



# Business Property Inspection Business Plan

CorbelArch Real Estate Inspectors will provide thorough, unbiased, detailed, real estate and building inspections. We offer a full menu of services to realtors and their clients. Our inspection services include, but are not limited to, existing residential and commercial properties, all new construction, condos, manufactured homes, 11th month inspections (when new home warranties are nearing expiration), and pre-listing inspections (to identify areas of concern prior to market listing).

## Trained and Educated

Our inspectors are professionally trained through accredited institutions and keep up-to-date on the latest building components and inspection techniques.

## Flexible Scheduling

Because convenience is important to our clients, we can accommodate scheduling 7 days a week.

## Fully Licensed, Bonded and Insured

We hold Professional Real Estate licenses through the Ourstate Realty Commission (ORC) and other nationally accredited institutions. We hold bonds for all field personnel, as well as £1,000,000 in both Errors and Omissions (E&O) and General Liability Insurance.

## Thorough Inspections

Each property is examined thoroughly with no maximum time allowance, based on guidelines set forth by American Society of Home Inspectors (ASHI) and ORC. Our inspections meet or exceed industry accepted standards and fully comply with the ORC Standards of Practice.

## Computerized Reports

CorbelArch reports offer a checklist and narrative format, with summary pages and color photos to further assist in their ease of understanding. Reports are e-mailed and securely posted for retrieval on our web hosting service (printed or faxed hard copies provided upon request).

## Professional Equipment

We utilize state-of-the-art equipment to ensure a thorough inspection. Gas detection meters, moisture meters, circuit testers and infrared thermometers are only a few examples.

## Professional and Courteous

We believe that clients deserve the best. We take pride in our inspectors' communication skills, appearance and professionalism. We let the property speak for itself so that educated and informed decisions can be made.

## 1.1 Objectives

CorbelArch Real Estate Inspector's objective is to build a high quality, ethical, full-service property services company that will win the approval of the Real Estate community which it serves.

Our goals include:

1. A 10% market share in our first year.



2. An increase of 15% in our gross margins within the second year of operation.
3. An increase in our market share by a minimum of 10% for each of our first five years.

Currently, there are no high quality, full service property service companies in the Niceburg metro area, or the surrounding areas (for a radius of 50 miles). The company believes that by entering the marketplace first and by establishing quality standards, it will become, and remain, a leader in the property services industry in the greater Niceburg area.

Our fundamental objective is to realize how we impact the community that we do business in, knowing that we will stand the test of time if the key professionals approve and support our quality and integrity.

## 1.2 Mission

CorbelArch's sole purpose is to establish a financially solid, profitable and well managed company while at the same time creating a market leading service organization based on professionalism, integrity and personalized customer service.

## 1.3 Keys to Success

Keys to success for the company will include:

1. Maintain an untarnished reputation in the community.
2. Provide high quality client sensitive service.
3. Competitive pricing.
4. Flexible hours.
5. Excellence in fulfilling the promise--completely confidential, reliable, trustworthy expertise and information.
6. Develop visibility to generate new business leads.



## Company Summary

CorbelArch Real Estate Inspectors is an S corporation company consisting of two principal officers and two employees with combined industry experience of 45 years. The company was formed to take advantage of the perceived weakness and inadequacies of other regional companies in terms of quality and customer satisfaction. CorbelArch Real Estate Inspectors has marketed its name significantly to date. The principals in the company have invested significant amounts of their own capital into the company and will also be seeking a loan to cover start-up costs and future growth.

CorbelArch Real Estate Inspectors' home office is located in a leased stand alone building at 5296 Plinth Hwy in Niceburg. The facilities include offices for the principals, storage area for tools and marketing supplies,



and employee lounge.

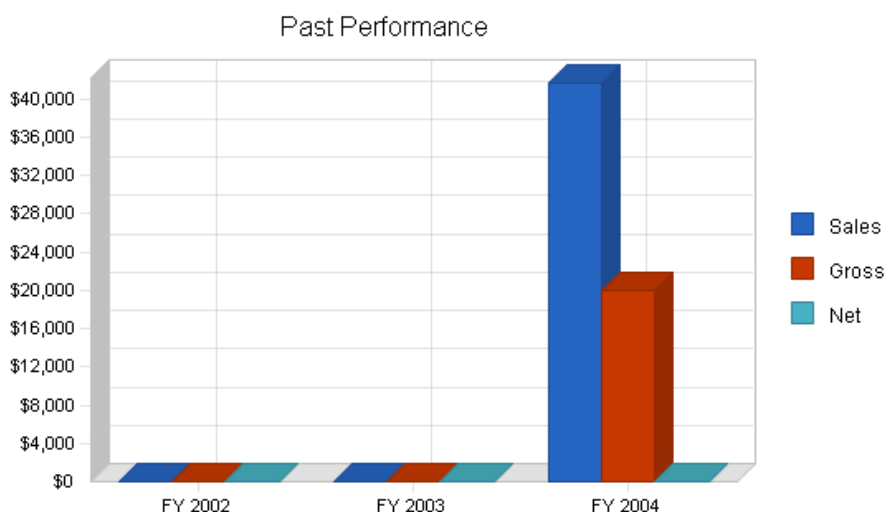
The company plans to use its existing contacts obtained through past marketing via the Web, direct mailers, personal contact and printed publications to generate short-term residential contracts. Its long-term profitability will rely on current commercial contracts with national property services companies and future commercial contracts that will be obtained through strategic alliances and a comprehensive marketing program.

## 2.1 Company Ownership

CorbelArch Real Estate Inspectors is an existing S corporation consisting of two principal officers, Mason Corbel and Rocky Arch.

## 2.2 Company History

CorbelArch Real Estate Inspectors was founded as an S corporation in Ourstate in FY 2004. The company was actively providing services for only part of the year, and carries into this plan sizable Accounts Receivable, and a modest cash balance. The principals invested £15,000 each in the start up of the company and acquired short-term loans.



### Past Performance

	FY 2002	FY 2003	FY 2004
Sales	£0	£0	£41,639
Gross Margin	£0	£0	£20,000
Gross Margin %	0.00%	0.00%	48.03%
Operating Expenses	£0	£0	£5,800
Collection Period (days)	0	0	135

### Balance Sheet

	FY 2002	FY 2003	FY 2004
Current Assets			
Cash	£0	£0	£3,000
Accounts Receivable	£0	£0	£21,639
Other Current Assets	£0	£0	£25,000



Total Current Assets	£0	£0	£49,639
Long-term Assets			
Long-term Assets	£0	£0	£15,000
Accumulated Depreciation	£0	£0	£0
Total Long-term Assets	£0	£0	£15,000
Total Assets	£0	£0	£64,639
Current Liabilities			
Accounts Payable	£0	£0	£2,000
Current Borrowing	£0	£0	£9,827
Other Current Liabilities (interest free)	£0	£0	£0
Total Current Liabilities	£0	£0	£11,827
Long-term Liabilities	£0	£0	£0
Total Liabilities	£0	£0	£11,827
Paid-in Capital	£0	£0	£30,000
Retained Earnings	£0	£0	£22,812
Earnings	£0	£0	£0
Total Capital	£0	£0	£52,812
Total Capital and Liabilities	£0	£0	£64,639
Other Inputs			
Payment Days	0	0	30
Sales on Credit	£0	£0	£29,147
Receivables Turnover	0.00	0.00	1.35

## Services

CorbelArch Real Estate Inspectors provides comprehensive property inspection and preservation services to the residential and commercial markets.

## Market Analysis Summary

CorbelArch Real Estate Inspectors will focus on two markets within the industry, the residential segment (including apartment buildings) and the commercial segment (including buildings used for professional purposes).

The commercial market participants currently need competent inspection firms to provide services to themselves or their clients. Since our inspection findings can significantly impact a business' profitability, it



is absolutely crucial for our service to be accurate and complete.

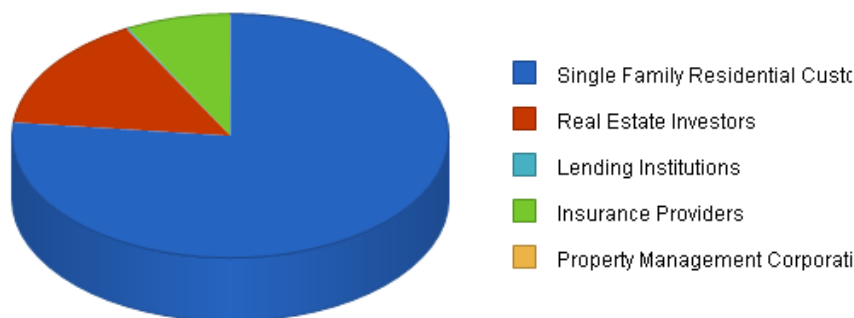
Although the above is also true for the residential owner, quality and meeting the individual needs/wants of the client while maintaining the Realtor's transaction come first in the residential segment. The inspector must be willing to be more flexible and willing to listen and work directly with the client.

Over the past decade a number of new trends have been observed in this industry. This includes the steady growth of the local economy, the increased percentage of property transactions that require inspections and the requirement and escalation of credentials needed to be licensed to perform inspections.

## 4.1 Market Segmentation

CorbelArch Real Estate Inspectors will focus on two markets within the industry, the residential segment (including apartment buildings) and the commercial segment which includes buildings used for professional purposes. The company can handle any size building that needs inspection or management services. It is the goal of the company to eventually have approximately one-third of all business coming from the commercial segment, since this generates the greatest cash flow. Furthermore, this segment has the lowest percentage of variable costs. The residential segment is considered to be the company's cash cow. Even during the slow winter months, the company can expect to have a several residential contracts.

Market Analysis (Pie)



### Market Analysis

		2004	2005	2006	2007	2008	
Potential Customers	Growth						CAGR
Single Family Residential Customers	10%	50,000	55,000	60,500	66,550	73,205	10.00%
Real Estate Investors	10%	10,000	11,000	12,100	13,310	14,641	10.00%
Lending Institutions	0%	100	100	100	100	100	0.00%
Insurance Providers	0%	5,000	5,000	5,000	5,000	5,000	0.00%
Property Management Corporations	50%	30	45	68	102	153	50.28%
Total	9.34%	65,130	71,145	77,768	85,062	93,099	9.34%

## 4.2 Target Market Segment Strategy

Currently there is limited competition in the commercial inspection services industry. We plan to target our marketing to gain share in this growing business.

## 4.3 Service Business Analysis

Most of the industry analysis is contained in the Competitive Comparison section to give the reader the idea of



the competitive nature of the industry, its opportunities and threats, and the company's flexibility in pricing. CorbelArch Real Estate Inspectors exists in a purely competitive market that faces virtually unlimited competition and high demand. The ability of the company to differentiate its services or enter into a niche market is possible. The company will engage in strong leadership principles, aggressive sales and a high level of quality.

### 4.3.1 Competition and Buying Patterns

This industry is somewhat seasonal. The busiest times are during the summer months where it is easy for a company to become so engaged that it must turn down opportunities. During the winter months businesses must focus on service diversification and marketing to maintain consistent level of work.

## Strategy and Implementation Summary

As stated before, the company will focus on greater service through better scheduling, project management, and greater alignment of personnel by providing profit sharing. The company is utilizing the most up-to-date communications and scheduling and reporting technology available.

The company is also currently carrying out an aggressive marketing plan throughout the region. This includes Web listings, direct mailings, literature and strategic alliances with key industry professionals.

### 5.1 Competitive Edge

CorbelArch Real Estate Inspectors seeks to establish a competitive edge in its new target market segment by increasing the level of customer contact and service. Something that other competitors oftentimes lack. Additionally, CorbelArch Real Estate Inspectors possesses the necessary skills to produce the high quality services that are needed in this field. The establishment of the previously mentioned work processes that will ensure greater service will strengthen the contacts that promote word-of-mouth marketing and networking.

### 5.2 Marketing Strategy

CorbelArch Real Estate Inspectors is currently utilizing several avenues to promote the company and its services including but not limited to: website, multiple trade Web listings, brochure placements, phone directory advertisement, direct mail advertisement, target service mailings and word of mouth among key industry professionals.

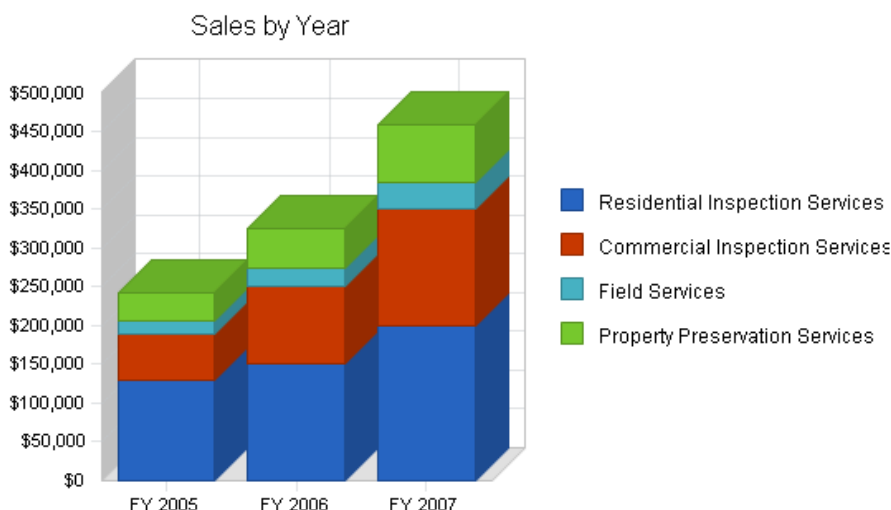
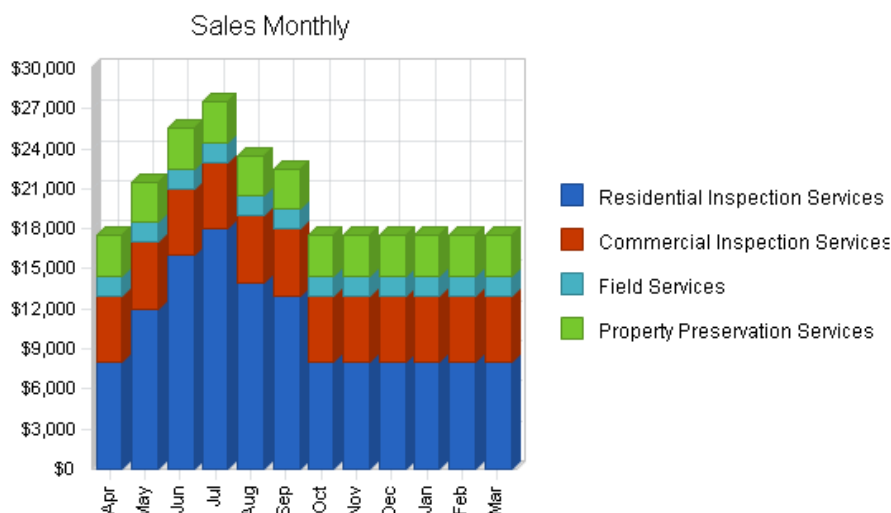
Our website will be promoted on all of our marketing publications, and promo pieces. We will link to various trade and government sites. We are currently listed at the top of several of the most utilized search engines.

### 5.3 Sales Strategy

Sales forecast is based on the existing client base of the two principal officers of the company and the ability of they and their two relatively new employees to generate new sales based on these contacts. By bringing together the experience, (which includes significant sales) of the existing owners and new employees the company will be able to generate sales on an escalating basis. Furthermore, the company's growing marketing program will generate the growth the company needs to excel.

#### 5.3.1 Sales Forecast

The table and chart below, along with the first year monthly break down in the appendix ably present the Sales and Cost of Sales forecast.



## Sales Forecast

FY 2005 FY 2006 FY 2007

### Sales

Residential Inspection Services	£129,000	£150,000	£200,000
Commercial Inspection Services	£60,000	£100,000	£150,000
Field Services	£18,000	£25,000	£35,000
Property Preservation Services	£36,000	£50,000	£75,000
<b>Total Sales</b>	<b>£243,000</b>	<b>£325,000</b>	<b>£460,000</b>

Direct Cost of Sales FY 2005 FY 2006 FY 2007

Mileage	£35,235	£47,125	£66,700
Report Materials	£14,580	£19,500	£27,600
<b>Subtotal Direct Cost of Sales</b>	<b>£49,815</b>	<b>£66,625</b>	<b>£94,300</b>

## Management Summary



Our company philosophy is based on mutual respect for all contributions made by our founders, investors, consultants, and employees without regard to the position held in the company. Those who work with CorbelArch Real Estate Inspectors will learn to enjoy and trust our partnership environment, because we all strive to create an environment that enables us to work as a team where suggestions are valued, appreciated and rewarded.

CorbelArch Real Estate Inspectors will also work toward establishing community involvement programs that will demonstrate how our business can contribute to a better quality of community life. Projects such as offering our services in working with schools, churches, and other groups on programs for mutual benefit.

## 6.1 Personnel Plan

Customer service is paramount in our business and our business plan. The management team will accomplish this goal by targeting employees who are willing to be trained and by providing encouragement and employee incentive programs. CorbelArch Real Estate Inspectors will initially contract bookkeeping/HR functions. In year three a full-time bookkeeper will be hired.

In year one of this plan there are four total personnel; year two we will hire two more people; and in year three our total personnel count will be seven.

As the business becomes more profitable, CorbelArch intends to provide the following benefits for owners and employees:

- Health care insurance
- Dental care insurance
- Life insurance
- Vacation time
- Up sell incentive programs
- 401k retirement plans

### Personnel Plan

	FY 2005	FY 2006	FY 2007
Owner\Founders	£14,000	£64,000	£74,000
Employees	£7,000	£100,000	£125,000
Total People	0	6	7

Total Payroll	£21,000	£164,000	£199,000
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## Financial Plan

The following topics present the financial plan for CorbelArch Real Estate Inspectors. Topics covered include a Break-even Analysis, Cash Flow, P & L, and a Balance Sheet.

### 7.1 Important Assumptions

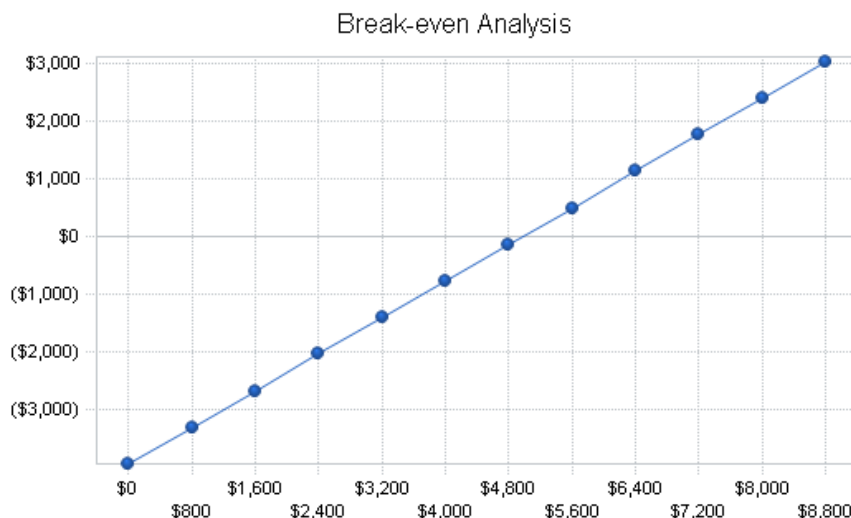
We are assuming steady growth from good management, barring any unforeseen local, or national disasters such as the economic slowdown seen by most of the country following the September 11th, 2001 tragedies.





## 7.2 Break-even Analysis

The break-even analysis is based on our average monthly expenses. The total expenses anticipated for the 12-month plan period was divided by twelve to establish the monthly average. The table below shows what we must average in revenue each month. We recognize that our actual revenue and expenses will vary each month.



### Break-even Analysis

Monthly Revenue Break-even £4,963

Assumptions:

Average Percent Variable Cost 21%

Estimated Monthly Fixed Cost £3,946

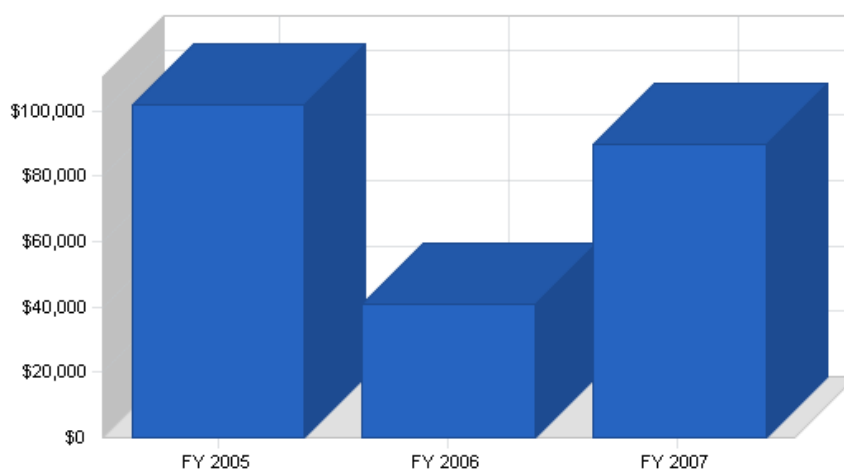
## 7.3 Projected Profit and Loss

As the Profit and Loss table shows, the company expects to continue its steady growth in profitability over the next three years of operations.

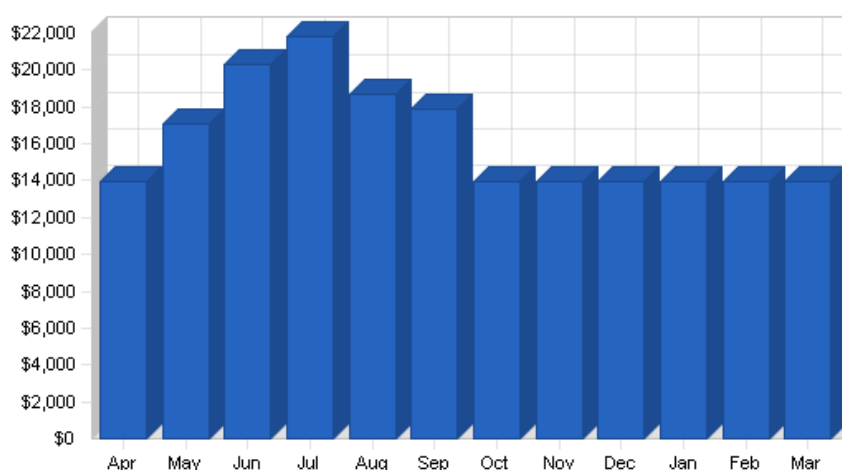




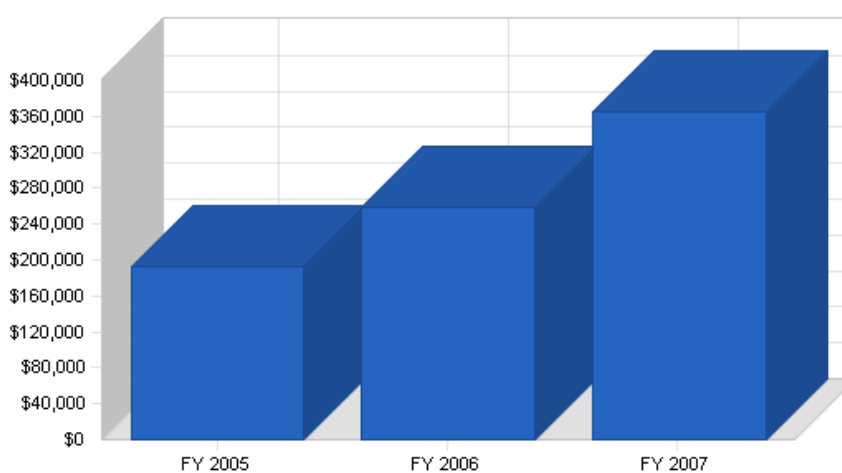
Profit Yearly



Gross Margin Monthly



Gross Margin Yearly



## Pro Forma Profit and Loss

	FY 2005	FY 2006	FY 2007
Sales	£243,000	£325,000	£460,000



Direct Cost of Sales	£49,815	£66,625	£94,300
Other Costs of Sales	£0	£0	£0
Total Cost of Sales	£49,815	£66,625	£94,300

Gross Margin	£193,185	£258,375	£365,700
Gross Margin %	79.50%	79.50%	79.50%

Expenses			
Payroll	£21,000	£164,000	£199,000
Marketing/Promotion	£3,000	£4,000	£8,000
Depreciation	£0	£0	£0
Rent	£6,000	£9,000	£9,000
Utilities	£1,200	£2,000	£2,400
Insurance	£9,000	£12,000	£16,000
Website Hosting and Maintenance	£2,400	£2,800	£3,000
Bookkeeping Service	£4,750	£6,000	£0
Payroll Taxes	£0	£0	£0

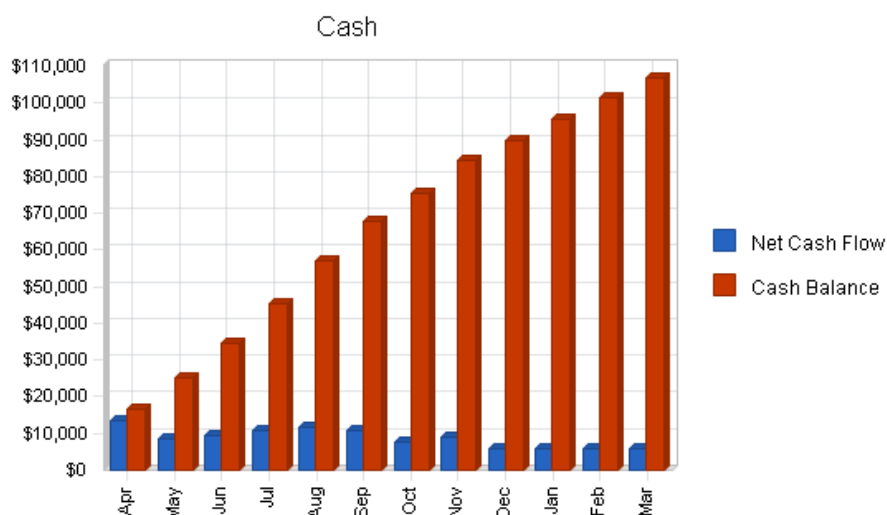
Total Operating Expenses	£47,350	£199,800	£237,400
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Profit Before Interest and Taxes	£145,835	£58,575	£128,300
EBITDA	£145,835	£58,575	£128,300
Interest Expense	£533	£436	£335
Taxes Incurred	£43,591	£17,442	£38,389

Net Profit	£101,711	£40,697	£89,575
Net Profit/Sales	41.86%	12.52%	19.47%

## 7.4 Projected Cash Flow

In years two and three we will purchase company vehicles. In year two we anticipate distributing profit sharing as dividends to all owners and employees.





## Pro Forma Cash Flow

FY 2005 FY 2006 FY 2007

### Cash Received

#### Cash from Operations

Cash Sales	£72,900	£97,500	£138,000
Cash from Receivables	£167,647	£219,370	£308,616
Subtotal Cash from Operations	£240,547	£316,870	£446,616

#### 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	£240,547	£316,870	£446,616

### Expenditures

FY 2005 FY 2006 FY 2007

#### Expenditures from Operations

Cash Spending	£21,000	£164,000	£199,000
Bill Payments	£113,869	£118,834	£167,223
Subtotal Spent on Operations	£134,869	£282,834	£366,223

#### Additional Cash Spent

Sales Tax, VAT, HST/GST Paid Out	£0	£0	£0
Principal Repayment of Current Borrowing	£1,740	£1,635	£1,736
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	£30,000	£45,000
Dividends	£0	£30,000	£60,000
Subtotal Cash Spent	£136,609	£344,469	£472,959

Net Cash Flow	£103,938	(£27,599)	(£26,343)
Cash Balance	£106,938	£79,339	£52,996

## 7.5 Projected Balance Sheet

The balance sheet shows healthy growth of net worth, and strong financial position. The monthly estimates are included in the appendix.



## Pro Forma Balance Sheet

	FY 2005	FY 2006	FY 2007
<b>Assets</b>			
<b>Current Assets</b>			
Cash	£106,938	£79,339	£52,996
Accounts Receivable	£24,092	£32,221	£45,606
Other Current Assets	£25,000	£25,000	£25,000
Total Current Assets	£156,030	£136,560	£123,602
<b>Long-term Assets</b>			
Long-term Assets	£15,000	£45,000	£90,000
Accumulated Depreciation	£0	£0	£0
Total Long-term Assets	£15,000	£45,000	£90,000
Total Assets	£171,030	£181,560	£213,602
<b>Liabilities and Capital</b>			
<b>Current Liabilities</b>			
Accounts Payable	£8,419	£9,888	£14,090
Current Borrowing	£8,087	£6,452	£4,716
Other Current Liabilities	£0	£0	£0
Subtotal Current Liabilities	£16,506	£16,340	£18,806
<b>Long-term Liabilities</b>			
Long-term Liabilities	£0	£0	£0
Total Liabilities	£16,506	£16,340	£18,806
<b>Paid-in Capital</b>			
Paid-in Capital	£30,000	£30,000	£30,000
Retained Earnings	£22,812	£94,523	£75,221
Earnings	£101,711	£40,697	£89,575
Total Capital	£154,523	£165,221	£194,796
Total Liabilities and Capital	£171,030	£181,560	£213,602
<b>Net Worth</b>			
Net Worth	£154,523	£165,221	£194,796

## 7.6 Business Ratios

Business ratios for the years of this plan are shown below. Industry profile ratios based on the Standard Industrial Classification (SIC) code 7389.0203, Building Inspection Services, are shown for comparison.

### Ratio Analysis

FY 2005 FY 2006 FY 2007 Industry Profile



Sales Growth	483.59%	33.74%	41.54%	2.53%
Percent of Total Assets				
Accounts Receivable	14.09%	17.75%	21.35%	23.12%
Other Current Assets	14.62%	13.77%	11.70%	47.86%
Total Current Assets	91.23%	75.21%	57.87%	73.23%
Long-term Assets	8.77%	24.79%	42.13%	26.77%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities	9.65%	9.00%	8.80%	34.95%
Long-term Liabilities	0.00%	0.00%	0.00%	11.17%
Total Liabilities	9.65%	9.00%	8.80%	46.12%
Net Worth	90.35%	91.00%	91.20%	53.88%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	79.50%	79.50%	79.50%	100.00%
Selling, General & Administrative Expenses	37.64%	66.98%	60.03%	81.44%
Advertising Expenses	0.00%	0.00%	0.00%	1.41%
Profit Before Interest and Taxes	60.01%	18.02%	27.89%	2.40%
Main Ratios				
Current	9.45	8.36	6.57	1.54
Quick	9.45	8.36	6.57	1.23
Total Debt to Total Assets	9.65%	9.00%	8.80%	56.68%
Pre-tax Return on Net Worth	94.03%	35.19%	65.69%	5.58%
Pre-tax Return on Assets	84.96%	32.02%	59.91%	12.87%
Additional Ratios	FY 2005	FY 2006	FY 2007	
Net Profit Margin	41.86%	12.52%	19.47%	n.a
Return on Equity	65.82%	24.63%	45.98%	n.a
Activity Ratios				
Accounts Receivable Turnover	7.06	7.06	7.06	n.a
Collection Days	60	45	44	n.a
Accounts Payable Turnover	14.29	12.17	12.17	n.a
Payment Days	28	28	26	n.a
Total Asset Turnover	1.42	1.79	2.15	n.a
Debt Ratios				
Debt to Net Worth	0.11	0.10	0.10	n.a
Current Liab. to Liab.	1.00	1.00	1.00	n.a



## Liquidity Ratios

Net Working Capital	£139,523	£120,221	£104,796	n.a
Interest Coverage	273.58	134.29	382.94	n.a

## Additional Ratios

Assets to Sales	0.70	0.56	0.46	n.a
Current Debt/Total Assets	10%	9%	9%	n.a
Acid Test	7.99	6.39	4.15	n.a
Sales/Net Worth	1.57	1.97	2.36	n.a
Dividend Payout	0.00	0.74	0.67	n.a

## Appendix

### Sales Forecast

		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Sales													
Residential Inspection Services	0%	£8,000	£12,000	£16,000	£18,000	£14,000	£13,000	£8,000	£8,000	£8,000	£8,000	£8,000	£8,000
Commercial Inspection Services	0%	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000	£5,000
Field Services	0%	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500
Property Preservation Services	0%	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000
Total Sales		£17,500	£21,500	£25,500	£27,500	£23,500	£22,500	£17,500	£17,500	£17,500	£17,500	£17,500	£17,500
Direct Cost of Sales		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Mileage		£2,538	£3,118	£3,697	£3,987	£3,407	£3,263	£2,538	£2,538	£2,538	£2,538	£2,538	£2,538
Report Materials		£1,050	£1,290	£1,530	£1,650	£1,410	£1,350	£1,050	£1,050	£1,050	£1,050	£1,050	£1,050
Subtotal Direct Cost of Sales		£3,588	£4,408	£5,228	£5,638	£4,818	£4,613	£3,588	£3,588	£3,588	£3,588	£3,588	£3,588

### Personnel Plan

		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Owner/Founders	0%	£0	£0	£0	£0	£0	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000	£2,000
Employees	0%	£0	£0	£0	£0	£0	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
Total People		0	0	0	0	0	0	0	0	0	0	0	0
Total Payroll		£0	£0	£0	£0	£0	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000

### Pro Forma Profit and Loss

		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Sales		£17,500	£21,500	£25,500	£27,500	£23,500	£22,500	£17,500	£17,500	£17,500	£17,500	£17,500	£17,500
Direct Cost of Sales		£3,588	£4,408	£5,228	£5,638	£4,818	£4,613	£3,588	£3,588	£3,588	£3,588	£3,588	£3,588
Other Costs of Sales		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Cost of Sales		£3,588	£4,408	£5,228	£5,638	£4,818	£4,613	£3,588	£3,588	£3,588	£3,588	£3,588	£3,588
Gross Margin		£13,913	£17,093	£20,273	£21,863	£18,683	£17,888	£13,913	£13,913	£13,913	£13,913	£13,913	£13,913
Gross Margin %		79.50%	79.50%	79.50%	79.50%	79.50%	79.50%	79.50%	79.50%	79.50%	79.50%	79.50%	79.50%
Expenses													
Payroll		£0	£0	£0	£0	£0	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000
Marketing/Promotion		£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250
Depreciation		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Rent		£0	£0	£0	£0	£750	£750	£750	£750	£750	£750	£750	£750
Utilities		£0	£0	£0	£0	£150	£150	£150	£150	£150	£150	£150	£150
Insurance		£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750
Website Hosting and Maintenance		£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200
Bookkeeping Service	15%	£250	£250	£250	£250	£250	£500	£500	£500	£500	£500	£500	£500
Payroll Taxes	15%	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Operating Expenses		£1,450	£1,450	£1,450	£1,450	£2,350	£5,600	£5,600	£5,600	£5,600	£5,600	£5,600	£5,600
Profit Before Interest and Taxes		£12,463	£15,643	£18,823	£20,413	£16,333	£12,288	£8,313	£8,313	£8,313	£8,313	£8,313	£8,313
EBITDA		£12,463	£15,643	£18,823	£20,413	£16,333	£12,288	£8,313	£8,313	£8,313	£8,313	£8,313	£8,313
Interest Expense		£48	£48	£47	£46	£46	£45	£44	£43	£43	£42	£41	£40
Taxes Incurred		£3,724	£4,678	£5,633	£6,110	£4,886	£3,673	£2,481	£2,481	£2,481	£2,481	£2,481	£2,481
Net Profit		£8,690	£10,916	£13,143	£14,256	£11,401	£8,570	£5,788	£5,788	£5,788	£5,789	£5,790	£5,790
Net Profit/Sales		49.66%	50.77%	51.54%	51.84%	48.51%	38.09%	33.07%	33.08%	33.08%	33.08%	33.09%	33.09%





## Pro Forma Cash Flow

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Cash Received												
Cash from Operations												
Cash Sales	£5,250	£6,450	£7,650	£8,250	£7,050	£6,750	£5,250	£5,250	£5,250	£5,250	£5,250	£5,250
Cash from Receivables	£10,820	£11,228	£12,343	£15,143	£17,897	£19,157	£16,427	£15,633	£12,250	£12,250	£12,250	£12,250
Subtotal Cash from Operations	£16,070	£17,678	£19,993	£23,393	£24,947	£25,907	£21,677	£20,883	£17,500	£17,500	£17,500	£17,500
Additional Cash Received												
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	£16,070	£17,678	£19,993	£23,393	£24,947	£25,907	£21,677	£20,883	£17,500	£17,500	£17,500	£17,500
Expenditures	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Expenditures from Operations												
Cash Spending	£0	£0	£0	£0	£0	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000
Bill Payments	£2,294	£8,869	£10,643	£12,387	£13,205	£12,060	£10,856	£8,712	£8,712	£8,711	£8,711	£8,710
Subtotal Spent on Operations	£2,294	£8,869	£10,643	£12,387	£13,205	£15,060	£13,856	£11,712	£11,712	£11,711	£11,711	£11,710
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	£145	£145	£145	£145	£145	£145	£145	£145	£145	£145	£145	£145
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	£2,439	£9,014	£10,788	£12,532	£13,350	£15,205	£14,001	£11,857	£11,857	£11,856	£11,856	£11,855
Net Cash Flow	£13,631	£8,664	£9,206	£10,862	£11,596	£10,702	£7,676	£9,026	£5,643	£5,644	£5,644	£5,645
Cash Balance	£16,631	£25,294	£34,500	£45,362	£56,958	£67,659	£75,335	£84,361	£90,005	£95,649	£101,293	£106,938

## Pro Forma Balance Sheet

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Assets	Starting Balances											
Current Assets												
Cash	£3,000	£16,631	£25,294	£34,500	£45,362	£56,958	£67,659	£75,335	£84,361	£90,005	£95,649	£101,293
Accounts Receivable	£21,639	£23,070	£26,892	£32,398	£36,505	£35,058	£31,652	£27,475	£24,092	£24,092	£24,092	£24,092
Other Current Assets	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000
Total Current Assets	£49,639	£64,700	£77,186	£91,898	£106,867	£117,016	£124,311	£127,810	£133,453	£139,096	£144,740	£150,385
Long-term Assets												
Long-term Assets	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000
Accumulated Depreciation	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Long-term Assets	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000	£15,000
Total Assets	£64,639	£79,700	£92,186	£106,898	£121,867	£132,016	£139,311	£142,810	£148,453	£154,096	£159,740	£165,385
Liabilities and Capital	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Current Liabilities												
Accounts Payable	£2,000	£8,516	£10,231	£11,945	£12,802	£11,696	£10,566	£8,422	£8,421	£8,420	£8,420	£8,419
Current Borrowing	£9,827	£9,682	£9,537	£9,392	£9,247	£9,102	£8,957	£8,812	£8,667	£8,522	£8,377	£8,232
Other Current Liabilities	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Subtotal Current Liabilities	£11,827	£18,198	£19,768	£21,337	£22,049	£20,798	£19,523	£17,234	£17,088	£16,943	£16,797	£16,652
Long-term Liabilities	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Liabilities	£11,827	£18,198	£19,768	£21,337	£22,049	£20,798	£19,523	£17,234	£17,088	£16,943	£16,797	£16,652
Paid-in Capital	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000	£30,000
Retained Earnings	£22,812	£22,812	£22,812	£22,812	£22,812	£22,812	£22,812	£22,812	£22,812	£22,812	£22,812	£22,812
Earnings	£0	£8,690	£19,606	£32,749	£47,005	£58,406	£66,976	£72,764	£78,553	£84,342	£90,131	£95,921
Total Capital	£52,812	£61,502	£72,418	£85,561	£99,817	£111,218	£119,788	£125,576	£131,365	£137,154	£142,943	£148,733
Total Liabilities and Capital	£64,639	£79,700	£92,186	£106,898	£121,867	£132,016	£139,311	£142,810	£148,453	£154,096	£159,740	£165,385
Net Worth	£52,812	£61,502	£72,418	£85,561	£99,817	£111,218	£119,788	£125,576	£131,365	£137,154	£142,943	£148,733