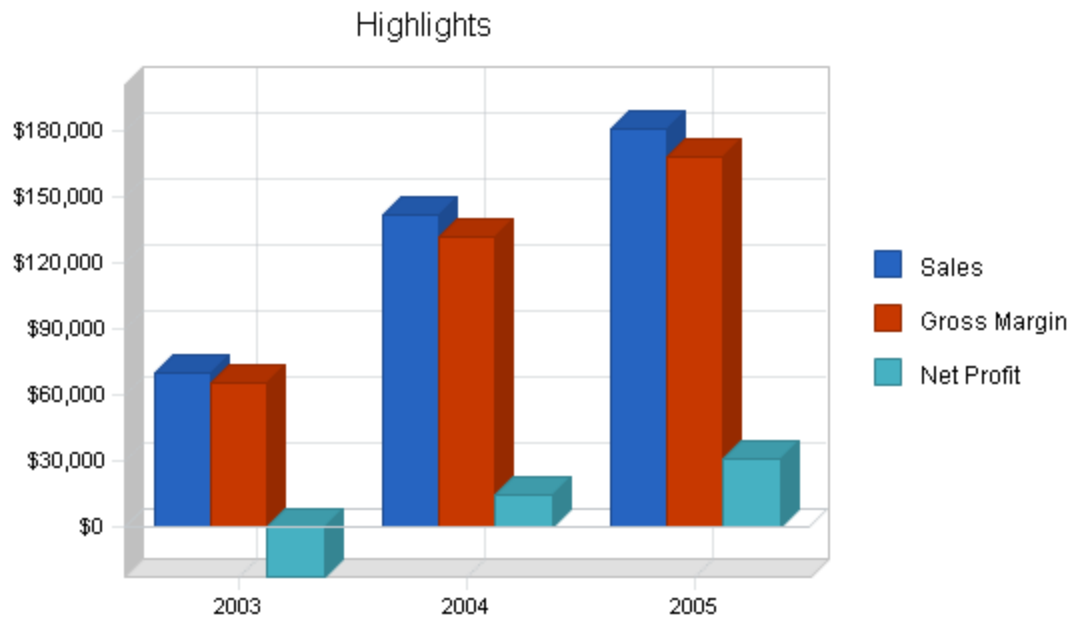
- Know our market.
- Pick the right dates (matches).
- Ensure sustainable profits.

1.2 Objectives

- Become Denver's premier dating service.
- Achieve a 45% success rate in placing clients in long-term relationships.
- Realize the efficiencies and accuracies gained with computer-assisted matchmaking services.

1.3 Mission

It is CompuDate's mission to provide the finest matchmaking services. This will be achieved through reasonable pricing, outstanding customer service, and the most predictive matchmaking services available.



Company Summary

CompuDate is a new company they were interested in getting some cash out of the business, in this case fairly quickly, but did not need to arrive at the exact value that the business was worth. This type of transaction is atypical, generally the business is valued at a multitude of factors including future revenue.

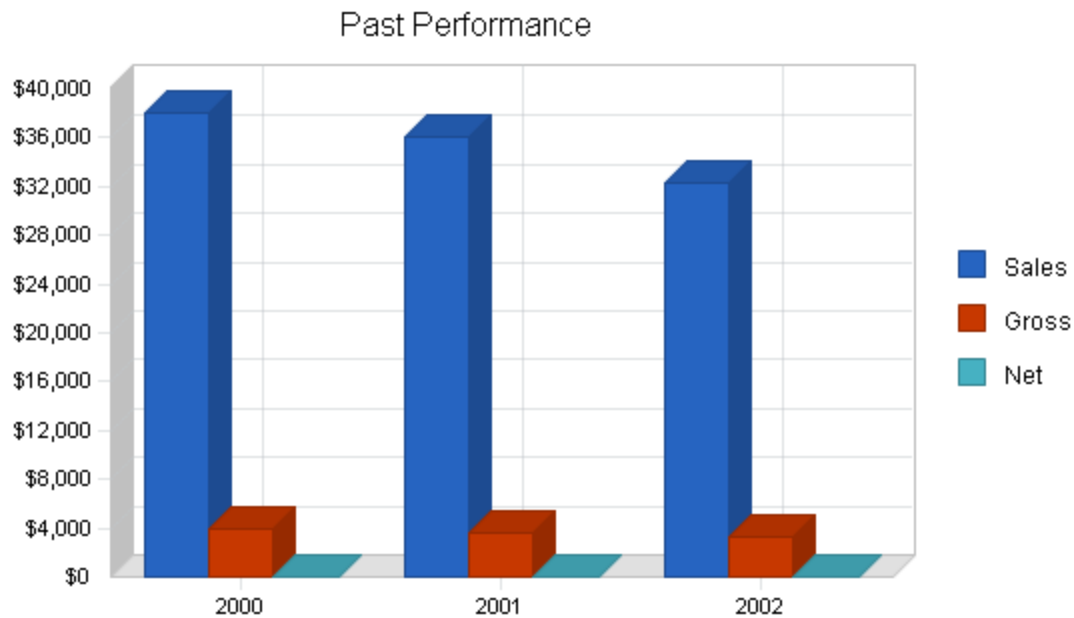
2.1 Company Ownership

CompuDate is a Colorado based "C" corporation owned by Shamseer and Mohammed Unaise.

2.2 Company History

CompuDate is the name of a new computer-based matchmaker service. CompuDate decided that for a small amount of money it could purchase the assets of the former company and make a go of it. By far the most valuable asset

was the customer list. The former company was unsuccessful because it was not good at matchmaking, consequently, it has an existing client base that is still in need of matchmaker services. This makes its customer list valuable for CompuDate.



PAST PERFORMANCE

	2000	2001	2002
Sales	\$37,990	\$35,998	\$32,332
Gross Margin	\$4,001	\$3,566	\$3,321
Gross Margin %	10.53%	9.91%	10.27%

Operating Expenses	\$0	\$0	\$0
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BALANCE SHEET

2000

2001

2002

Current Assets

Cash	\$19,008	\$16,554	\$14,554
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Other Current Assets	\$2,000	\$2,000	\$2,000
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TOTAL CURRENT ASSETS

\$21,008

\$18,554

\$16,554

Long-term Assets

Long-term Assets	\$0	\$0	\$0
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Accumulated Depreciation	\$0	\$0	\$0
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TOTAL LONG-TERM ASSETS

\$0

\$0

\$0

Total Assets	\$21,008	\$18,554	\$16,554
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Current Liabilities

Accounts Payable	\$10,000	\$8,000	\$6,000
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities (interest free)	\$0	\$0	\$0

TOTAL CURRENT LIABILITIES	\$10,000	\$8,000	\$6,000
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Long-term Liabilities	\$0	\$0	\$0
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TOTAL LIABILITIES	\$10,000	\$8,000	\$6,000
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Paid-in Capital	\$0	\$0	\$0
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Retained Earnings	\$11,008	\$10,554	\$10,554
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Earnings	\$0	\$0	\$0
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TOTAL CAPITAL	\$11,008	\$10,554	\$10,554
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Total Capital and Liabilities	\$21,008	\$18,554	\$16,554
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Other Inputs

Payment Days

0

0

0

Services

CompuDate offers computer based matchmaking services. Customers fill out a comprehensive questionnaire/survey and the computer, by making logical connections with people's characteristics and likes and dislikes, makes an estimate as to who might be a good match for this person. The value of the computer is that once a relevant survey has been developed the computer can quickly and accurately make comparisons between applicants and is accurate in its predictive ability, at least from the level of the information provided by the applicants, choose a good date for the person. The following information is some of the information captured by the survey (please note that this is not an exhaustive list):

- Activities enjoyed
- Interests
- Sports
- Hobbies
- Age
- Education
- Religious preferences
- Occupation

Market Analysis Summary

CompuDate has identified two distinct market segments. These segments are identified by age, 18-35 year olds and 36-60 year olds. Recognizing that each group has different goals in a matchmaking service and respond differently to marketing messages, CompuDate will target each group distinctly. In terms of potential customers, the elder group contains more potential customers.

CompuDate is competing against three styles of competitors. The first style of online personal classified such as NikahinKerala.com. The second group is similar to the first however it is not Internet-based, it relies on newspaper ads as the medium form. The last type of competitor is the traditional matchmaker services like the Date MatchMaker that relies on an agency to capture information regarding the applicants and then makes the matches on their own.

4.1 Market Segmentation

CompuDate has segmented their market into two distinct segments. These segments are identified by their age. Demographic and assorted details include:

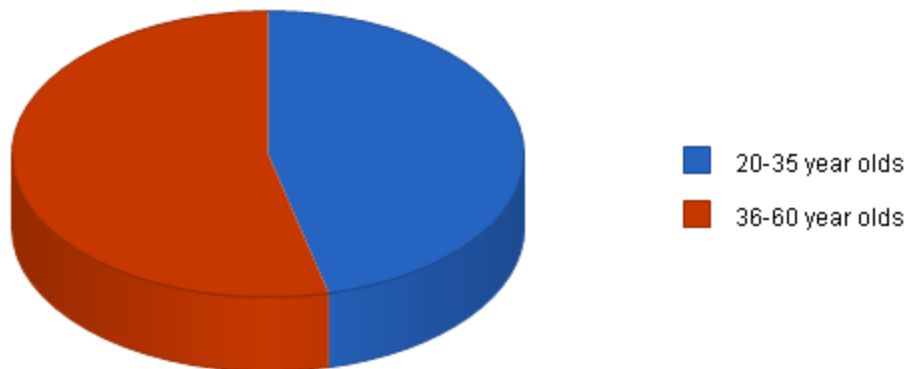
18-35 year olds:

- Incomes of \$35,000- \$85,000.
- 53% have at least some college education.
- 23% have a graduate degree.
- Enjoy spending time with friends.
- Have friends but have difficulty in meeting interesting single people.
- Would prefer not to meet people in bar environments, the typical place people of this age group meet others.

36-60 year olds:

- Incomes of \$55,000- \$100,000.
- 65% of the people have a college degree.
- 41% have been married once.
- As they grow older they have had increased difficulty finding others their age.
- Have a tried a multitude of methods for meeting people, generally unsuccessful.
- Take the position that it cannot hurt to try new methods of meeting people.

Market Analysis (Pie)



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MARKET ANALYSIS

		2003	2004	2005	2006	2007	
Potential Customers	Growth						CAGR
20-35 year olds	9%	54,996	59,946	65,341	71,222	77,632	9.00%
36-60 year olds	11%	64,009	71,050	78,866	87,541	97,171	11.00%
Total	10.09%	119,005	130,996	144,207	158,763	174,803	10.09%

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4.2 Target Market Segment Strategy

Recognizing that the two groups are quite distinct, CompuDate will adopt a different strategy for reaching each. The philosophy realizes that the younger age group is somewhat nervous in using a dating service. For a multitude of reasons, there is the common thought that people of this age group should have no

problem meeting people. CompuDate must appear to be the "hip" new thing, it needs to give off the appearance as being a cool thing to try, not some last resort for singles. Conversely, for the older crowd, it really matters less that this appears to be a hip option, this option must give off the impression that it is effective in finding someone's match. Additionally, each group has different goals that they hope to get out of this service. The younger crowd is looking more for someone to spend time with, a short-term commitment type relationship. The older crowd, facing the realities of companionship are looking for a more long-term relationship.

4.3 Service Business Analysis

The matchmaking industry had been fairly stagnant for a number of years, but within the last three years, with the proliferation of online dating services such as Yahoo! Personals, the entire industry has gotten a new breath of life. More and more people are considering dating services as a viable and exciting option. It is not totally clear as to why the online services would have such a positive impact on the entire industry as opposed to just their segment. Industry experts believe that the online services served as a way of legitimizing the industry as a whole as an effective way of meeting quality people.

4.3.1 Competition and Buying Patterns

- Online services: The competitors in this segment are kiss.com and Yahoo! Personals. These services took the business model of the paper-based system and moved it online to reach a broader audience and generate economies of scale.
- Newspaper-based personals: These competitors have a personal classified system where people write a little ad about themselves and/or who they are looking for and people respond accordingly.
- Traditional matchmaker services: This would be CompuDate's closest competitor, however they do not use a computer for the predictive choices.

Questionnaires are filled out and the workers of the company then determine what matches to make.

Strategy and Implementation Summary

CompuDate's strategy will be the emphasis on its matchmaking system that is more predictive than other systems by analyzing a host of different variables to come up with the most likely candidate. Other systems rely too much on shallow variables such as appearance. While appearance is important, when it is the primary variable, the matchmaking is often temporary. In order to develop a stronger long-term relationship, the other variables must be taken into account. Focus groups indicate that although most people primarily gravitate toward aesthetic considerations, they do so recognizing that this is less than ideal. For whatever reason, when the variables are not longer chosen by the individual themselves but by a service, there is a sense of trust or comfort because it is based on a host of things beyond appearance. Oddly, if people could recognize this and act on their own volition, they would be more predictive themselves in choosing the right people. But as we all know, someone might know what is right but not be able to act appropriately.

5.1 Competitive Edge

CompuDate's competitive edge is its sophisticated computer analysis program that is quite accurate, in choosing matches for people once the requisite information is entered. Having the right information to make the analysis is imperative in coming up with the right choice. Without the right information to analyze, there is no way to expect the computer to make the right match. This competitive edge is a sustainable competitive advantage because of the proprietary programming that was involved to allow the system to make the appropriate analysis. It is believed that this proprietary technology will give CompuDate better results than its competitors.

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5.2 Marketing Strategy

As mentioned before, it is imperative that CompuDate market itself distinctively to the two different market segments. For the younger segment the service must be viewed as the hip choice. CompuDate will use advertisements to increase awareness of CompuDate's offered services. These ads will give off the impression that cool people use CompuDate, that it is not a last resort for singles, but a fun, helpful service to link up with like-minded people. The magazines that will be used for the advertisements will be hip, cool magazines, the trendy rags.

To appeal to the older crowd, CompuDate must come off as a logically reasoned, effective system for choosing mates. CompuDate will emphasize the accuracy of their computer system. It will highlight the detailed information that is collected from the applicants, needed to make an informed choice. It will also be vocal about its success rate which is benchmarked at 45% for long-term relationships, well above the industry average.

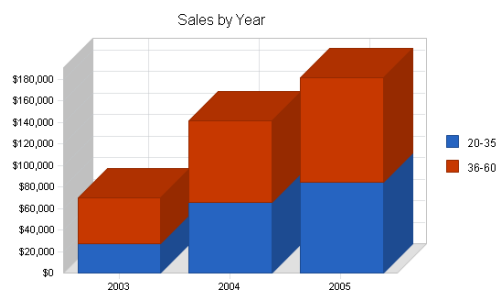
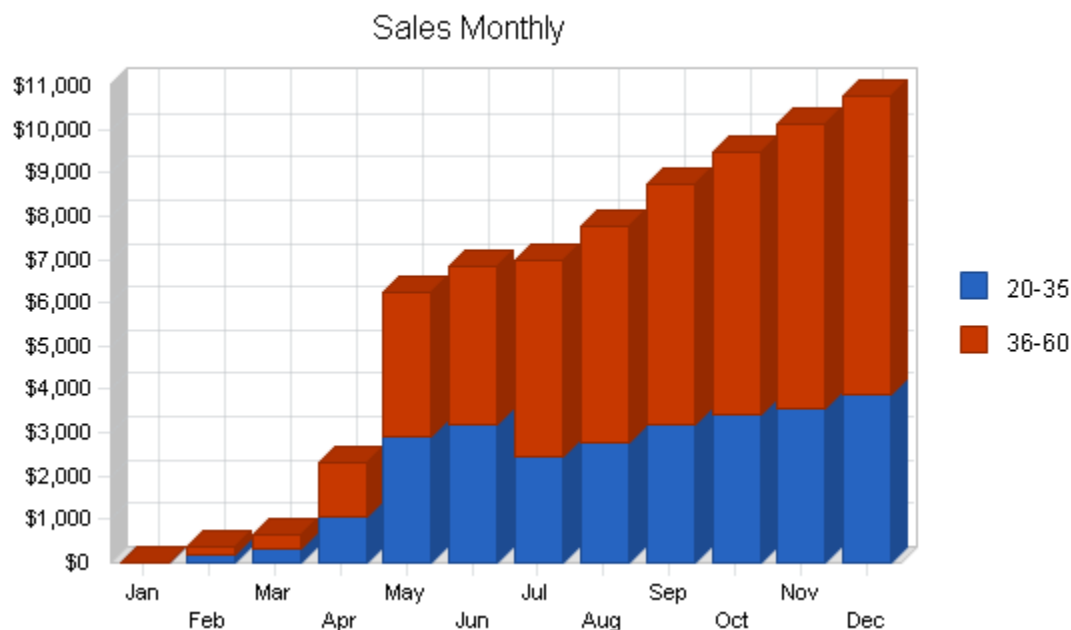
5.3 Sales Strategy

CompuDate's sales strategy will be based on capturing a large number of first time users of this service. This is the goal because CompuDate is confident that it will be much easier (and less expensive) to grow the user base from existing clients than to build it from people that have no connection to CompuDate. This belief is held for two reasons, customers that try CompuDate will be impressed by the effectiveness, regardless if their first experience is a long-term relationship or not, they will see how the computer chooses the matches and that there is an underlying commonality between the choices. Additionally, if CompuDate is as effective as they believe it will be, the current customers will be quite vocal in telling their friends about CompuDate and that will be a strong source of referrals.

Incentives for first time customers will at times be given out, applying this previously mentioned philosophy.

5.3.1 Sales Forecast

Although CompuDate will be purchasing the assets from a pre-existing company, it believes that the first few months of operation will be relatively slow. This will be a function of the need to generate awareness about CompuDate and the fact that this takes time. Profitability will be reached by month 10 with splendiferous sales by year three.



SALES FORECAST

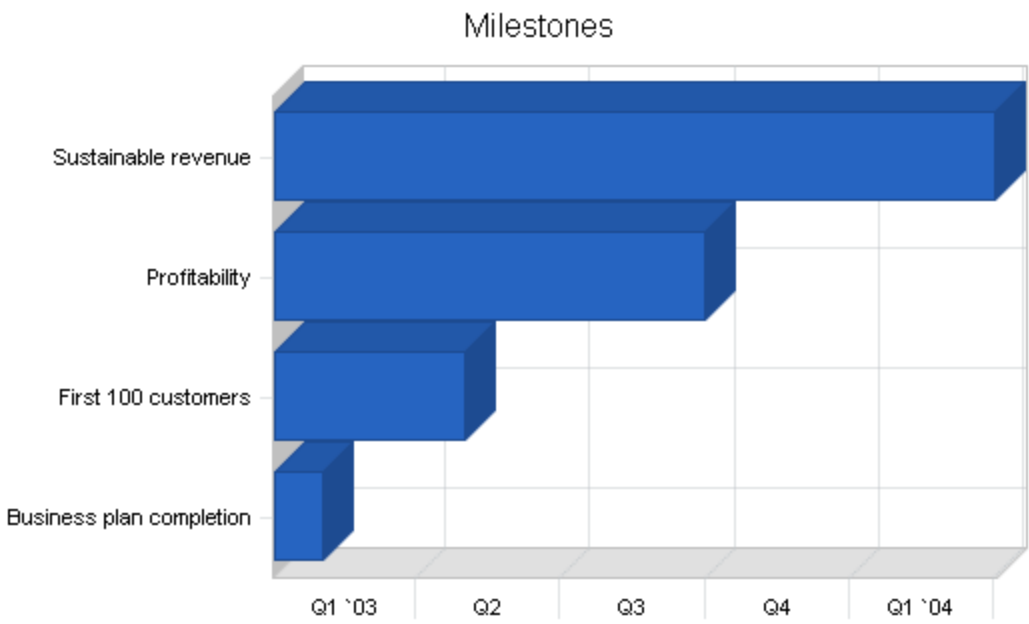
	2003	2004	2005
Sales			
20-35	\$26,924	\$65,907	\$84,379
36-60	\$43,363	\$75,755	\$96,987
TOTAL SALES	\$70,287	\$141,662	\$181,366

Direct Cost of Sales	2003	2004	2005
20-35	\$1,885	\$4,613	\$5,907
36-60	\$3,035	\$5,303	\$6,789
Subtotal Direct Cost of Sales	\$4,920	\$9,916	\$12,696

5.4 Milestones

- Business plan completion

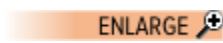
- First 100 customers
- Profitability
- Sustainable revenue



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MILESTONES					
Milestone	Start Date	End Date	Budget	Manager	Department

Business plan completion	1/1/2003	2/1/2003	\$200	Suzie	Operations
First 100 customers	1/1/2003	5/1/2003	\$0	Suzie	Sales
Profitability	1/1/2003	10/1/2003	\$0	Suzie	Accounting
Sustainable revenue	1/1/2003	4/1/2004	\$0	Suzie	Operations
Totals			\$200		

Web Plan Summary

Although CompuDate will be actively using computers for the choosing the matches, its use of computers for the website will fairly limited. The website will be used primarily for informational purposes. Users will not have the option of signing up or filling out the survey online, that all must be done in person at CompuDate's offices.

6.1 Website Marketing Strategy

CompuDate will rely on two methods of generating increased traffic of visitors to its website. The first method is simply the inclusion of the Web address on all forms of literature that CompuDate may hand out. Having the address on these printed forms will certainly encourage more people to check out the website. The second method is the submission of the website and keywords to popular search

engines. This is useful because as users type in CompuDate's name or a related keyword the CompuDate site will come up.

6.2 Development Requirements

CompuDate will utilize a knowledgeable Internet development consultant to complete the site.

Management Summary

Suzie Butterfly received her Bachelor of Arts from Colorado College. Upon graduation she moved out to the West Coast where she went to work at Yahoo! as employee number 234.

Initially she went to work in their search engine division as a project manager. Suzie spent three years in this department, increasing sales by 333%.

After the third year Suzie was looking for a change and moved over to Yahoo! Personals in its infancy. Suzie was a natural here, intuitively knowing how to develop the site to provide the greatest value to individuals.

After two years with Yahoo! personals she was beginning to get burnt out. She wanted to take some time off and then start her own business, being her own boss.

Feeling comfortable financially (a result of stock options exercised), Suzie left Yahoo! and traveled for eight months. Upon returning Suzie settled in Denver hoping to start her own matchmaking business.

Having spent a while in Yahoo! Personals, she saw the market opportunity and thought that she could make a go of it on her own. Upon her return she began

writing a business plan to verify what she believed intuitively, that this could be a profitable (and enjoyable) venture.

7.1 Personnel Plan

The personnel plan is forecasted to have Suzie working exclusively for the first several months, after which she will hire a part-time worker to help with administrative duties.

She will employ a consultant to develop and maintain the website. Suzie will be responsible for operational activities, marketing activities, and some of the accounting. In terms of the operational activities, she will be responsible for vendors relations, customer service, and business development. Suzie will also undertake the marketing activities.

In addition to the marketing activities mentioned in section 5.2, Suzie will make a point to participate in guerrilla marketing which is a grass roots style of marketing where she will be out mingling with perspective customers, "talking up" the services that CompuDate has to offer.

Suzie will also set up the accounting system on QuickBooks Pro. While she will do some of the accounting, much of the general data entry or bookkeeping will be accomplished by the part-time employee.

The employee will be responsible for a wide range of odds and ends activities such as the bookkeeping, customer support, and much of the clerical activities. The leveraging of the part-time employee and consulting assistance will be based on the philosophy that Suzie should only be participating in value-added activities and that she should have a lower paid employee taking care of responsibilities that do not require Suzie's skills or attention to detail.


PERSONNEL PLAN				
	2003	2004	2005	
Suzie	\$30,000	\$40,000	\$50,000	
Part time employee	\$21,000	\$36,000	\$36,000	
TOTAL PEOPLE	3	3	3	
Total Payroll	\$51,000	\$76,000	\$86,000	

Financial Plan

The following sections will outline important financial information.

8.1 Important Assumptions

The following table details important financial assumptions.

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GENERAL ASSUMPTIONS				
	2003	2004	2005	

Plan Month	1	2	3
Current Interest Rate	10.00%	10.00%	10.00%
Long-term Interest Rate	10.00%	10.00%	10.00%
Tax Rate	30.00%	30.00%	30.00%
Other	0	0	0

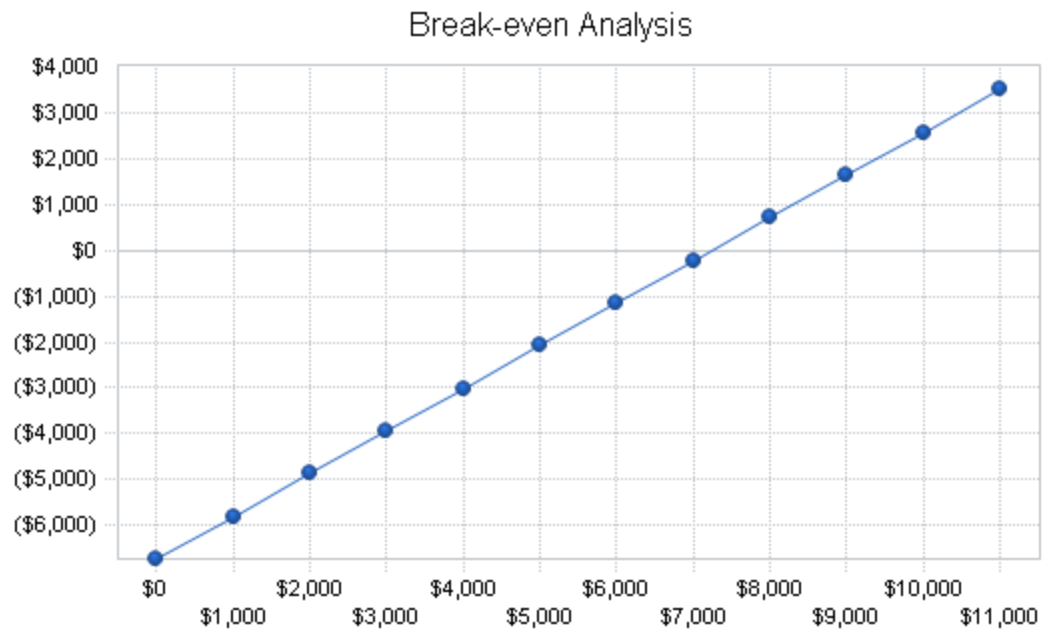
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8.2 Break-even Analysis

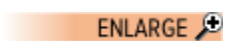
The Break-even Analysis indicates what is needed in monthly revenue to reach the break-even point.



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BREAK-EVEN ANALYSIS

Monthly Revenue Break-even \$7,236

Assumptions:

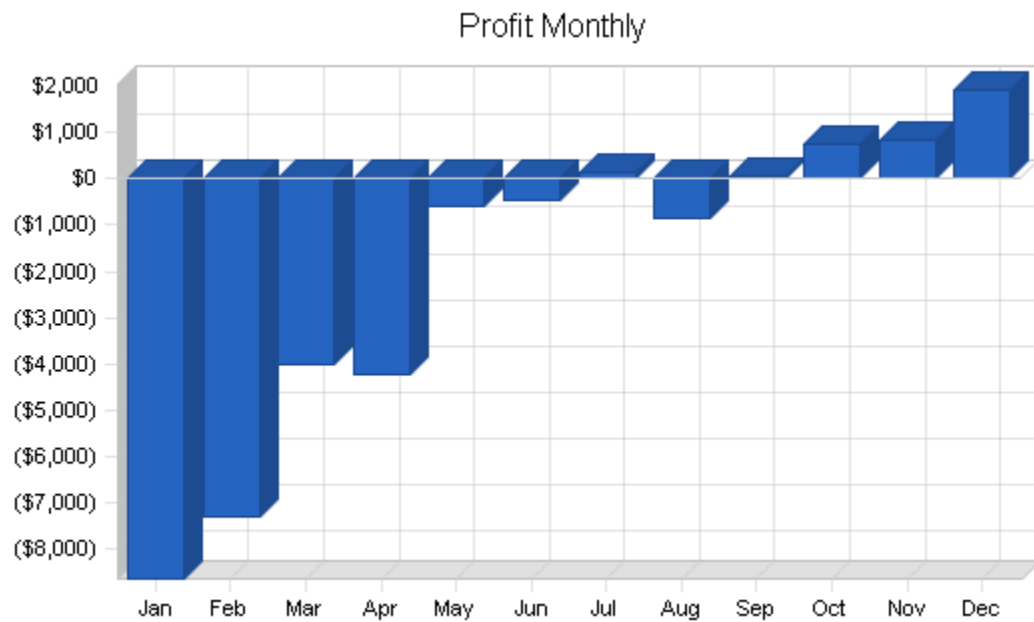
Average Percent Variable Cost 7%

Estimated Monthly Fixed Cost

\$6,729

8.3 Projected Profit and Loss

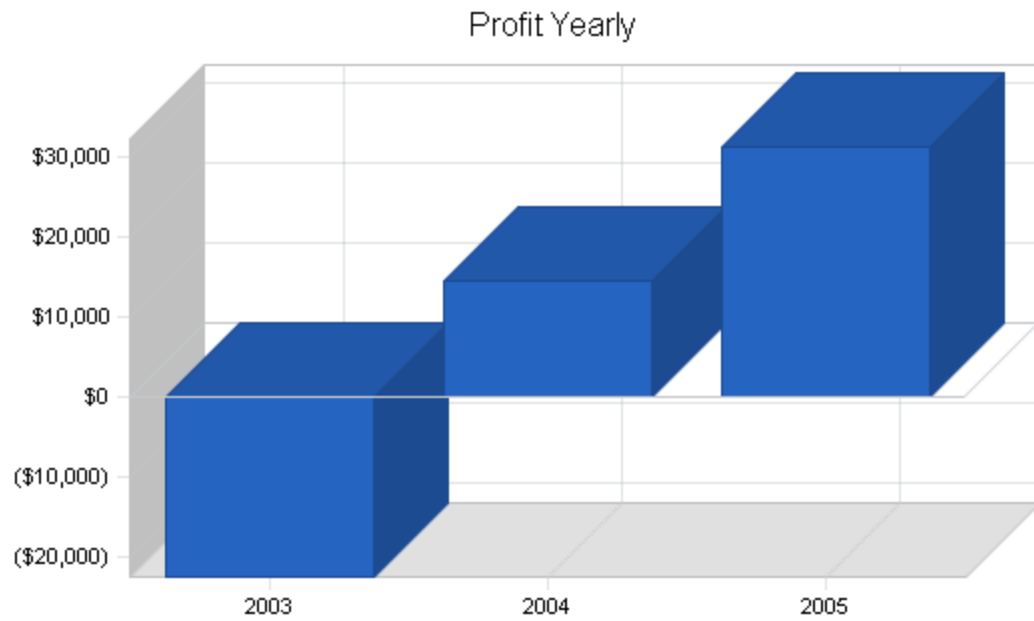
The following table and charts present the Projected Profit and Loss.



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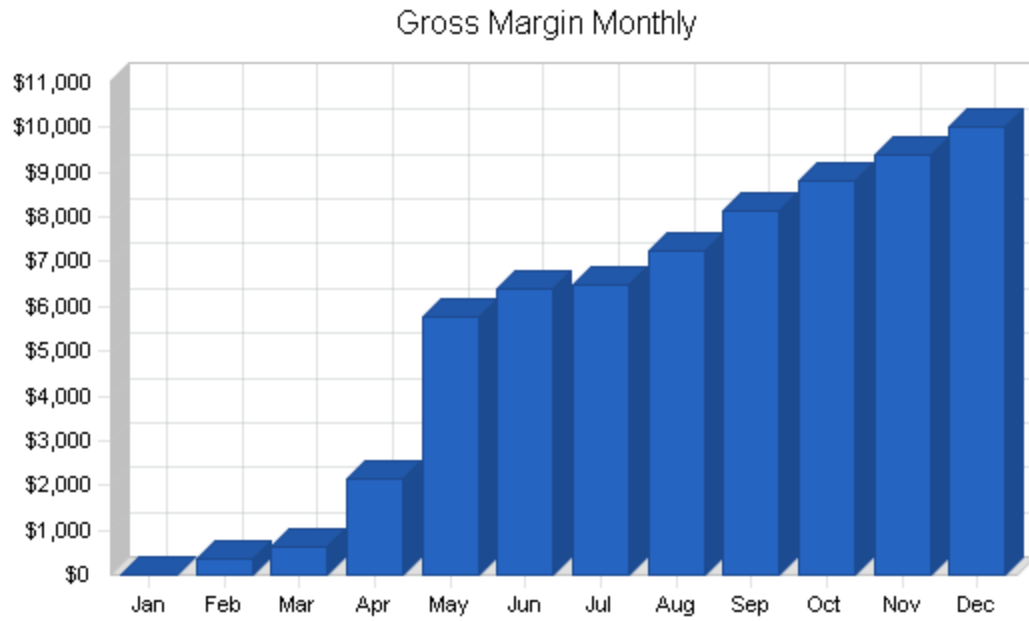
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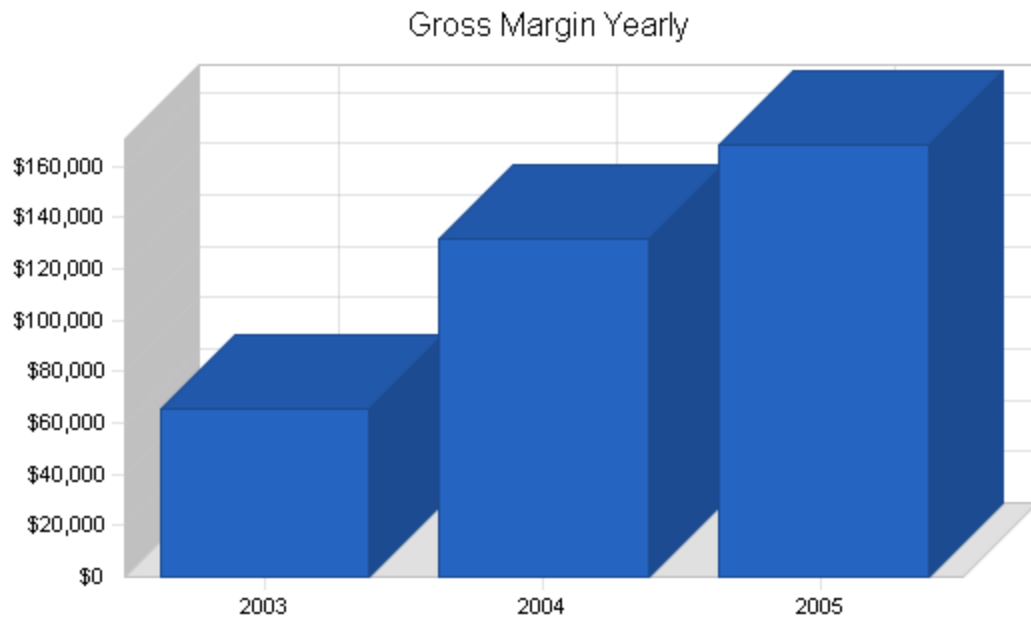
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PRO FORMA PROFIT AND LOSS

	2003	2004	2005
Sales	\$70,287	\$141,662	\$181,366
Direct Cost of Sales	\$4,920	\$9,916	\$12,696

Other Costs of Sales	\$0	\$0	\$0
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TOTAL COST OF SALES	\$4,920	\$9,916	\$12,696
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Gross Margin	\$65,367	\$131,746	\$168,670
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Gross Margin %	93.00%	93.00%	93.00%
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Expenses

Payroll	\$51,000	\$76,000	\$86,000
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Sales and Marketing and Other Expenses	\$3,600	\$4,000	\$4,500
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Depreciation	\$0	\$0	\$0
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Rent	\$6,600	\$6,600	\$6,600
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Utilities	\$2,400	\$2,400	\$2,400
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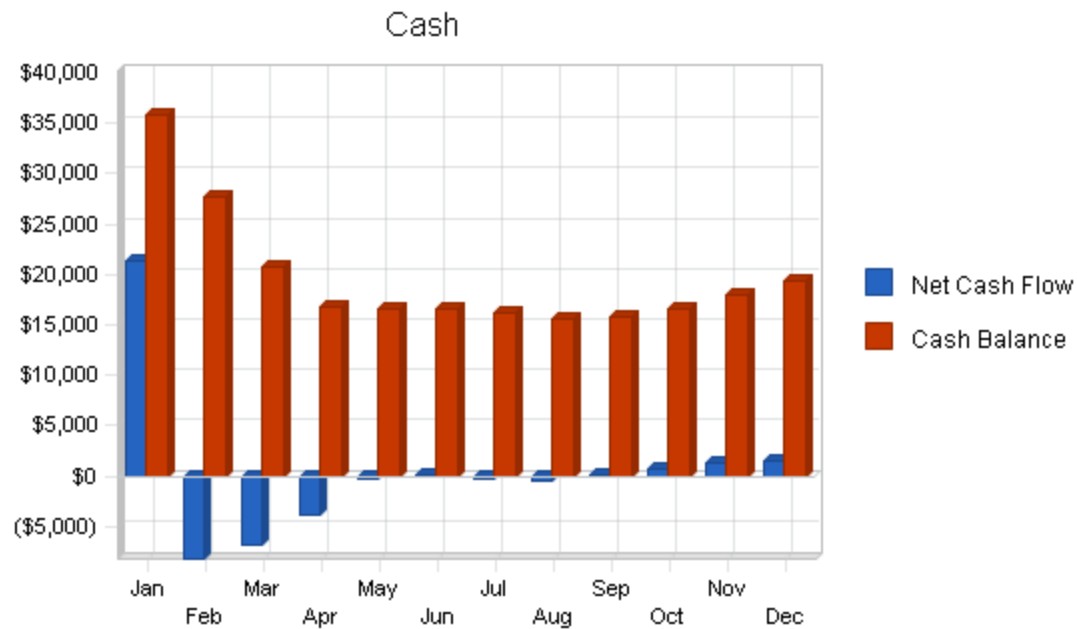
Insurance	\$1,500	\$1,500	\$1,500
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Payroll Taxes	\$7,650	\$11,400	\$12,900
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Website development/maintenance	\$8,000	\$2,000	\$3,000
Total Operating Expenses	\$80,750	\$103,900	\$116,900
Profit Before Interest and Taxes	(\$15,383)	\$27,846	\$51,770
EBITDA	(\$15,383)	\$27,846	\$51,770
Interest Expense	\$7,000	\$7,000	\$7,000
Taxes Incurred	\$0	\$6,254	\$13,431
Net Profit	(\$22,383)	\$14,592	\$31,339
Net Profit/Sales	-31.85%	10.30%	17.28%

8.4 Projected Cash Flow

The following table and chart will indicate Projected Cash Flow. Please note that during the month of January there was a cash infusion. This was an investment that Suzie made into the business. Please also note that there was an increase of long-term liabilities. This can be broken down into the purchase of the existing business and needed start-up equipment.



PRO FORMA CASH FLOW

	2003	2004	2005
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Cash Received

Cash from Operations

Cash Sales	\$70,287	\$141,662	\$181,366
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SUBTOTAL CASH FROM OPERATIONS	\$70,287	\$141,662	\$181,366
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Additional Cash Received

Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$70,000	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0

SUBTOTAL CASH RECEIVED	\$140,287	\$141,662	\$181,366
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Expenditures	2003	2004	2005
Expenditures from Operations			
Cash Spending	\$51,000	\$76,000	\$86,000
Bill Payments	\$44,445	\$50,097	\$62,962

SUBTOTAL SPENT ON OPERATIONS	\$95,445	\$126,097	\$148,962
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Additional Cash Spent

Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
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Principal Repayment of Current Borrowing	\$0	\$0	\$0
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Other Liabilities Principal Repayment	\$0	\$0	\$0
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Long-term Liabilities Principal Repayment	\$0	\$0	\$0
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Purchase Other Current Assets	\$0	\$0	\$0
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Purchase Long-term Assets	\$40,000	\$0	\$0
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Dividends	\$0	\$0	\$0
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SUBTOTAL CASH SPENT	\$135,445	\$126,097	\$148,962
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Net Cash Flow	\$4,842	\$15,564	\$32,404
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Cash Balance	\$19,396	\$34,960	\$67,364
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8.5 Projected Balance Sheet

The following table will indicate the Projected Balance Sheet.

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PRO FORMA BALANCE SHEET

	2003	2004	2005
Assets			
Current Assets			
Cash	\$19,396	\$34,960	\$67,364
Other Current Assets	\$2,000	\$2,000	\$2,000
TOTAL CURRENT ASSETS	\$21,396	\$36,960	\$69,364
Long-term Assets			
Long-term Assets	\$40,000	\$40,000	\$40,000
Accumulated Depreciation	\$0	\$0	\$0

TOTAL LONG-TERM ASSETS	\$40,000	\$40,000	\$40,000
TOTAL ASSETS	\$61,396	\$76,960	\$109,364

Liabilities and Capital	2003	2004	2005
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Current Liabilities

Accounts Payable	\$3,225	\$4,198	\$5,262
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Current Borrowing	\$0	\$0	\$0
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Other Current Liabilities	\$0	\$0	\$0
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SUBTOTAL CURRENT LIABILITIES	\$3,225	\$4,198	\$5,262
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Long-term Liabilities	\$70,000	\$70,000	\$70,000
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TOTAL LIABILITIES	\$73,225	\$74,198	\$75,262
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Paid-in Capital	\$0	\$0	\$0
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Retained Earnings	\$10,554	(\$11,829)	\$2,763
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Earnings	(\$22,383)	\$14,592	\$31,339
TOTAL CAPITAL	(\$11,829)	\$2,763	\$34,102
TOTAL LIABILITIES AND CAPITAL	\$61,396	\$76,960	\$109,364
Net Worth	(\$11,829)	\$2,763	\$34,102

8.6 Business Ratios

The following table details common business ratios of this business as well as the Personal Services Industry, NAICS code 812990. Please note that the variance of current assets of this company and the industry can be explained that the bulk of CompuDate's value is in its software and that it is not in need of many other assets.

ENLARGE 

RATIO ANALYSIS

	2003	2004	2005	INDUSTRY PROFILE
Sales Growth	117.39%	101.55%	28.03%	9.31%

Percent of Total Assets

Other Current Assets	3.26%	2.60%	1.83%	51.05%
Total Current Assets	34.85%	48.03%	63.43%	68.55%
Long-term Assets	65.15%	51.97%	36.57%	31.45%

TOTAL ASSETS	100.00%	100.00%	100.00%	100.00%
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Current Liabilities	5.25%	5.45%	4.81%	27.03%
Long-term Liabilities	114.01%	90.96%	64.01%	35.17%
Total Liabilities	119.27%	96.41%	68.82%	62.20%

NET WORTH	-19.27%	3.59%	31.18%	37.80%
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Percent of Sales

Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	93.00%	93.00%	93.00%	49.13%

Selling, General & Administrative Expenses	124.85%	82.70%	75.72%	25.78%
Advertising Expenses	0.00%	0.00%	0.00%	1.18%
Profit Before Interest and Taxes	-21.89%	19.66%	28.54%	4.34%
Main Ratios				
Current	6.63	8.81	13.18	1.85
Quick	6.63	8.81	13.18	1.42
Total Debt to Total Assets	119.27%	96.41%	68.82%	66.03%
Pre-tax Return on Net Worth	189.22%	754.48%	131.28%	6.63%
Pre-tax Return on Assets	-36.46%	27.09%	40.94%	19.52%
Additional Ratios	2003	2004	2005	
Net Profit Margin	-31.85%	10.30%	17.28%	n.a
Return on Equity	0.00%	528.14%	91.90%	n.a

Activity Ratios

Accounts Payable Turnover	12.92	12.17	12.17	n.a
Payment Days	31	27	27	n.a
Total Asset Turnover	1.14	1.84	1.66	n.a

Debt Ratios

Debt to Net Worth	0.00	26.86	2.21	n.a
Current Liab. to Liab.	0.04	0.06	0.07	n.a

Liquidity Ratios

Net Working Capital	\$18,171	\$32,763	\$64,102	n.a
Interest Coverage	-2.20	3.98	7.40	n.a

Additional Ratios

Assets to Sales	0.87	0.54	0.60	n.a
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Current Debt/Total Assets	5%	5%	5%	n.a
Acid Test	6.63	8.81	13.18	n.a
Sales/Net Worth	0.00	51.27	5.32	n.a
Dividend Payout	0.00	0.00	0.00	n.a

Appendix

ENLARGE

SALES FORECAST

JAN

FEB

MAR

APR

MAY

JUN

JUL

AUG

SEP

OCT

NOV

DE

Sales

20-35

0%

\$0

\$174

\$308

\$1,072

\$2,893

\$3,189

\$2,432

\$2,788

\$3,212

\$3,434

\$3,545

\$3,87

36-60

0%

\$0

\$200

\$354

\$1,232

\$3,325

\$3,665

\$4,556

\$4,989

\$5,545

\$6,054

\$6,565

\$6,87

TOTAL SALES

\$0

\$374

\$662

\$2,304

\$6,218

\$6,854

\$6,988

\$7,777

\$8,757

\$9,488

\$10,110

\$10,75

Direct Cost of Sales

Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

De

20-35	\$0	\$12	\$22	\$75	\$202	\$223	\$170	\$195	\$225	\$240	\$248	\$27
36-60	\$0	\$14	\$25	\$86	\$233	\$257	\$319	\$349	\$388	\$424	\$460	\$48
Subtotal Direct Cost of Sales	\$0	\$26	\$46	\$161	\$435	\$480	\$489	\$544	\$613	\$664	\$708	\$75

Need real financials?

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[Create your own business plan](#)

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PERSONNEL PLAN

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Suzie	0%	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Part time employee	0%	\$0	\$0	\$0	\$1,500	\$1,500	\$1,500	\$1,500	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
TOTAL PEOPLE		1	1	1	2	2	2	2	3	3	3	3	3
Total Payroll		\$2,500	\$2,500	\$2,500	\$4,000	\$4,000	\$4,000	\$4,000	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500

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GENERAL ASSUMPTIONS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Plan Month	1	2	3	4	5	6	7	8	9	10	11	12
Current Interest Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Long-term Interest Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Tax Rate	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Other	0	0	0	0	0	0	0	0	0	0	0	0

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PRO FORMA PROFIT AND LOSS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Sales	\$0	\$374	\$662	\$2,304	\$6,218	\$6,854	\$6,988	\$7,777	\$8,757	\$9,488	\$10,110	\$10,756
Direct Cost of Sales	\$0	\$26	\$46	\$161	\$435	\$480	\$489	\$544	\$613	\$664	\$708	\$753
Other Costs of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COST OF SALES	\$0	\$26	\$46	\$161	\$435	\$480	\$489	\$544	\$613	\$664	\$708	\$753
Gross Margin	\$0	\$348	\$616	\$2,143	\$5,783	\$6,374	\$6,499	\$7,233	\$8,144	\$8,824	\$9,402	\$10,003

Gross Margin %		0.00%	93.00%	93.00%	93.00%	93.00%	93.00%	93.00%	93.00%	93.00%	93.00%	93.00%	93.00%
Expenses													
Payroll		\$2,500	\$2,500	\$2,500	\$4,000	\$4,000	\$4,000	\$4,000	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500
Sales and Marketing and Other Expenses		\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Depreciation		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent		\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550
Utilities		\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Insurance		\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125
Payroll Taxes	15%	\$375	\$375	\$375	\$600	\$600	\$600	\$600	\$825	\$825	\$825	\$825	\$825
Website development/maintenance		\$4,000	\$3,000	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$0	\$500	\$0
Total Operating Expenses		\$8,050	\$7,050	\$4,050	\$5,775	\$5,775	\$6,275	\$5,775	\$7,500	\$7,500	\$7,500	\$8,000	\$7,500
Profit Before Interest and Taxes		(\$8,050)	(\$6,702)	(\$3,434)	(\$3,632)	\$8	\$99	\$724	(\$267)	\$644	\$1,324	\$1,402	\$2,503
EBITDA		(\$8,050)	(\$6,702)	(\$3,434)	(\$3,632)	\$8	\$99	\$724	(\$267)	\$644	\$1,324	\$1,402	\$2,503
Interest Expense		\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583
Taxes Incurred		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit		(\$8,633)	(\$7,286)	(\$4,018)	(\$4,216)	(\$576)	(\$485)	\$141	(\$851)	\$61	\$741	\$819	\$1,920
Net Profit/Sales		0.00%	-	-	-	-9.26%	-7.07%	2.01%	-	0.69%	7.80%	8.10%	17.85%
			1948.00%	606.92%	182.99%				10.94%				

PRO FORMA CASH FLOW

[illegible]

[illegible][illegible][illegible]

Expenditures
from
Operations

[illegible]

Bill Payments	\$6,204	\$6,101	\$5,060	\$2,191	\$2,529	\$2,812	\$3,322	\$2,857	\$3,130	\$3,198	\$3,266	\$3,7
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SUBTOTAL SPENT ON OPERATIONS	\$8,704	\$8,601	\$7,560	\$6,191	\$6,529	\$6,812	\$7,322	\$8,357	\$8,630	\$8,698	\$8,766	\$9,200
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Additional
Cash Spent

[illegible][illegible][illegible]

Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Principal Repayment												
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Purchase Long-term Assets	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
SUBTOTAL CASH SPENT	\$48,704	\$8,601	\$7,560	\$6,191	\$6,529	\$6,812	\$7,322	\$8,357	\$8,630	\$8,698	\$8,766	\$9,234
Net Cash Flow	\$21,296	(\$8,227)	(\$6,898)	(\$3,887)	(\$311)	\$42	(\$334)	(\$580)	\$127	\$790	\$1,344	\$1,423
Cash Balance	\$35,850	\$27,623	\$20,724	\$16,837	\$16,526	\$16,568	\$16,234	\$15,655	\$15,782	\$16,572	\$17,916	\$19,339

[illegible]

TOTAL CURRENT ASSETS	\$16,554	\$37,850	\$29,623	\$22,724	\$18,837	\$18,526	\$18,568	\$18,234	\$17,655	\$17,782	\$18,572	\$19,916
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Long-term
Assets

[illegible][illegible][illegible]

TOTAL ASSETS	\$16,554	\$77,850	\$69,623	\$62,724	\$58,837	\$58,526	\$58,568	\$58,234	\$57,655	\$57,782	\$58,572	\$59,916
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Liabilities and Capital

Current
Liabilities

Accounts Payable	\$6,000	\$5,929	\$4,988	\$2,107	\$2,436	\$2,700	\$3,227	\$2,753	\$3,023	\$3,090	\$3,139	\$3,665
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TOTAL LIABILITIES	\$6,000	\$75,929	\$74,988	\$72,107	\$72,436	\$72,700	\$73,227	\$72,753	\$73,023	\$73,090	\$73,139	\$73,665
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Paid-in Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Retained Earnings	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554	\$10,554
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Earnings	\$0	(\$8,633)	(\$15,919)	(\$19,937)	(\$24,152)	(\$24,728)	(\$25,213)	(\$25,072)	(\$25,923)	(\$25,862)	(\$25,122)	(\$24,303)
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TOTAL CAPITAL	\$10,554	\$1,921	(\$5,365)	(\$9,383)	(\$13,598)	(\$14,174)	(\$14,659)	(\$14,518)	(\$15,369)	(\$15,308)	(\$14,568)	(\$13,749)
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TOTAL LIABILITIES AND CAPITAL	\$16,554	\$77,850	\$69,623	\$62,724	\$58,837	\$58,526	\$58,568	\$58,234	\$57,655	\$57,782	\$58,572	\$59,916
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Net Worth	\$10,554	\$1,921	(\$5,365)	(\$9,383)	(\$13,598)	(\$14,174)	(\$14,659)	(\$14,518)	(\$15,369)	(\$15,308)	(\$14,568)	(\$13,749)
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