



January 2001

This sample business plan has been made available to users of *Business Plan Pro*[™], business planning software published by Palo Alto Software. Names, locations and numbers may have been changed, and substantial portions of text may have been omitted from the original plan to preserve confidentiality and proprietary information.

You are welcome to use this plan as a starting point to create your own, but you do not have permission to reproduce, publish, distribute or even copy this plan as it exists here.

Requests for reprints, academic use, and other dissemination of this sample plan should be emailed to the marketing department of Palo Alto Software at marketing@paloalto.com. For product information visit our Website: www.paloalto.com or call: 1-800-229-7526.

Copyright Palo Alto Software, Inc., 1995-2002

Confidentiality Agreement

The undersigned reader acknowledges that the information provided by _____ in this business plan is confidential; therefore, reader agrees not to disclose it without the express written permission of _____.

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

Upon request, this document is to be immediately returned to _____.

Signature

Name (typed or printed)

Date

This is a business plan. It does not imply an offering of securities.

Table of Contents

1.0	Executive Summary	1
1.1	Mission	2
1.2	Keys To Success	3
2.0	Company Summary	3
2.1	Company Ownership	3
3.0	Start-Up Summary	3
4.0	Service Description	4
5.0	Market Analysis	4
5.1	Market Segmentation	5
5.2	Target Market Segment Strategy	6
5.3	Market Needs	6
5.4	Service Business Analysis	6
5.5	Competition and Buying Patterns	6
6.0	Strategy and Implementation	7
6.1	Competitive Edge	7
6.2	Sales Strategy	7
7.0	Management Team	9
7.1	Personnel Plan	9
8.0	Financial Plan	10
8.1	Break-even Analysis	10
8.2	Projected Profit and Loss	11
8.3	Projected Cash Flow	12
8.4	Projected Balance Sheet	13
8.5	Business Ratios	14

Business Solutions Consulting

1.0 Executive Summary

Introduction

Business Solutions Consulting (BSC) is a start-up consulting firm focused on serving the comprehensive needs of businesses in the full range of the business cycle. With a core staff of experienced professionals and a team approach to most consulting projects, BSC will be able to offer a more balanced quality service than many of its competitors.

The Company

Business Solutions Consulting is a team of six business consultants. Each consultant specializes in a particular discipline, including finance, sales and marketing, technology, management, operations, and human resources.

BSC offers a list of services for business owners to choose from, depending on their particular business needs. This includes; business and marketing plan preparation, financial search and procurement, IT consulting services, management development, human resources advising, and etc.

BSC will have a focus on start-up businesses, preferably in the earlier stages of operation. Small and mid-sized businesses make up a sizable majority of U.S. and international markets. BSC prefers to establish a relationship with a younger operation and continue to nurture that relationship over the long term.

BSC will be established as an Oregon based LLC with two principal partners, each of whom owns a 50% share in the company. Mr. Andrew B. Christiansen has extensive experience in business planning and finance, including CFO positions with ABC Conglomerate and DEF International. Mr. David E. Fields brings in experience in the area of marketing, advertising, and communications.

The Market

The business consulting industry is very fragmented. Several large multinational companies dominate the industry while many smaller (and often more specialized) firms occupy their market niches. Major management consulting companies, such as McKinsey, Bain, and Boston Consulting Group, have established their dominant position by providing services to the leading companies in various industries. Consulting practices of the major accounting firms (a.k.a. the Big Five) have established worldwide presence and sell their packaged services to companies of different sizes and industries. At the same time, numerous firms and individual business consultants prosper in the market niches that bigger players consider unprofitable to enter.

Start-up companies are the target market of this firm. BSC intends to stay on the pulse of new business activity within the local area. Additionally, business contacts, referrals from among the group, and Internet marketing efforts will be made in pursuit of new clients. Start-up companies are attractive because owners often lack the broad range of knowledge and expertise required to launch a new business. There is a serious need in the marketplace, and certainly a significant demand for, these types of start-up consulting services.

Competitors in the forefront of the marketplace typically offer many of the services that BCS has. These services include information-based consulting, integration and management services. Services are designed to increase clients' operations effectiveness through reduced cost, improved customer service, enhanced quality of current product lines and services, and a more rapid introduction of new products and services. Competitors also offer industry-specific expertise to objectively evaluate, select, develop, implement, and manage information systems, networks, and applications.

Consulting firms BSC is competing with include regional and specialty consulting firms, as

Business Solutions Consulting

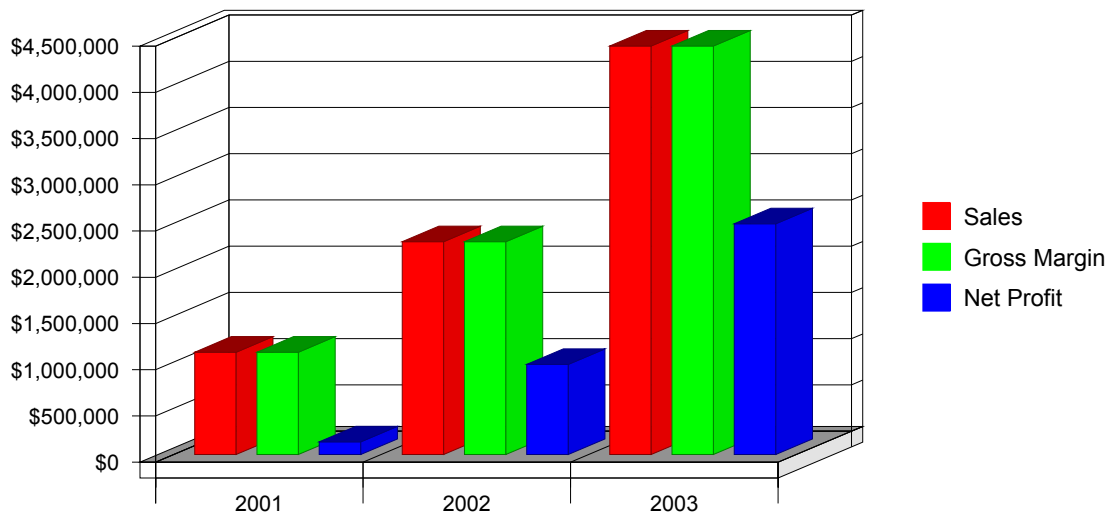
well as the consulting groups of international accounting firms such as KPMG LLP, Ernst & Young LLP, Deloitte & Touche LLP, PricewaterhouseCoopers LLP, and Andersen Consulting. In its management and IT consulting services, BSC competes with information system vendors such as HBO & Company, Inc., Integrated Systems Solution Corporation, Electronic Data Systems Corporation, Perot Systems Corporation, SAIC, CAP Gemini America, Inc., and Computer Sciences Corporation. In e-commerce-related services, BSC competes with the traditional competitors, as well as newer, Internet product and service companies such as Razorfish, Scient, TriZetto, and Viant.

Financial

BSC's co-owners, Andrew B. Christiansen and David E. Fields, will each provide \$50,000 that will cover the bulk of the start-up expenses. The rest of the required financing will come from the Small Business Administration (SBA) 10-year loan in the amount of \$100,000. Combined, these funds will be sufficient to cover the company's expenses throughout the first year of operations, which is the most critical from the cash flow standpoint.

BSC's Break-even Analysis is based on the average of the first-year figures for total sales by salaries, bonuses costs, and all other operating expenses. Such analysis shows that BSC will break-even by the tenth month of operations.

Highlights



1.1 Mission

Business Solutions Consulting aims to offer comprehensive consulting services. BSC will focus on providing personal and specialized services to meet each client's specific needs.

Business Solutions Consulting

1.2 Keys To Success

BSC's keys to success include:

1. A group of professionals with a broad range of specialty areas that complement each other.
2. A high level of experience in these specialty areas.
3. A team approach on most consulting projects.
4. Many business contacts among the consultant group.

2.0 Company Summary

Business Solutions Consulting is a startup firm, which will focus on providing a wide range of business consulting services to other startups and companies in early stages of their operations. Business Solutions Consulting is a team of six Business Consultants. Each consultant specializes in a particular discipline, including finance, sales and marketing, technology, management, operations, and human resources.

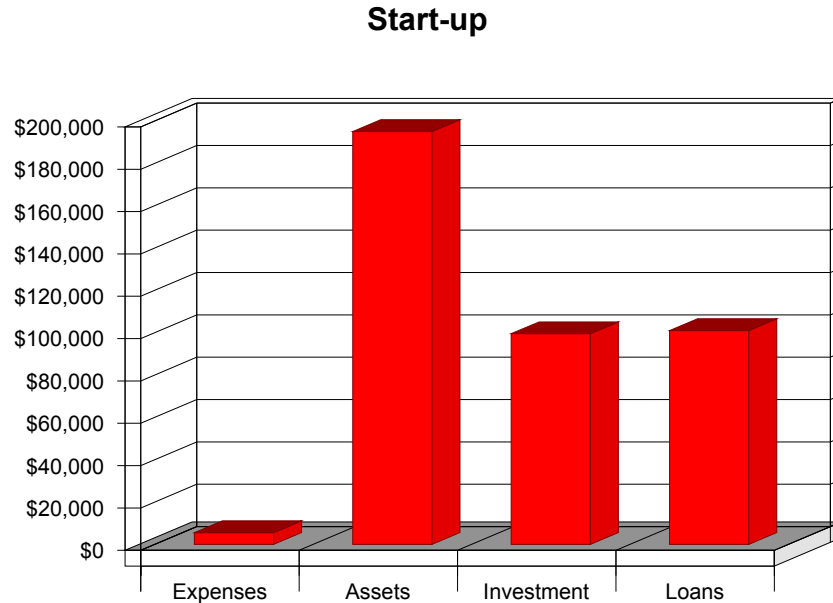
2.1 Company Ownership

Business Solutions Consulting was registered in September, 2000 as an Oregon LLC, equally owned by Andrew B. Christiansen and David E. Fields.

3.0 Start-Up Summary

BSC's co-owners, Andrew B. Christiansen and David E. Fields, will each provide \$50,000 that will cover the bulk of the start-up expenses. The rest of the required financing will come from the Small Business Administration (SBA) 10-year loan in the amount of \$100,000. Combined, these funds will be sufficient to cover the company's expenses throughout the first year of operations, which is the most critical from the cash flow standpoint.

The following chart and table contain projected initial start-up cost data.



4.0 Service Description

BSC offers a list of services for business owners to choose from, depending on their particular business needs.

Start-up services include business plan preparation, marketing plan preparation, and financing search and procurement. Ongoing services include business plan updates, marketing plan updates, search and procurement of additional rounds of financing, management development, IT consulting services, e-commerce consulting services, operational advising, and human resources advising.

BSC is flexible, working with its clients in the fashion preferred by the client, be it on-site, remotely, or a combination of both. BSC typically works on a project in a team fashion to assist the client in all areas of the business simultaneously. This allows for all parties involved to be in sync in terms of understanding the interconnections of all functional areas of the business.

5.0 Market Analysis

BSC will have a focus on start-up businesses, preferably in the earlier stages of operation. Small and mid-sized businesses make up a sizable majority of U.S. and international markets. BSC prefers to establish a relationship with a younger operation and continue to nurture that relationship for the long term. The following chart and table show BSC's projected target markets and their growth for the first three years of this plan.

Market Analysis (Pie)

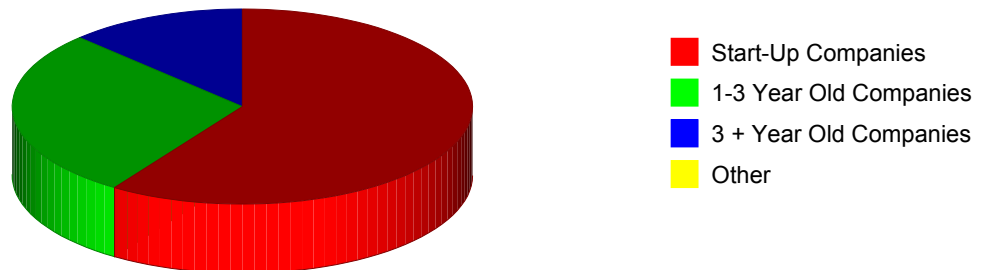


Table: Market Analysis

Market Analysis							
Potential Customers	Growth	2001	2002	2003	2004	2005	CAGR
Start-Up Companies	10%	1,900,000	2,090,000	2,299,000	2,528,900	2,781,790	10.00%
1-3 Year Old Companies	8%	900,000	972,000	1,049,760	1,133,741	1,224,440	8.00%
3 + Year Old Companies	6%	400,000	424,000	449,440	476,406	504,990	6.00%
Other	0%	0	0	0	0	0	0.00%
Total	8.96%	3,200,000	3,486,000	3,798,200	4,139,047	4,511,220	8.96%

5.1 Market Segmentation

Start-Ups

Start-up companies often are in need of expert advice and planning in initiating a successful start-up. It is believed that a majority of start-ups actually seek out consulting assistance. Those that do typically are searching for a comprehensive area of services.

1-3 Year Old Companies

Young companies, between 1 and 3 years old are less likely to be searching for expert business consulting services. Typically, they have already secured financing and have developed a satisfactory level of security. However, these businesses are still in the beginnings of their overall cycle and in most cases need the broad expertise of a team of expert consultants.

3 + Year-Old Companies

Established companies make up the final segment, and is significantly smaller than the start-up segment. The established company segment typically has a need for a less comprehensive range of services. These entities are in need of specialized services in one or two disciplines, e.g., operational planning or human resources.

5.2 Target Market Segment Strategy

Start-up companies are the target market of this firm. BSC intends to stay on the pulse of new business activity within the local area. Additionally, business contacts, referrals from among the group, and Internet marketing efforts will be made in pursuit of new clients.

5.3 Market Needs

Start-up company owners often lack the broad range of knowledge and expertise required to launch a new business. There is a serious need in the marketplace, and certainly a significant demand for, these types of start-up consulting services.

5.4 Service Business Analysis

The business consulting industry is very fragmented. Several large multi-national companies dominate the industry while many smaller (and often more specialized) firms occupy their market niches. Major management consulting companies, such as McKinsey, Bain, and Boston Consulting Group, have established their dominant position by providing services to the leading companies in various industries. Consulting practices of the major accounting firms (a.k.a. the Big Five) have established worldwide presence and sell their packaged services to companies of different sizes and industries. At the same time, numerous firms and individual business consultants prosper in the market niches that bigger players consider unprofitable to enter.

5.5 Competition and Buying Patterns

Competitors in the forefront of the marketplace typically offer information-based consulting, integration and management services. Services are designed to increase clients' operations effectiveness through reduced cost, improved customer service, enhanced quality of current product lines and services, and a more rapid introduction of new products and services. Competitors also offer industry-specific expertise to objectively evaluate, select, develop, implement, and manage information systems, networks, and applications.

Consulting services are becoming more focused on technology-based solutions to help clients improve cost management, quality, service, and research and development to obtain differentiation and competitive advantage. E-strategy services are being provided to business and IT executives with education, insights, and strategies to utilize the power of the Internet to improve their performance. E-strategy services include executive visioning, business strategy, planning for e-business initiatives, user design, and intellectual capital formation. IT strategy consulting services are focusing on the use of IT to support business goals, and to leverage the power of the Internet to transform the way products and services are distributed and retailed.

Strategic planning consulting services typically consist of strategic alignment (which includes IT strategic planning and governance, alignment of IT and process, and future focus and regulatory requirements), IT department operational excellence (which includes fiscal responsibility, infrastructure, IT department processes, data center operations, and IT human resources management), and IT value realization (which consists of performance measurement, business integration (people, process and technology), change management

Business Solutions Consulting

and application investment). Performance improvement services consist of process redesigning to reducing administrative costs, improving financial performance, engaging and retaining customers, and improving accountability and reporting.

Other commonly found services among competitors include long-term IT management expertise, as well as a wide range of management services including assessment/due diligence, program management, discrete outsourcing, and full IT outsourcing services.

Consulting firms BSC is competing with include regional and specialty consulting firms, as well as the consulting groups of international accounting forms such as KPMG LLP, Ernst & Young LLP, Deloitte & Touche LLP, PricewaterhouseCoopers LLP, and Andersen Consulting. In its management and IT consulting services, BSC competes with information system vendors such as HBO & Company, Inc., Integrated Systems Solution Corporation, Electronic Data Systems Corporation, Perot Systems Corporation, SAIC, CAP Gemini America, Inc., and Computer Sciences Corporation. In e-commerce-related services, BSC competes with the traditional competitors, as well as newer, Internet product and service companies such as Razorfish, Scient, TriZetto, and Viant.

6.0 Strategy and Implementation

BSC intends to succeed by offering companies a comprehensive range of multi-cycle business planning solutions.

6.1 Competitive Edge

Our competitive edge is the team approach of consultants who are each focused in one or two business disciplines.

6.2 Sales Strategy

BSC intends to succeed by offering companies a comprehensive range of multi-cycle business planning solutions. The company will strive to optimize its billing hours. The following table outlines the sales forecast for the next three years.

Business Solutions Consulting

Sales by Year

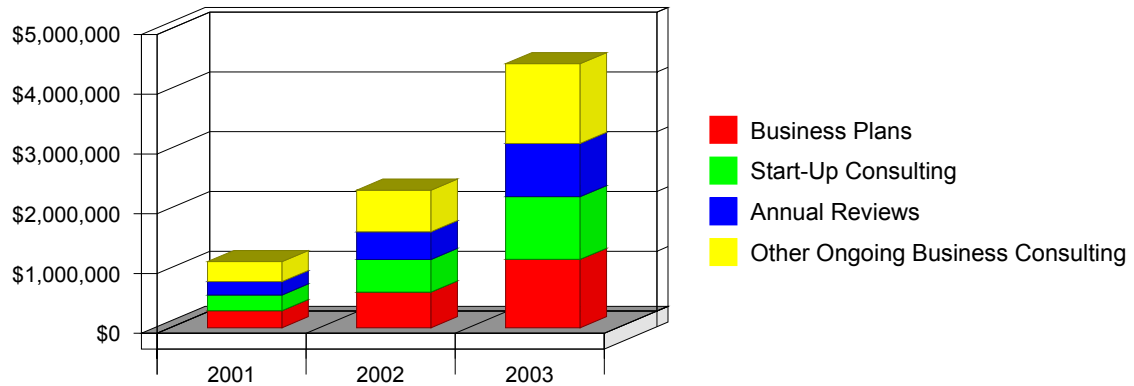


Table: Sales Forecast

Sales Forecast			
Unit Sales	2001	2002	2003
Business Plans	191	397	763
Start-Up Consulting	175	364	699
Annual Reviews	223	464	890
Other Ongoing Business Consulting	223	464	890
Total Unit Sales	812	1,688	3,242
Unit Prices	2001	2002	2003
Business Plans	\$1,500.00	\$1,500.00	\$1,500.00
Start-Up Consulting	\$1,500.00	\$1,500.00	\$1,500.00
Annual Reviews	\$1,000.00	\$1,000.00	\$1,000.00
Other Ongoing Business Consulting	\$1,500.00	\$1,500.00	\$1,500.00
Sales	2001	2002	2003
Business Plans	\$286,508	\$595,937	\$1,144,199
Start-Up Consulting	\$262,633	\$546,276	\$1,048,850
Annual Reviews	\$222,840	\$463,507	\$889,933
Other Ongoing Business Consulting	\$334,260	\$695,260	\$1,334,899
Total Sales	\$1,106,240	\$2,300,980	\$4,417,881
Direct Unit Costs	2001	2002	2003
Business Plans	\$0.00	\$0.00	\$0.00
Start-Up Consulting	\$0.00	\$0.00	\$0.00
Annual Reviews	\$0.00	\$0.00	\$0.00
Other Ongoing Business Consulting	\$0.00	\$0.00	\$0.00
Direct Cost of Sales	2001	2002	2003
Business Plans	\$0	\$0	\$0
Start-Up Consulting	\$0	\$0	\$0
Annual Reviews	\$0	\$0	\$0
Other Ongoing Business Consulting	\$0	\$0	\$0
Subtotal Direct Cost of Sales	\$0	\$0	\$0

Business Solutions Consulting

7.0 Management Team

Andrew B. Christiansen has extensive experience in business planning and finance, including CFO positions with ABC Conglomerate and DEF International. David E. Fields brings in experience in the area of marketing, advertising, and communications.

7.1 Personnel Plan

The following table illustrates the personnel plan for the next three years. No major changes in headcount are planned.

Table: Personnel

Personnel Plan	2001	2002	2003
Owner / Consultants	\$600,000	\$660,000	\$726,000
Other	\$0		
Total People	6	7	8
Total Payroll	\$600,000	\$660,000	\$726,000

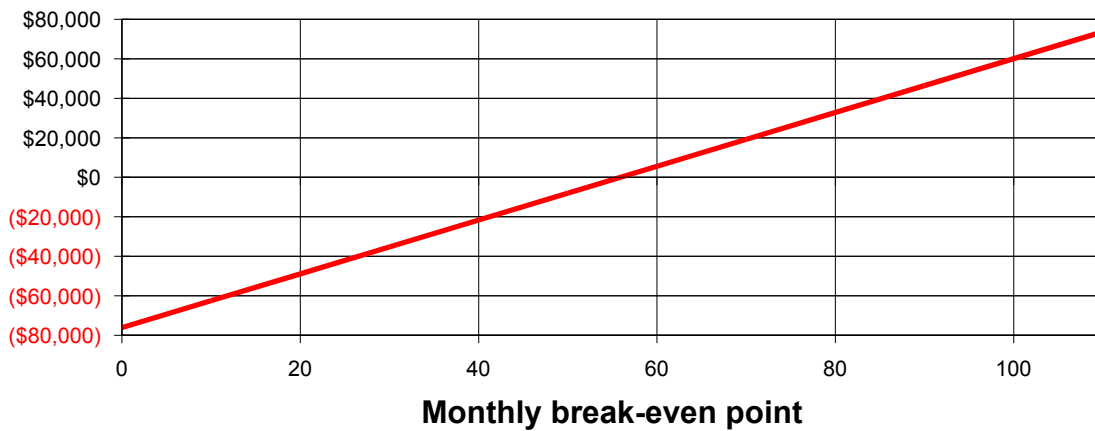
8.0 Financial Plan

BSC expects to raise \$100,000 as its own capital, and to borrow \$100,000 guaranteed by the SBA as a 10-year loan. This provides the bulk of the current financing required.

8.1 Break-even Analysis

BSC's Break-even Analysis is based on the average of the first-year figures for total sales by salaries, bonuses costs, and all other operating expenses. These are presented as per-unit revenue, per-unit cost, and fixed costs. These conservative assumptions make for a more accurate estimate of real risk. Such analysis shows that BSC will break-even by the tenth month of operations.

Break-even Analysis



Break-even point = where line intersects with 0

Table: Break-even Analysis

Break-even Analysis:	
Monthly Units Break-even	56
Monthly Revenue Break-even	\$76,150
Assumptions:	
Average Per-Unit Revenue	\$1,362.36
Average Per-Unit Variable Cost	\$0.00
Estimated Monthly Fixed Cost	\$76,150

Business Solutions Consulting

8.2 Projected Profit and Loss

As the profit and loss table shows, BSC expects to continue its steady growth in profitability over the next three years of operations.

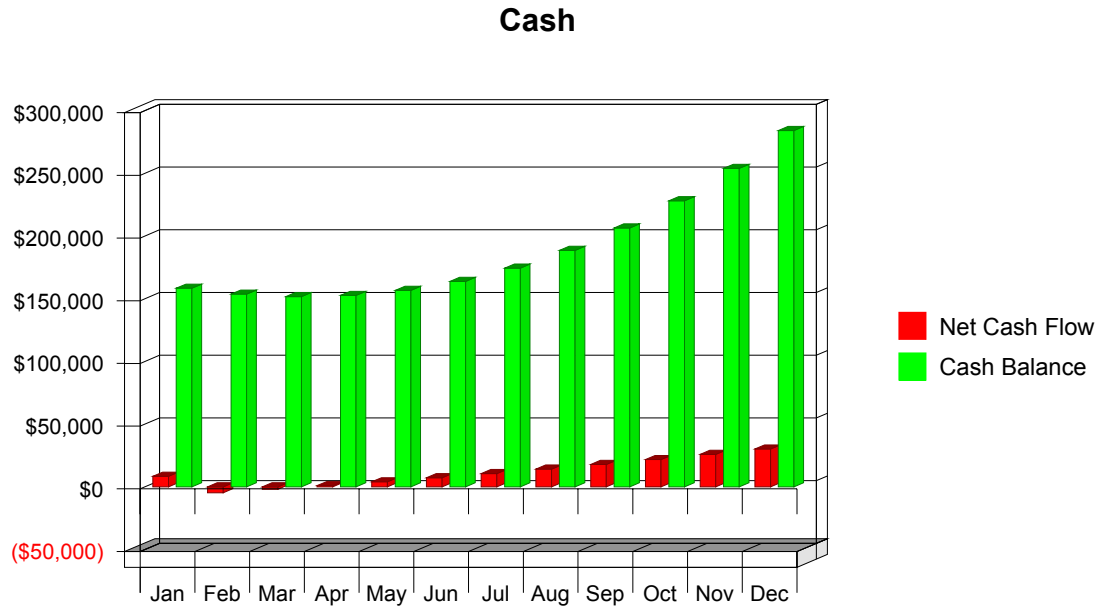
Table: Profit and Loss

Pro Forma Profit and Loss

	2001	2002	2003
Sales	\$1,106,240	\$2,300,980	\$4,417,881
Direct Cost of Sales	\$0	\$0	\$0
Other	\$0	\$0	\$0
	-----	-----	-----
Total Cost of Sales	\$0	\$0	\$0
Gross Margin	\$1,106,240	\$2,300,980	\$4,417,881
Gross Margin %	100.00%	100.00%	100.00%
Expenses:			
Payroll	\$600,000	\$660,000	\$726,000
Sales and Marketing and Other Expenses	\$216,600	\$227,430	\$238,802
Depreciation	\$6,000	\$6,300	\$6,615
Utilities	\$1,200	\$1,266	\$1,336
Payroll Taxes	\$90,000	\$99,000	\$108,900
Other	\$0	\$0	\$0
	-----	-----	-----
Total Operating Expenses	\$913,800	\$993,996	\$1,081,652
Profit Before Interest and Taxes	\$192,440	\$1,306,984	\$3,336,229
Interest Expense	\$10,000	\$9,661	\$8,948
Taxes Incurred	\$45,610	\$324,331	\$831,820
Net Profit	\$136,830	\$972,992	\$2,495,461
Net Profit/Sales	12.37%	42.29%	56.49%
Include Negative Taxes	TRUE	TRUE	TRUE

8.3 Projected Cash Flow

As the cash flow statement illustrates, BSC expects to maintain a steady rate of cash flow over the next three years of operations.



Business Solutions Consulting

Table: Cash Flow

Pro Forma Cash Flow	2001	2002	2003
Cash Received			
Cash from Operations:			
Cash Sales	\$1,106,240	\$2,300,980	\$4,417,881
Cash from Receivables	\$0	\$0	\$0
Subtotal Cash from Operations	\$1,106,240	\$2,300,980	\$4,417,881
Additional Cash Received			
Non Operating (Other) Income	\$0	\$0	\$0
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	\$0	\$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	\$1,106,240	\$2,300,980	\$4,417,881
Expenditures			
Expenditures from Operations:			
Cash Spending	\$30,941	\$60,769	\$113,591
Payment of Accounts Payable	\$905,234	\$1,233,699	\$1,754,012
Subtotal Spent on Operations	\$936,175	\$1,294,468	\$1,867,602
Additional Cash Spent			
Non Operating (Other) Expense	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$6,777	\$7,486
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$36,000	\$45,000	\$55,000
Dividends	\$0	\$0	\$0
Subtotal Cash Spent	\$972,175	\$1,346,245	\$1,930,088
Net Cash Flow	\$134,066	\$954,735	\$2,487,793
Cash Balance	\$284,066	\$1,238,800	\$3,726,593

8.4 Projected Balance Sheet

Following is a copy of the company's projected balance sheet.

Business Solutions Consulting

Table: Balance Sheet

Pro Forma Balance Sheet

Assets	2001	2002	2003
Current Assets			
Cash	\$284,066	\$1,238,800	\$3,726,593
Other Current Assets	\$20,000	\$20,000	\$20,000
Total Current Assets	\$304,066	\$1,258,800	\$3,746,593
Long-term Assets			
Long-term Assets	\$61,000	\$106,000	\$161,000
Accumulated Depreciation	\$6,000	\$12,300	\$18,915
Total Long-term Assets	\$55,000	\$93,700	\$142,085
Total Assets	\$359,066	\$1,352,500	\$3,888,678
Liabilities and Capital			
	2001	2002	2003
Accounts Payable	\$28,236	\$55,455	\$103,658
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
Subtotal Current Liabilities	\$28,236	\$55,455	\$103,658
Long-term Liabilities	\$100,000	\$93,223	\$85,737
Total Liabilities	\$128,236	\$148,678	\$189,395
Paid-in Capital	\$99,500	\$99,500	\$99,500
Retained Earnings	(\$5,500)	\$131,330	\$1,104,322
Earnings	\$136,830	\$972,992	\$2,495,461
Total Capital	\$230,830	\$1,203,822	\$3,699,283
Total Liabilities and Capital	\$359,066	\$1,352,500	\$3,888,678
Net Worth	\$230,830	\$1,203,822	\$3,699,283

8.5 Business Ratios

The following table outlines the important business ratios for Business Solutions Consulting, as determined by the Standard Industry Classification (SIC) Index. Ratios for the Business Consulting services industry (SIC 8748) are used as a benchmark in this table.

Business Solutions Consulting

Table: Ratios

Ratio Analysis	2001	2002	2003	Industry Profile
Sales Growth	0.00%	108.00%	92.00%	12.40%
Percent of Total Assets				
Accounts Receivable	0.00%	0.00%	0.00%	26.10%
Inventory	0.00%	0.00%	0.00%	3.70%
Other Current Assets	5.57%	1.48%	0.51%	44.70%
Total Current Assets	84.68%	93.07%	96.35%	74.50%
Long-term Assets	15.32%	6.93%	3.65%	25.50%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities	0.00%	0.00%	0.00%	44.30%
Long-term Liabilities	27.85%	6.89%	2.20%	16.00%
Total Liabilities	27.85%	6.89%	2.20%	60.30%
Net Worth	72.15%	93.11%	97.80%	39.70%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	100.00%	100.00%	100.00%	0.00%
Selling, General & Administrative Expenses	87.63%	57.71%	43.51%	80.80%
Advertising Expenses	10.85%	5.48%	2.99%	1.30%
Profit Before Interest and Taxes	17.40%	56.80%	75.52%	2.20%
Main Ratios				
Current	10.77	22.70	36.14	1.75
Quick	10.77	22.70	36.14	1.38
Total Debt to Total Assets	35.71%	10.99%	4.87%	60.30%
Pre-tax Return on Net Worth	79.04%	107.77%	89.94%	3.80%
Pre-tax Return on Assets	50.81%	95.92%	85.56%	9.70%
Business Vitality Profile				
	2001	2002	2003	Industry
Sales per Employee	\$184,373	\$328,711	\$552,235	\$0
Survival Rate				0.00%
Additional Ratios				
	2001	2002	2003	
Net Profit Margin	12.37%	42.29%	56.49%	n.a
Return on Equity	59.28%	80.83%	67.46%	n.a
Activity Ratios				
Accounts Receivable Turnover	0.00	0.00	0.00	n.a
Collection Days	0	0	0	n.a
Inventory Turnover	0.00	0.00	0.00	n.a
Accounts Payable Turnover	33.02	22.74	17.39	n.a
Payment Days	8	145	193	
Total Asset Turnover	3.08	1.70	1.14	n.a
Debt Ratios				
Debt to Net Worth	0.56	0.12	0.05	n.a
Current Liab. to Liab.	0.22	0.37	0.55	n.a
Liquidity Ratios				
Net Working Capital	\$275,830	\$1,203,345	\$3,642,935	n.a
Interest Coverage	19.24	135.28	372.85	n.a
Additional Ratios				
Assets to Sales	0.32	0.59	0.88	n.a
Current Debt/Total Assets	8%	4%	3%	n.a
Acid Test	10.77	22.70	36.14	n.a
Sales/Net Worth	4.79	1.91	1.19	n.a
Dividend Payout	0.00	0.00	0.00	n.a

Appendix

Appendix Table: Sales Forecast

Sales Forecast												
Unit Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Business Plans	12	13	13	14	15	15	16	17	18	19	20	21
Start-Up Consulting	11	12	12	13	13	14	15	15	16	17	18	19
Annual Reviews	14	15	15	16	17	18	19	20	21	22	23	24
Other Ongoing Business Consulting	14	15	15	16	17	18	19	20	21	22	23	24
Total Unit Sales	51	54	56	59	62	65	68	72	75	79	83	87
Unit Prices	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Business Plans	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Start-Up Consulting	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Annual Reviews	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Other Ongoing Business Consulting	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Business Plans	\$18,000	\$18,900	\$19,845	\$20,837	\$21,879	\$22,973	\$24,122	\$25,328	\$26,594	\$27,924	\$29,320	\$30,786
Start-Up Consulting	\$16,500	\$17,325	\$18,191	\$19,101	\$20,056	\$21,059	\$22,112	\$23,217	\$24,378	\$25,597	\$26,877	\$28,221
Annual Reviews	\$14,000	\$14,700	\$15,435	\$16,207	\$17,017	\$17,868	\$18,761	\$19,699	\$20,684	\$21,719	\$22,805	\$23,945
Other Ongoing Business Consulting	\$21,000	\$22,050	\$23,153	\$24,310	\$25,526	\$26,802	\$28,142	\$29,549	\$31,027	\$32,578	\$34,207	\$35,917
Total Sales	\$69,500	\$72,975	\$76,624	\$80,455	\$84,478	\$88,702	\$93,137	\$97,793	\$102,683	\$107,817	\$113,208	\$118,869
Direct Unit Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Business Plans	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Start-Up Consulting	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Annual Reviews	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Ongoing Business Consulting	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Direct Cost of Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Business Plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Start-Up Consulting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Reviews	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Ongoing Business Consulting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Direct Cost of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Appendix

Appendix Table: General Assumptions

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	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Calculated Totals												
Payroll Expense	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
New Accounts Payable	\$72,601	\$73,383	\$74,204	\$75,066	\$75,971	\$76,922	\$77,919	\$78,967	\$80,067	\$81,223	\$82,436	\$83,709

Appendix

Appendix Table: Profit and Loss

Pro Forma Profit and Loss												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sales	\$69,500	\$72,975	\$76,624	\$80,455	\$84,478	\$88,702	\$93,137	\$97,793	\$102,683	\$107,817	\$113,208	\$118,869
Direct Cost of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Margin	\$69,500	\$72,975	\$76,624	\$80,455	\$84,478	\$88,702	\$93,137	\$97,793	\$102,683	\$107,817	\$113,208	\$118,869
Gross Margin %	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Expenses:												
Payroll	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Sales and Marketing and Other Expenses	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050	\$18,050
Depreciation	5% \$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Utilities	6% \$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Payroll Taxes	15% \$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150	\$76,150
Profit Before Interest and Taxes	(\$6,650)	(\$3,175)	\$474	\$4,305	\$8,328	\$12,552	\$16,987	\$21,643	\$26,533	\$31,667	\$37,058	\$42,719
Interest Expense	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833
Taxes Incurred	(\$1,871)	(\$1,002)	(\$90)	\$868	\$1,874	\$2,930	\$4,038	\$5,203	\$6,425	\$7,708	\$9,056	\$10,471
Net Profit	(\$5,613)	(\$3,006)	(\$270)	\$2,604	\$5,621	\$8,789	\$12,115	\$15,608	\$19,275	\$23,125	\$27,169	\$31,414
Net Profit/Sales	-8.08%	-4.12%	-0.35%	3.24%	6.65%	9.91%	13.01%	15.96%	18.77%	21.45%	24.00%	26.43%
Include Negative Taxes												

Appendix

Appendix Table: Cash Flow

Pro Forma Cash Flow	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash Received												
Cash from Operations:												
Cash Sales	\$69,500	\$72,975	\$76,624	\$80,455	\$84,478	\$88,702	\$93,137	\$97,793	\$102,683	\$107,817	\$113,208	\$118,869
Cash from Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash from Operations	\$69,500	\$72,975	\$76,624	\$80,455	\$84,478	\$88,702	\$93,137	\$97,793	\$102,683	\$107,817	\$113,208	\$118,869
Additional Cash Received												
Non Operating (Other) Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$69,500	\$72,975	\$76,624	\$80,455	\$84,478	\$88,702	\$93,137	\$97,793	\$102,683	\$107,817	\$113,208	\$118,869
Expenditures												
Expenditures from Operations:												
Cash Spending	\$2,011	\$2,098	\$2,189	\$2,285	\$2,386	\$2,491	\$2,602	\$2,719	\$2,841	\$2,969	\$3,104	\$3,245
Payment of Accounts Payable	\$56,103	\$72,627	\$73,410	\$74,233	\$75,096	\$76,003	\$76,955	\$77,954	\$79,004	\$80,106	\$81,263	\$82,478
Subtotal Spent on Operations	\$58,115	\$74,725	\$75,600	\$76,518	\$77,482	\$78,494	\$79,557	\$80,673	\$81,845	\$83,075	\$84,367	\$85,724
Additional Cash Spent												
Non Operating (Other) Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$61,115	\$77,725	\$78,600	\$79,518	\$80,482	\$81,494	\$82,557	\$83,673	\$84,845	\$86,075	\$87,367	\$88,724
Net Cash Flow	\$8,385	(\$4,750)	(\$1,976)	\$937	\$3,996	\$7,207	\$10,580	\$14,120	\$17,838	\$21,742	\$25,841	\$30,145
Cash Balance	\$158,385	\$153,635	\$151,659	\$152,596	\$156,592	\$163,799	\$174,379	\$188,499	\$206,337	\$228,080	\$253,921	\$284,066

Appendix

Appendix Table: Personnel

Personnel Plan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Owner / Consultants	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Other												
Total People	6	6	6	6	6	6	6	6	6	6	6	6
Total Payroll	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Appendix

Appendix Table: Balance Sheet

Pro Forma Balance Sheet

Assets	Starting Balances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Current Assets													
Cash	\$150,000	\$158,385	\$153,635	\$151,659	\$152,596	\$156,592	\$163,799	\$174,379	\$188,499	\$206,337	\$228,080	\$253,921	\$284,066
Other Current Assets	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Total Current Assets	\$170,000	\$178,385	\$173,635	\$171,659	\$172,596	\$176,592	\$183,799	\$194,379	\$208,499	\$226,337	\$248,080	\$273,921	\$304,066
Long-term Assets													
Long-term Assets	\$25,000	\$28,000	\$31,000	\$34,000	\$37,000	\$40,000	\$43,000	\$46,000	\$49,000	\$52,000	\$55,000	\$58,000	\$61,000
Accumulated Depreciation	\$0	\$500	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500	\$6,000
Total Long-term Assets	\$25,000	\$27,500	\$30,000	\$32,500	\$35,000	\$37,500	\$40,000	\$42,500	\$45,000	\$47,500	\$50,000	\$52,500	\$55,000
Total Assets	\$195,000	\$205,885	\$203,635	\$204,159	\$207,596	\$214,092	\$223,799	\$236,879	\$253,499	\$273,837	\$298,080	\$326,421	\$359,066
Liabilities and Capital													
Accounts Payable	\$1,000	\$17,498	\$18,254	\$19,047	\$19,881	\$20,756	\$21,674	\$22,639	\$23,652	\$24,715	\$25,832	\$27,004	\$28,236
Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Current Liabilities	\$1,000	\$17,498	\$18,254	\$19,047	\$19,881	\$20,756	\$21,674	\$22,639	\$23,652	\$24,715	\$25,832	\$27,004	\$28,236
Long-term Liabilities	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Total Liabilities	\$101,000	\$117,498	\$118,254	\$119,047	\$119,881	\$120,756	\$121,674	\$122,639	\$123,652	\$124,715	\$125,832	\$127,004	\$128,236
Paid-in Capital	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500
Retained Earnings	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)	(\$5,500)
Earnings	\$0	(\$5,613)	(\$8,619)	(\$8,888)	(\$6,285)	(\$664)	\$8,125	\$20,240	\$35,847	\$55,122	\$78,248	\$105,416	\$136,830
Total Capital	\$94,000	\$88,388	\$85,381	\$85,112	\$87,715	\$93,336	\$102,125	\$114,240	\$129,847	\$149,122	\$172,248	\$199,416	\$230,830
Total Liabilities and Capital	\$195,000	\$205,885	\$203,635	\$204,159	\$207,596	\$214,092	\$223,799	\$236,879	\$253,499	\$273,837	\$298,080	\$326,421	\$359,066
Net Worth	\$94,000	\$88,388	\$85,381	\$85,112	\$87,715	\$93,336	\$102,125	\$114,240	\$129,847	\$149,122	\$172,248	\$199,416	\$230,830