

Art Packaging Installation Business Plan

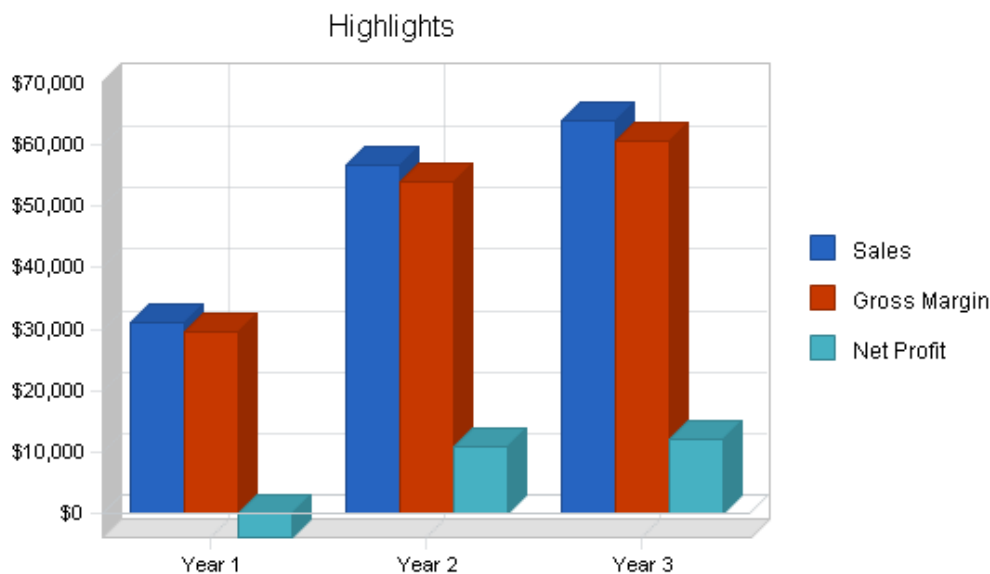
The Art Sentry

Executive Summary

The Art Sentry is a professional art packager and installer serving both residential and corporate markets. Dan Klutz, the founder and owner is a 12 year industry veteran who, while working with the Portland Art Museum, designed a new and innovative packaging system that has since been adopted by seven other national-class museums. Dan will be offering his skills to the Portland, OR art market.

Currently, the art packaging/installation market is relatively small. There are several generalists that perform similar work; however, their skill level is generally not adequate to ensure the safety of valuable art work. The skills necessary take time to develop, and Dan, who possesses these skills, currently leverages this experience as a competitive advantage.

Through superior service and customer attention, Dan will steadily grow The Art Sentry's market share, generating \$64,000 in revenue by the end of year three.



1.1 Objectives

The objectives for the first three years of operation include:

1. To create a home-based business whose primary goal is to exceed customer's expectations.
2. To increase the number of clients by 20% a year through superior performance and word-of-mouth referrals.
3. To develop a sustainable home business, surviving off of its own cash flow.

1.2 Mission

The Art Sentry's mission is to provide the customer with professional packaging and hanging services for art work. We exist to attract and maintain customers. When we adhere to this maxim, everything else will fall into place. Our services will exceed the expectations of our customers.

1.3 Keys to Success

The key to success will be to provide customers with personal, professional attention and service.

Company Summary

The Art Sentry is a home-based service provider that specializes in packaging and installation of artwork. The owner, Dan Klutz, is an industry trained professional who is methodical in the handling of valuable art work. Dan has experience in many different mediums including paintings, sculptures, mobiles and ceramics. The Art Sentry will service both residential and commercial clients.

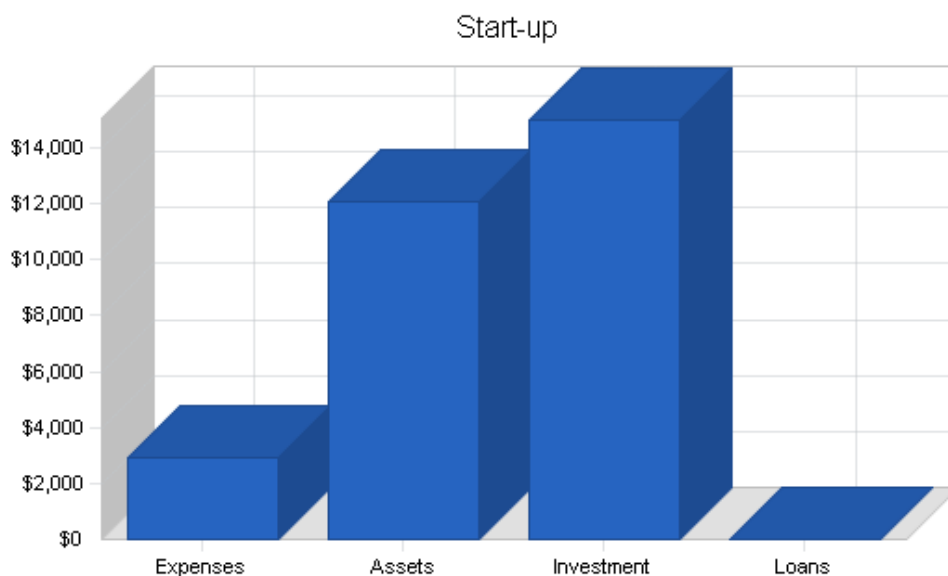
2.1 Company Ownership

The Art Sentry is a sole proprietorship founded and owned by Dan Klutz. It will be operated out of Dan's Portland, OR home.

2.2 Start-up Summary

The Art Sentry will incur the following start-up costs:

- Computer system with a CD-RW, printer, Microsoft® Office and QuickBooks® Pro.
- Cordless power drill, hand crank drill, hammer, dolly, screw driver set, drill bit set, level, chalk and pencils.
- Foam, tape, cardboard, plastic, hooks, screws, screw eyes.
- Land line phone and cellular phone.



Start-up Requirements	
Start-up Expenses	
Legal	\$500
Stationery etc.	\$150
Assorted materials	\$100
Computer System	\$2,200
Other	\$0
Total Start-up Expenses	\$2,950
Start-up Assets	
Cash Required	\$12,050
Other Current Assets	\$0
Long-term Assets	\$0
Total Assets	\$12,050
Total Requirements	\$15,000

Start-up Funding	
Start-up Expenses to Fund	\$2,950
Start-up Assets to Fund	\$12,050
Total Funding Required	\$15,000
Assets	
Non-cash Assets from Start-up	\$0
Cash Requirements from Start-up	\$12,050
Additional Cash Raised	\$0
Cash Balance on Starting Date	\$12,050
Total Assets	\$12,050
Liabilities and Capital	
Liabilities	
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
Total Liabilities	\$0
Capital	
Planned Investment	
Dan	\$15,000
Investor 2	\$0
Other	\$0
Additional Investment Requirement	\$0
Total Planned Investment	\$15,000
Loss at Start-up (Start-up Expenses)	(\$2,950)
Total Capital	\$12,050
Total Capital and Liabilities	\$12,050
Total Funding	\$15,000

Services

The Art Sentry provides both residential and commercial customers with art packaging and installation services. The packaging services will be useful for art that is going to be stored or shipped. The hanging services can be used if a new piece is going to be mounted in a home or business, or if an existing piece will have a new home within an existing room/structure.

The Art Sentry's professional skills were learned through 12 years of practical experience as a shipper, as well as a head installer/packer for a nationally recognized museum of art. The Art Sentry's services differ vastly from other shipping vendors, such as the Mail Boxes, etc.-type shipper or the handyman installer. Having the credentials of a packer is not sufficient to ensure zero damage in shipment. The packaging of art is a science in itself. Having a specialized art packager prepare the work for shipment is inexpensive insurance for the feeling of security that the item is well protected and likely to arrive at the destination undamaged. The Art Sentry is differentiated from the standard handyman that uses traditional wire to hang the works. Wire is a fundamentally flawed method of hanging pieces because of the inherent instability of the hanging method. The Art Sentry only uses hooks to mount pieces. The use of hooks eliminates the possibility of shifting of the object. The hooks take more time and precision to set up but are the only proper way of hanging art pieces of any value.

The Art Sentry charges clients either a flat project rate (that would be calculated after viewing the proposed requirements) or an hourly rate.

Market Analysis Summary

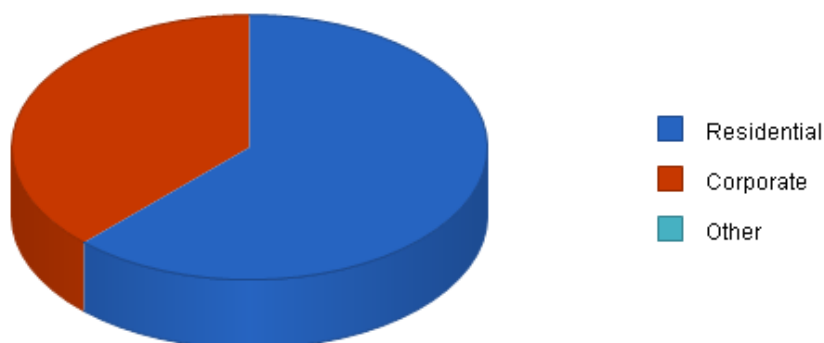
The market can be segmented into two different groups, residential customers and corporate clients, which are further described in the following sub-topics.

4.1 Market Segmentation

The market can be segmented into two different groups:

- Residential customers. This group would require The Art Sentry for packaging a piece of art that they are selling and must ship, or if they are moving the art work. The residential customers will also use the Sentry to have works hung in their home. The residential customers are often the preferred customer to work for because they are choosing The Art Sentry because they are concerned about protecting their art as much as possible. These customers are usually art collectors or investors who see the value in paying for extra care to protect their art work.
- Corporate customers. This group will utilize The Art Sentry for hanging services as well as packaging art work. The corporate customer may have less of a personal connection to the art pieces, but recognizes the importance of protecting the investment.

Market Analysis (Pie)



Market Analysis

		Year 1	Year 2	Year 3	Year 4	Year 5	
Potential Customers	Growth						CAGR
Residential	8%	10,767	11,628	12,558	13,563	14,648	8.00%
Corporate	7%	6,545	7,003	7,493	8,018	8,579	7.00%
Other	0%	0	0	0	0	0	0.00%
Total	7.62%	17,312	18,631	20,051	21,581	23,227	7.62%

4.2 Target Market Segment Strategy

The Art Sentry will not need to do much in terms of strategies for the two different target markets. Both segments will look for service providers in the same places, so there is no need to develop independent segmenting strategies.

4.3 Service Business Analysis

This market is a focused niche with few people that solely concentrate on this specialty. This industry is serviced by a few specialists, but most of the business activity is provided by generalist packagers that do not concentrate on art work. Analyzed from an industry perspective, the generalist is often not sufficiently qualified to be providing adequate art packaging services. If the prospective customer were to ask an independent gallery or an art museum for advice on how best to package and transport their art work, they will likely be told to avoid the generalists and look instead for a specialist to provide safety of their art work while it is being handled.

4.3.1 Competition and Buying Patterns

The competition can be broken down into several categories:

- **Handymen:** This group of competitors are often called to provide hanging services for art work. The type of people that use this service provider may not recognize the inherent insuperiority of this service provider. This might be explained by the fact that the value of the art is for appearance, instead of as a monetary investment, and so the desire to keep the costs down is an important factor in their decision.
- **Shippers (such as Mail Boxes, etc.):** These competitors do handle a fair amount of the packaging business. Their popularity is based on the perception that, because they are competent for packaging other objects, they are also qualified to handle art work. Art pieces are a very distinct type of cargo, with each type of art, whether a water color, painting, sculpture, or mobile requiring special attention and knowledge in the protection against harm during transport. This knowledge is gained through very specific work with art packaging, not general packaging techniques.
- **Commercial shippers that also offer packaging services:** This competitor services the niche of packaging art to a much smaller degree than the Mail Boxes, etc.-type companies and also possesses the same general perception and lack of proper knowledge needed to ensure safe transport.
- **Galleries:** Most galleries offer packaging and hanging as a value-added service to their customers. It is unusual for a gallery to provide these service for non-customers.

People, for a multitude of reasons, will choose these less-qualified packagers without understanding that the wrong service provider can do significant damage to a piece of art work.

Management Summary

Throughout Dan's childhood he was always good with his hands. He was constantly taking things apart and putting them back together. While in college, Dan worked part time with a shipper. Dan's responsibilities were to package delicate items for shipment. This was a challenge for Dan because packaging delicate items took skill to prevent any claim for damage during transport. Dan used his handiness to construct intricate packaging techniques for delicate items.

Upon graduation Dan worked at the art museum as the head of exhibit installation and packaging/transport. Dan was at the art museum for a total of nine years. While at the museum, Dan created a new system of packaging the art work which was far more protective and cost effective than the old system. This new system was so much of an improvement over the previous method that other museums across the company paid Dan to travel to their museum and give demonstrations to his technique. In the Fall of 2000 Dan decided that he was going to leave the museum and start his own company.

5.1 Personnel Plan

Dan will be The Art Sentry's only employee.

Personnel Plan

	Year 1	Year 2	Year 3
Owner	\$30,000	\$35,000	\$40,000
Name or Title	\$0	\$0	\$0
Name or Title	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total People	0	0	0
Total Payroll	\$30,000	\$35,000	\$40,000

Competitive Edge

The Art Sentry's competitive edge is based on the extensive skill and industry knowledge that Dan possesses. This is very specific knowledge that few people have. This skill set allows The Art Sentry to provide superior services relative to the other service providers.

6.1 Marketing Strategy

The marketing goal will be to raise visibility and awareness of The Art Sentry with the prospective target segments. The Art Sentry will use a Yellow Pages ad as people turn to them when they are looking for a listing of different service providers.

Another marketing strategy will be word-of-mouth referral. Initially this will be started through networking efforts based on personal relationships that Dan has formed at the Portland Art Museum and local small galleries. Once the Museum begins to refer prospective clients to Dan, business will grow as those initial customers will also begin to make referrals. Art aficionados are not a huge group of the population but it is reasonable to presume that people that collect art have similar minded friends that also collect art.

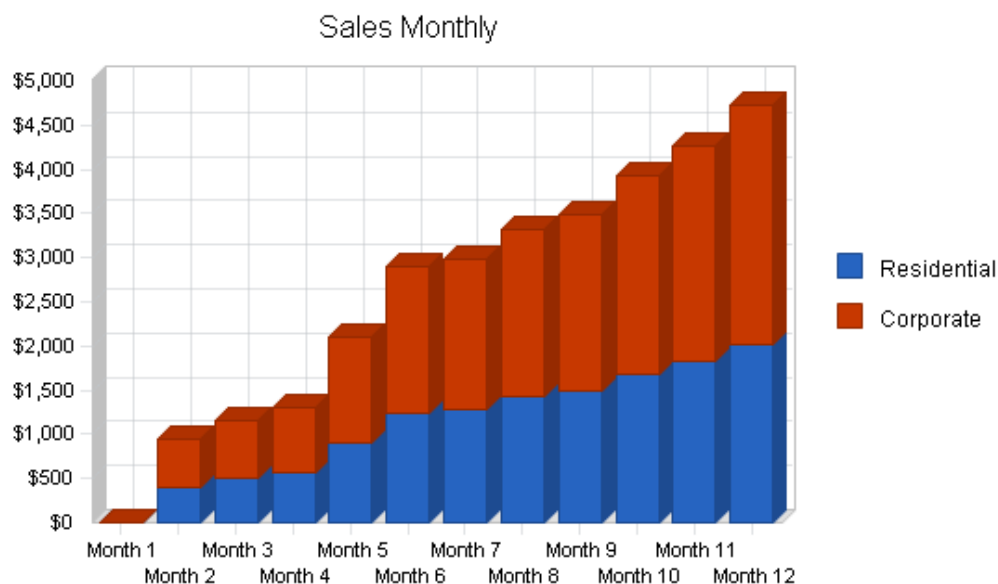
These grass root efforts of word of mouth referrals will take a bit of time to develop, but will provide The Art Sentry with a sufficient flow of customers.

6.2 Sales Strategy

The sales strategy will be based on communicating The Art Sentry's competitive edge of professional experience that is generally unmatched in the industry. This high level of experience will be more than sufficient to turn the prospective customer/ information seeker into a long term customer and cheerleader for The Art Sentry.

6.2.1 Sales Forecast

The sales for the first several months will be slow. It is expected that it will take some time to build up sufficient business, especially in light of the fact that The Art Sentry is using primarily grass root methods of marketing. Business will begin to reach decent sales activity by month five, and grow steadily after that. Profitability is forecasted to occur fairly quickly, but is a function of the fact that the overhead is low, as The Art Sentry is a home-based business. Revenues will reach \$64,000 by the end of year three.



Sales Forecast

	Year 1	Year 2	Year 3
Sales			
Residential	\$13,325	\$24,300	\$27,407
Corporate	\$17,767	\$32,400	\$36,543
Total Sales	\$31,092	\$56,700	\$63,950
Direct Cost of Sales			
Residential	\$666	\$1,215	\$1,370
Corporate	\$888	\$1,620	\$1,827
Subtotal Direct Cost of Sales	\$1,555	\$2,835	\$3,198

6.3 Milestones

The Art Sentry will have several milestones early on:

1. Business plan completion. This will be an indispensable tool for the ongoing performance and improvement of the company.
2. Office set and equipment acquisition.
3. Reaching profitability.

Milestones

Milestone	Start Date	End Date	Budget	Manager	Department
Business plan completion	1/1/2001	2/1/2001	\$0	ABC	Marketing
Office set up and equipment acquisition	1/1/2001	2/1/2001	\$0	ABC	Department
Profitability	1/1/2001	9/31/01	\$0	ABC	Department
Totals			\$0		

Financial Plan

The following sections will outline important financial information.

7.1 Important Assumptions

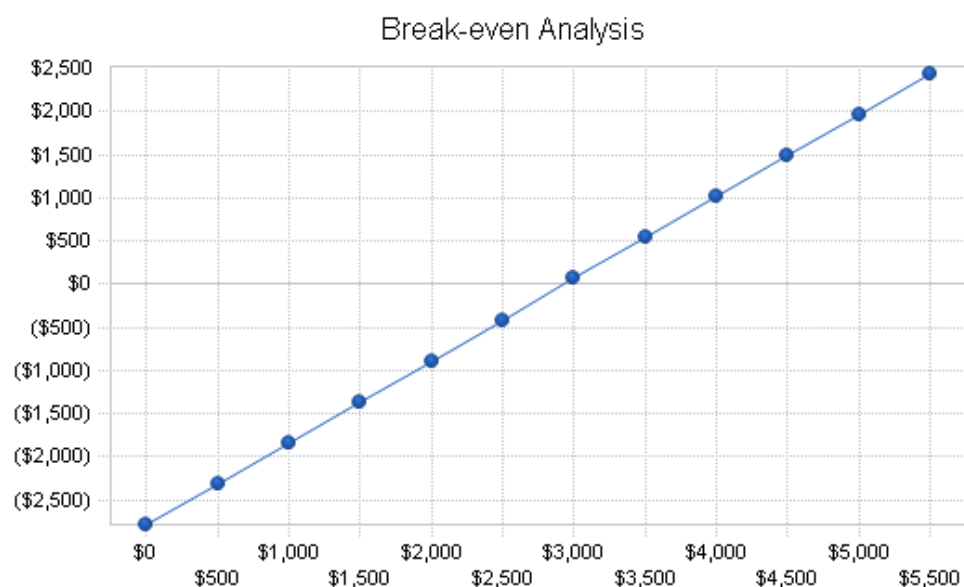
The following table details important financial assumptions.

General Assumptions

	Year 1	Year 2	Year 3
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

7.2 Break-even Analysis

The Break-even Analysis indicates that approximately \$3,400 will be needed in monthly revenue to reach the break-even point.



Break-even Analysis

Monthly Revenue Break-even \$2,936

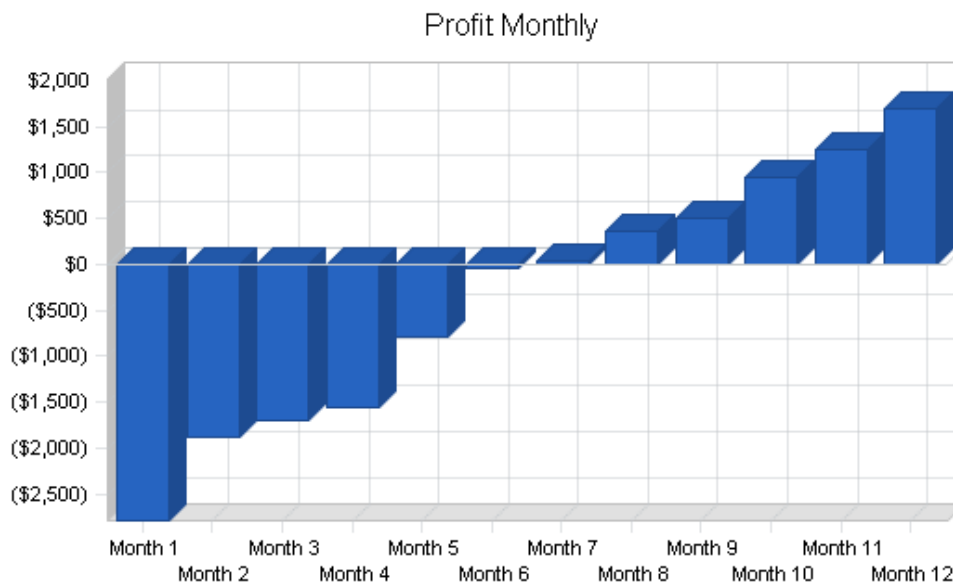
Assumptions:

Average Percent Variable Cost 5%

Estimated Monthly Fixed Cost \$2,789

7.3 Projected Profit and Loss

The following table will indicate projected profit and loss.



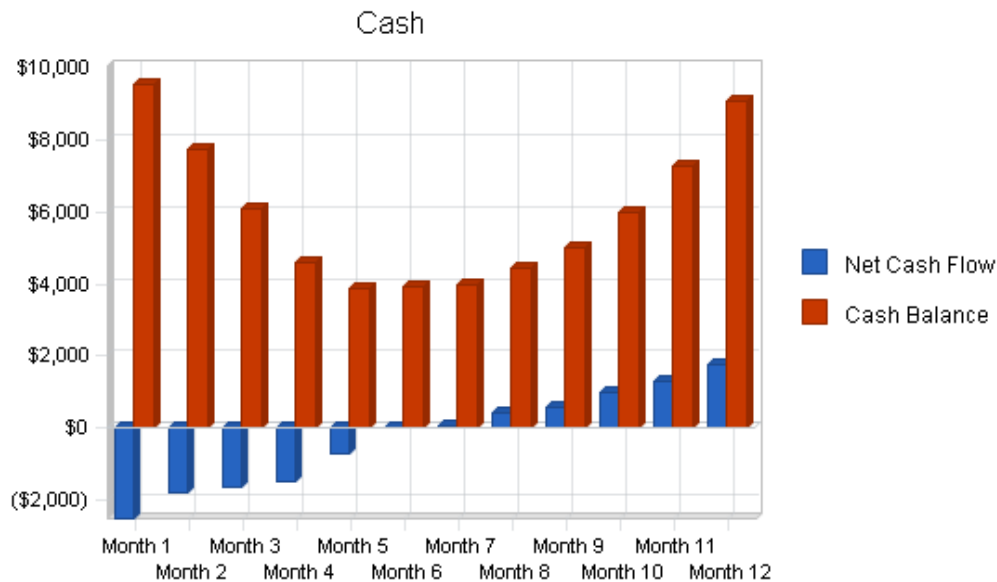
Pro Forma Profit and Loss

	Year 1	Year 2	Year 3
Sales	\$31,092	\$56,700	\$63,950
Direct Cost of Sales	\$1,555	\$2,835	\$3,198
Other Production Expenses	\$0	\$0	\$0
Total Cost of Sales	\$1,555	\$2,835	\$3,198
Gross Margin	\$29,538	\$53,865	\$60,753
Gross Margin %	95.00%	95.00%	95.00%
Expenses			
Payroll	\$30,000	\$35,000	\$40,000
Sales and Marketing and Other Expenses	\$1,200	\$1,200	\$1,200
Depreciation	\$468	\$468	\$468
Leased Equipment	\$0	\$0	\$0
Licenses and Bonding	\$600	\$600	\$600
Insurance	\$1,200	\$1,200	\$1,200
Rent	\$0	\$0	\$0
Payroll Taxes	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Operating Expenses	\$33,468	\$38,468	\$43,468
Profit Before Interest and Taxes	(\$3,930)	\$15,397	\$17,285
EBITDA	(\$3,462)	\$15,865	\$17,753
Interest Expense	\$0	\$0	\$0

Taxes Incurred	\$0	\$4,619	\$5,185
Net Profit	(\$3,930)	\$10,778	\$12,099
Net Profit/Sales	-12.64%	19.01%	18.92%

7.4 Projected Cash Flow

The following chart and table will indicate projected cash flow.



Pro Forma Cash Flow

	Year 1	Year 2	Year 3
Cash Received			
Cash from Operations			
Cash Sales	\$31,092	\$56,700	\$63,950
Subtotal Cash from Operations	\$31,092	\$56,700	\$63,950
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	\$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	\$31,092	\$56,700	\$63,950
Expenditures	Year 1	Year 2	Year 3
Expenditures from Operations			
Cash Spending	\$30,000	\$35,000	\$40,000
Bill Payments	\$4,085	\$10,065	\$11,307
Subtotal Spent on Operations	\$34,085	\$45,065	\$51,307
Additional Cash Spent			
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	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0

Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
Subtotal Cash Spent	\$34,085	\$45,065	\$51,307
Net Cash Flow	(\$2,992)	\$11,635	\$12,644
Cash Balance	\$9,058	\$20,693	\$33,336

7.5 Projected Balance Sheet

The following table will indicate the projected balance sheet.

Pro Forma Balance Sheet

	Year 1	Year 2	Year 3
Assets			
Current Assets			
Cash	\$9,058	\$20,693	\$33,336
Other Current Assets	\$0	\$0	\$0
Total Current Assets	\$9,058	\$20,693	\$33,336
Long-term Assets			
Long-term Assets	\$0	\$0	\$0
Accumulated Depreciation	\$468	\$936	\$1,404
Total Long-term Assets	(\$468)	(\$936)	(\$1,404)
Total Assets	\$8,590	\$19,757	\$31,932
Liabilities and Capital			
	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	\$470	\$859	\$936
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
Subtotal Current Liabilities	\$470	\$859	\$936
Long-term Liabilities	\$0	\$0	\$0
Total Liabilities	\$470	\$859	\$936
Paid-in Capital	\$15,000	\$15,000	\$15,000
Retained Earnings	(\$2,950)	(\$6,880)	\$3,898
Earnings	(\$3,930)	\$10,778	\$12,099
Total Capital	\$8,120	\$18,898	\$30,997
Total Liabilities and Capital	\$8,590	\$19,757	\$31,932
Net Worth	\$8,120	\$18,898	\$30,997

7.6 Business Ratios

The following Ratios table compares our planned estimates with Standard Industry Code #7299

Ratio Analysis

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	0.00%	82.36%	12.79%	7.99%
Percent of Total Assets				
Other Current Assets	0.00%	0.00%	0.00%	44.22%
Total Current Assets	105.45%	104.74%	104.40%	72.16%
Long-term Assets	-5.45%	-4.74%	-4.40%	27.84%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities				
Current Liabilities	5.47%	4.35%	2.93%	31.22%
Long-term Liabilities				
Long-term Liabilities	0.00%	0.00%	0.00%	11.80%
Total Liabilities	5.47%	4.35%	2.93%	43.02%
Net Worth	94.53%	95.65%	97.07%	56.98%
Percent of Sales				

Rate												
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

Pro Forma Profit and Loss

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Sales	\$0	\$956	\$1,155	\$1,304	\$2,100	\$2,895	\$2,977	\$3,320	\$3,477	\$3,929	\$4,256	\$4,725
Direct Cost of Sales	\$0	\$48	\$58	\$65	\$105	\$145	\$149	\$166	\$174	\$196	\$213	\$236
Other Production Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$0	\$48	\$58	\$65	\$105	\$145	\$149	\$166	\$174	\$196	\$213	\$236
Gross Margin	\$0	\$908	\$1,097	\$1,239	\$1,995	\$2,750	\$2,828	\$3,154	\$3,303	\$3,732	\$4,043	\$4,489
Gross Margin %	0.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%
Expenses												
Payroll	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Sales and Marketing and Other Expenses	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Depreciation	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39
Leased Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Licenses and Bonding	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Insurance	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll Taxes 15%	\$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 Operating Expenses	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789	\$2,789
Profit Before Interest and Taxes	(\$2,789)	(\$1,881)	(\$1,692)	(\$1,550)	(\$794)	(\$39)	\$39	\$365	\$514	\$943	\$1,254	\$1,700
EBITDA	(\$2,750)	(\$1,842)	(\$1,653)	(\$1,511)	(\$755)	(\$0)	\$78	\$404	\$553	\$982	\$1,293	\$1,739
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	(\$2,789)	(\$1,881)	(\$1,692)	(\$1,550)	(\$794)	(\$39)	\$39	\$365	\$514	\$943	\$1,254	\$1,700
Net Profit/Sales	0.00%	-196.89%	-146.47%	-118.92%	-37.81%	-1.36%	1.31%	10.99%	14.79%	24.01%	29.47%	35.97%

Pro Forma Cash Flow

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Cash Received												
Cash from Operations												
Cash Sales	\$0	\$956	\$1,155	\$1,304	\$2,100	\$2,895	\$2,977	\$3,320	\$3,477	\$3,929	\$4,256	\$4,725
Subtotal Cash from Operations	\$0	\$956	\$1,155	\$1,304	\$2,100	\$2,895	\$2,977	\$3,320	\$3,477	\$3,929	\$4,256	\$4,725
Additional Cash Received												
Sales Tax, VAT, HST/GST Received 0.00%	\$0	\$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	\$0	\$956	\$1,155	\$1,304	\$2,100	\$2,895	\$2,977	\$3,320	\$3,477	\$3,929	\$4,256	\$4,725
Expenditures												
Expenditures from Operations												
Cash Spending	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Bill Payments	\$8	\$252	\$298	\$308	\$317	\$356	\$395	\$399	\$416	\$425	\$447	\$464
Subtotal Spent on Operations	\$2,508	\$2,752	\$2,798	\$2,808	\$2,817	\$2,856	\$2,895	\$2,899	\$2,916	\$2,925	\$2,947	\$2,964
Additional Cash Spent												
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$2,508	\$2,752	\$2,798	\$2,808	\$2,817	\$2,856	\$2,895	\$2,899	\$2,916	\$2,925	\$2,947	\$2,964
Net Cash Flow	(\$2,508)	(\$1,796)	(\$1,643)	(\$1,504)	(\$717)	\$38	\$82	\$420	\$561	\$1,004	\$1,309	\$1,761
Cash Balance	\$9,542	\$7,746	\$6,102	\$4,598	\$3,882	\$3,920	\$4,002	\$4,422	\$4,983	\$5,987	\$7,296	\$9,058

Pro Forma Balance Sheet

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Assets												
Starting Balances												
Current Assets												
Cash	\$12,050	\$9,542	\$7,746	\$6,102	\$4,598	\$3,882	\$3,920	\$4,002	\$4,422	\$4,983	\$5,987	\$7,296
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$12,050	\$9,542	\$7,746	\$6,102	\$4,598	\$3,882	\$3,920	\$4,002	\$4,422	\$4,983	\$5,987	\$7,296

Long-term Assets													
Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Accumulated Depreciation	\$0	\$39	\$78	\$117	\$156	\$195	\$234	\$273	\$312	\$351	\$390	\$429	\$468
Total Long-term Assets	\$0	(\$39)	(\$78)	(\$117)	(\$156)	(\$195)	(\$234)	(\$273)	(\$312)	(\$351)	(\$390)	(\$429)	(\$468)
Total Assets	\$12,050	\$9,503	\$7,668	\$5,985	\$4,442	\$3,687	\$3,686	\$3,729	\$4,110	\$4,632	\$5,597	\$6,867	\$8,590
Liabilities and Capital													
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Current Liabilities													
Accounts Payable	\$0	\$242	\$288	\$297	\$305	\$343	\$382	\$386	\$402	\$410	\$432	\$447	\$470
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	\$0	\$242	\$288	\$297	\$305	\$343	\$382	\$386	\$402	\$410	\$432	\$447	\$470
Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$0	\$242	\$288	\$297	\$305	\$343	\$382	\$386	\$402	\$410	\$432	\$447	\$470
Paid-in Capital	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Retained Earnings	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)	(\$2,950)
Earnings	\$0	(\$2,789)	(\$4,670)	(\$6,362)	(\$7,912)	(\$8,706)	(\$8,746)	(\$8,707)	(\$8,342)	(\$7,828)	(\$6,884)	(\$5,630)	(\$3,930)
Total Capital	\$12,050	\$9,261	\$7,380	\$5,688	\$4,138	\$3,344	\$3,304	\$3,343	\$3,708	\$4,222	\$5,166	\$6,420	\$8,120
Total Liabilities and Capital	\$12,050	\$9,503	\$7,668	\$5,985	\$4,442	\$3,687	\$3,686	\$3,729	\$4,110	\$4,632	\$5,597	\$6,867	\$8,590
Net Worth	\$12,050	\$9,261	\$7,380	\$5,688	\$4,138	\$3,344	\$3,304	\$3,343	\$3,708	\$4,222	\$5,166	\$6,420	\$8,120