



Mortgage Broker Business Plan

Claremont Funding is an outstanding mortgage brokerage firm serving the lending needs of real estate professionals, builders and individual home buyers. We have access to a full range of mortgage sources and are dedicated to finding the right loan--with the best rates, terms and costs--to meet our clients' unique needs.

This firm is capitalized by two principal investors, Joan Billings and Maureen Shoe. Both are licensed brokers with a combined experience of over 30 years in the industry.

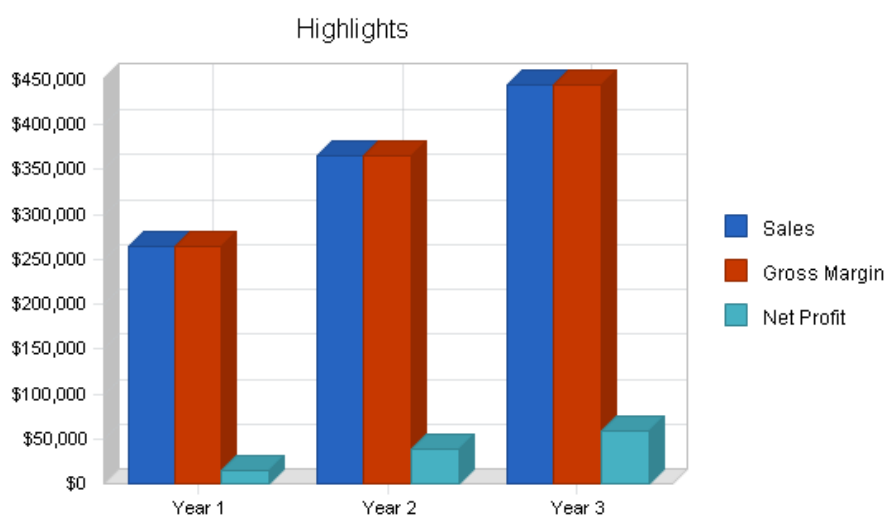
1.1 Objectives

Claremont Funding aims to offer comprehensive mortgage broker services. Claremont Funding will focus on providing personal and specialized services to meet each client's specific needs. The primary objectives of our firm are:

- Become profitable serving the real estate investment opportunities becoming available in the rapidly growing old town section of the city.
- Develop a solid, corporate identity in our specified target market area.
- Become one of the top brokerage firms in the area by our third year of operation, or before.
- Realize a positive return on investment within the first 12 months.

1.2 Mission

Claremont Funding offers high-quality mortgage brokerage services to residential and business customers. Our aim is to provide our customers with fair mortgage rates at reasonable prices, while keeping our clients informed and educated throughout the process. We will become friends and mentors to our customers as well as quality service providers. Claremont is an excellent place to work, a professional environment that is challenging, rewarding, creative, and respectful of ideas and individuals. Claremont ultimately provides excellent value to its customers and fair reward to its owners and employees.



Company Summary



Claremont Funding is a new company that provides a high level of expertise. We will provide superior personal service to buyers. We take pride in knowing that 70% of our business comes from repeat clients and their referrals.

Our responsibility as mortgage professionals is to determine what a customer's financial goals are, not just quote a rate. We have access to hundreds of loan programs, allowing us to arrange the most beneficial solution... whatever the buyer's needs may be.

2.1 Company Ownership

The owners and brokers of Claremont Funding are Joan Billings and Maureen Shoe.

2.2 Start-up Summary

Our start-up costs are outlined in the following table. Start-up costs derive from website design, office equipment, main computer station complete with all mortgage information for broker usage, stationery, legal costs, furnishings, office advertising and services, and expenses associated with opening our office. The start-up costs are to be financed by direct owner investment and credit. Lease office space averages £1.10 - 1.60 per square foot to an approximate of £1,500 per month, plus utilities, for efficient leased office space. Commercial lease will be for a three to five year agreement with the first month and a security deposit equal to the monthly lease rate payable at the time of lease start date.

Start-up

Requirements

Start-up Expenses

Legal	£900
Stationery etc.	£2,000
Brochures	£1,000
Advertising	£2,500
Insurance	£200
Rent	£3,000
Answering Service	£200
Utilities Start Up	£250
Office Furnishings	£4,000
Expensed Equipment	£3,000
Business Software	£2,000
Office Supplies	£1,000
Total Start-up Expenses	£20,050

Start-up Assets

Cash Required	£39,950
Other Current Assets	£20,000
Long-term Assets	£0



Total Assets £59,950

Total Requirements £80,000

Start-up Funding

Start-up Expenses to Fund £20,050

Start-up Assets to Fund £59,950

Total Funding Required £80,000

Assets

Non-cash Assets from Start-up £20,000

Cash Requirements from Start-up £39,950

Additional Cash Raised £0

Cash Balance on Starting Date £39,950

Total Assets £59,950

Liabilities and Capital

Liabilities

Current Borrowing £0

Long-term Liabilities £30,000

Accounts Payable (Outstanding Bills) £10,000

Other Current Liabilities (interest-free) £0

Total Liabilities £40,000

Capital

Planned Investment

Investor 1 £20,000

Investor 2 £20,000

Additional Investment Requirement £0

Total Planned Investment £40,000

Loss at Start-up (Start-up Expenses) (£20,050)

Total Capital £19,950

Total Capital and Liabilities £59,950



Total Funding £80,000

Services

Our personal goal is to break through the barriers that impede homeownership for those who wish to realize the American Dream. We provide potential and current homeowners the opportunity to find the best mortgage loan for their needs.

We match buyers to loan programs. We have an extensive questionnaire for our buyers to list their wants and needs. We then take this questionnaire and put the supplied information to match buyers to the loan packages matching their criteria.

Market Analysis Summary

Due to the strengthening of the area's economy and lower interest rates, more home buyers today are looking to purchase homes. These changes in attitudes of home buyers are a tremendous boost to real estate firms. Residential construction is booming in the city's Old Town section. We are poised to take advantage of these changes, and expect to become a recognized name and profitable entity in the city's real estate market. We chose to locate our office in the area of most revenue potential and where we have close connection to dominant real estate firms. Our targeted market area, the Old Town area, shows stability and growth. We have a beautiful office, centered in the Old Town area.

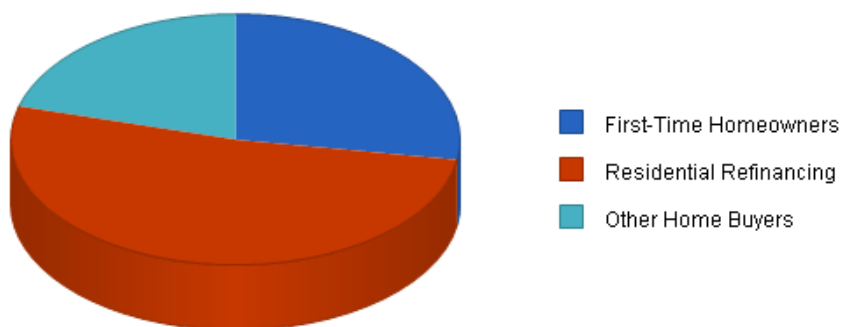
The first quarter home values were up 12.5 percent from the same period in 2001, the Office of Federal Housing Enterprise Oversight reported. The gain reflects an increase from the previous quarter, when residential real estate values saw growth of 12.1 percent.

4.1 Market Segmentation

The home buyers that Claremont Funding will be serving can be divided into two groups:

- First-time homeowners: A bulk of the new construction in the Old Town section of the city is directed toward first-time homeowners.
- Residential refinancing: Whether it is for purchasing, construction, remodeling, debt consolidation, investment properties or refinancing--we have programs available to service those with good and bad credit.

Market Analysis (Pie)





Market Analysis

		Year 1	Year 2	Year 3	Year 4	Year 5	
Potential Customers	Growth						CAGR
First-Time Homeowners	15%	80,000	92,000	105,800	121,670	139,921	15.00%
Residential Refinancing	10%	150,000	165,000	181,500	199,650	219,615	10.00%
Other Home Buyers	7%	60,000	64,200	68,694	73,503	78,648	7.00%
Total	10.87%	290,000	321,200	355,994	394,823	438,184	10.87%

4.2 Target Market Segment Strategy

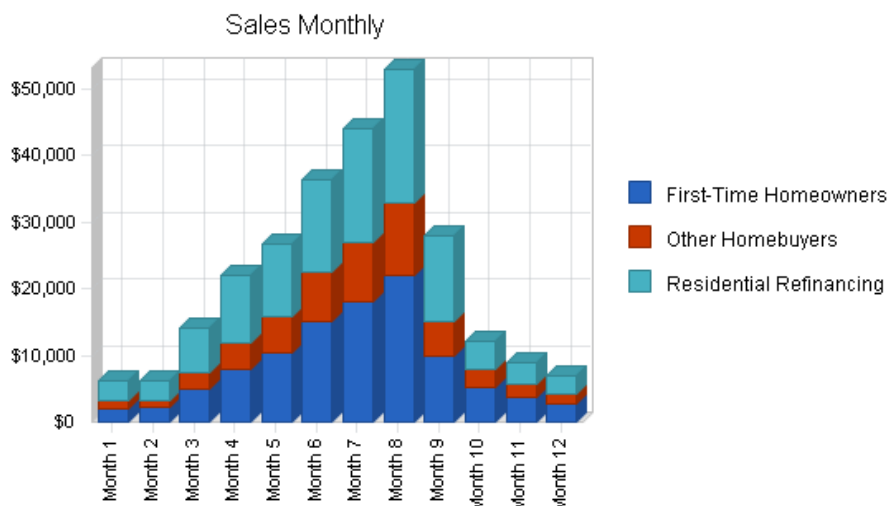
We cannot survive waiting for the customer to come to us. Instead, we must get better at focusing on the specific market segments whose needs match our offerings. Focusing on targeted segments is the key to our future. Therefore, we need to focus our marketing message and our services offered. We need to develop our message, communicate it, and make good on it.

Strategy and Implementation Summary

Claremont Funding will focus on the mortgage broker needs in the Old Town section of the city and the surrounding areas. Our target customer will be first-time home buyers and existing homeowners who are interested in refinancing.

5.1 Sales Forecast

The following table and chart give a run-down on forecasted sales. We expect sales to build between January through March with the most growth during the months of March through August. We expect sales to drop off from September till the end of the year.



Sales Forecast

	Year 1	Year 2	Year 3
Sales			
First-Time Homeowners	£104,672	£150,000	£180,000
Other Homebuyers	£52,336	£75,000	£90,000
Residential Refinancing	£107,839	£140,000	£175,000



Total Sales £264,847 £365,000 £445,000

Direct Cost of Sales	Year 1	Year 2	Year 3
First-Time Homeowners	£0	£0	£0
Other Homebuyers	£0	£0	£0
Residential Refinancing	£0	£0	£0
Subtotal Direct Cost of Sales	£0	£0	£0

5.2 Milestones

The accompanying table lists important program milestones, with dates and managers in charge, and budgets for each. The milestone schedule indicates our emphasis on planning for implementation.

Milestones

Milestone	Start Date	End Date	Budget	Manager	Department
Lease Office Space	12/15/2001	12/28/2001	£3,000	Maureen	Marketing
Purchase Office Equipment/Computer, etc.	12/1/2001	12/15/2001	£3,000	Maureen	Marketing
Office Utilities	12/20/2001	12/21/2001	£250	Joan	Web
Answering Service	12/13/2001	12/23/2001	£200	Joan	Web
Stationary	12/1/2001	12/10/2001	£2,000	Joan	Admin
Business Software	12/15/2001	12/28/2001	£2,000	Joan	Admin
Advertising	12/1/2001	12/30/2001	£2,500	Maureen	Marketing
Totals			£12,950		

5.3 Competitive Edge

Claremont Funding's competitive edge is that both Joan and Maureen are the most visible lecturers to new home owners in the city. Joan has a weekly column in the city's daily newspaper and Maureen lectures weekly to the city's numerous neighborhood councils and civic groups. Together, they represent the most recognizable faces in the city on the subject of home ownership and refinancing a home.

Between them, they have a base of 6,000 satisfied customers who continue to make referrals to the brokers.

The city has been growing by 15% annually for the past 10 years. With the population now at 1.3 million, the new construction in the Old Town section of the city is valued at two billion dollars in home sales next year alone. Claremont Funding is positioned well to grab a large share of the mortgage services demanded by the city's growth in Old Town.

Management Summary

Claremont Funding is a two member mortgage brokerage firm. Both brokers are equal partners in the firm.

6.1 Personnel Plan

The following table shows the personnel plan for Claremont Funding.



Personnel Plan

	Year 1	Year 2	Year 3
Joan Billings	£60,000	£80,000	£90,000
Maureen Shoe	£60,000	£80,000	£90,000
Admin Assistants	£46,000	£60,000	£80,000
Total People	3	4	4
Total Payroll	£166,000	£220,000	£260,000

Financial Plan

- We want to finance growth mainly through cash flow.
- The most important factor for Claremont Funding is the closing sales days. These dates will be determined ultimately by the Seller and the Buyer and a move out/move in schedule will be complied with.

7.1 Important Assumptions

The financial plan depends on important assumptions, most of which are shown in the following table as annual assumptions. The monthly assumptions are included in the appendix. From the beginning, we recognize that collection days are critical, but not a factor we can influence easily. At least we are planning on the problem, and dealing with it. Interest rates, tax rates, and personnel burden are based on conservative assumptions. Some of the more important underlying assumptions are:

- We assume a strong economy, without major recession.
- We assume, of course, that there are no unforeseen changes in the economy that would change our estimations.

General Assumptions

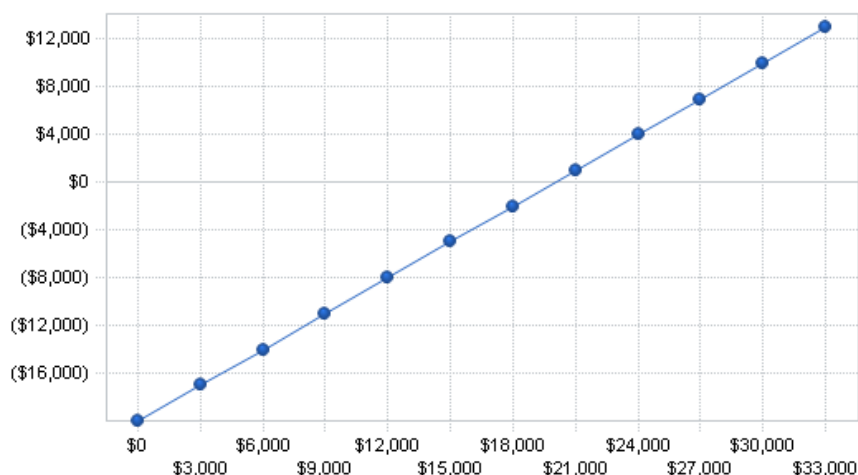
	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10.00%	10.00%	10.00%
Long-term Interest Rate	10.00%	10.00%	10.00%
Tax Rate	30.00%	30.00%	30.00%
Other	0	0	0

7.2 Break-even Analysis

The following table and chart will summarize our break-even analysis.



Break-even Analysis



Break-even Analysis

Monthly Revenue Break-even £19,975

Assumptions:

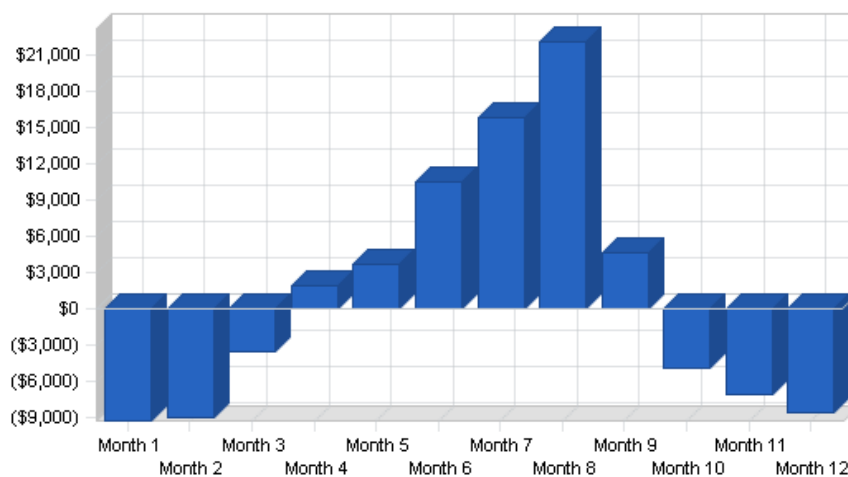
Average Percent Variable Cost 0%

Estimated Monthly Fixed Cost £19,975

7.3 Projected Profit and Loss

Our projected profit and loss is shown on the following table.

Profit Monthly



Pro Forma Profit and Loss

	Year 1	Year 2	Year 3
Sales	£264,847	£365,000	£445,000
Direct Cost of Sales	£0	£0	£0
Other Production Expenses	£0	£0	£0
Total Cost of Sales	£0	£0	£0



Gross Margin	£264,847	£365,000	£445,000
Gross Margin %	100.00%	100.00%	100.00%

Expenses

Payroll	£166,000	£220,000	£260,000
Sales and Marketing and Other Expenses	£7,800	£13,000	£19,000
Depreciation	£0	£0	£0
Leased Equipment	£200	£0	£0
Utilities	£2,400	£2,400	£2,400
Insurance	£2,400	£2,400	£2,400
Rent	£36,000	£36,000	£36,000
Payroll Taxes	£24,900	£33,000	£39,000
Other	£0	£0	£0

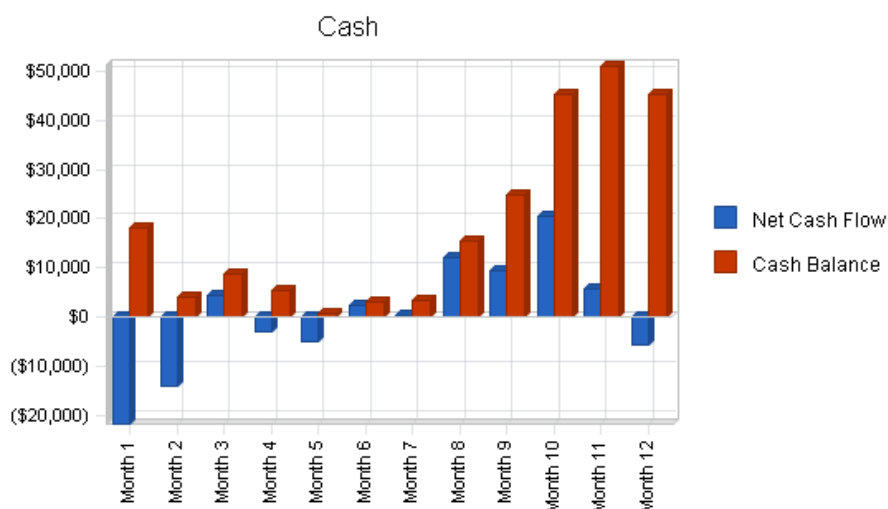
Total Operating Expenses	£239,700	£306,800	£358,800
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Profit Before Interest and Taxes	£25,147	£58,200	£86,200
EBITDA	£25,147	£58,200	£86,200
Interest Expense	£2,950	£2,550	£2,250
Taxes Incurred	£6,659	£16,695	£25,185

Net Profit	£15,538	£38,955	£58,765
Net Profit/Sales	5.87%	10.67%	13.21%

7.4 Projected Cash Flow

Cash flow projections are critical to our success. The annual cash flow figures are included here and the more important detailed monthly numbers are included in the appendix.



Pro Forma Cash Flow

Year 1 Year 2 Year 3



Cash Received

Cash from Operations

Cash Sales	£66,212	£91,250	£111,250
Cash from Receivables	£187,004	£269,352	£330,237
Subtotal Cash from Operations	£253,216	£360,602	£441,487

Additional Cash Received

Sales Tax, VAT, HST/GST Received	£0	£0	£0
New Current Borrowing	£4,500	£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	£12,000	£0	£0
Subtotal Cash Received	£269,716	£360,602	£441,487

Expenditures	Year 1	Year 2	Year 3
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Expenditures from Operations

Cash Spending	£166,000	£220,000	£260,000
Bill Payments	£90,879	£99,759	£124,576
Subtotal Spent on Operations	£256,879	£319,759	£384,576

Additional Cash Spent

Sales Tax, VAT, HST/GST Paid Out	£0	£0	£0
Principal Repayment of Current Borrowing	£4,500	£0	£0
Other Liabilities Principal Repayment	£0	£0	£0
Long-term Liabilities Principal Repayment	£3,000	£3,000	£3,000
Purchase Other Current Assets	£0	£0	£0
Purchase Long-term Assets	£0	£0	£0
Dividends	£0	£0	£0
Subtotal Cash Spent	£264,379	£322,759	£387,576

Net Cash Flow	£5,337	£37,842	£53,911
Cash Balance	£45,287	£83,129	£137,040

7.5 Projected Balance Sheet

The balance sheet in the following table shows managed but sufficient growth of net worth, and a sufficiently healthy financial position. The monthly estimates are included in the appendix.



Pro Forma Balance Sheet

	Year 1	Year 2	Year 3
Assets			
Current Assets			
Cash	£45,287	£83,129	£137,040
Accounts Receivable	£11,631	£16,030	£19,543
Other Current Assets	£20,000	£20,000	£20,000
Total Current Assets	£76,918	£119,159	£176,583
Long-term Assets			
Long-term Assets	£0	£0	£0
Accumulated Depreciation	£0	£0	£0
Total Long-term Assets	£0	£0	£0
Total Assets	£76,918	£119,159	£176,583
Liabilities and Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	£2,430	£8,716	£10,375
Current Borrowing	£0	£0	£0
Other Current Liabilities	£0	£0	£0
Subtotal Current Liabilities	£2,430	£8,716	£10,375
Long-term Liabilities	£27,000	£24,000	£21,000
Total Liabilities	£29,430	£32,716	£31,375
Paid-in Capital	£52,000	£52,000	£52,000
Retained Earnings	(£20,050)	(£4,512)	£34,443
Earnings	£15,538	£38,955	£58,765
Total Capital	£47,488	£86,443	£145,208
Total Liabilities and Capital	£76,918	£119,159	£176,583
Net Worth	£47,488	£86,443	£145,208

7.6 Business Ratios

The following table provides important ratios for the industry, as determined by the Standard Industry Classification (SIC) Index, 7389, Business Services.

Ratio Analysis

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	0.00%	37.82%	21.92%	8.50%



Percent of Total Assets

Accounts Receivable	15.12%	13.45%	11.07%	20.90%
Other Current Assets	26.00%	16.78%	11.33%	55.70%
Total Current Assets	100.00%	100.00%	100.00%	81.60%
Long-term Assets	0.00%	0.00%	0.00%	18.40%
Total Assets	100.00%	100.00%	100.00%	100.00%

Current Liabilities	3.16%	7.31%	5.88%	48.20%
Long-term Liabilities	35.10%	20.14%	11.89%	15.50%
Total Liabilities	38.26%	27.46%	17.77%	63.70%
Net Worth	61.74%	72.54%	82.23%	36.30%

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	94.18%	89.41%	86.91%	82.60%
Advertising Expenses	2.27%	2.74%	3.37%	0.60%
Profit Before Interest and Taxes	9.49%	15.95%	19.37%	1.50%

Main Ratios

Current	31.65	13.67	17.02	1.57
Quick	31.65	13.67	17.02	1.13
Total Debt to Total Assets	38.26%	27.46%	17.77%	63.70%
Pre-tax Return on Net Worth	46.74%	64.38%	57.81%	1.90%
Pre-tax Return on Assets	28.86%	46.70%	47.54%	5.20%

Additional Ratios

	Year 1	Year 2	Year 3	
Net Profit Margin	5.87%	10.67%	13.21%	n.a
Return on Equity	32.72%	45.06%	40.47%	n.a

Activity Ratios

Accounts Receivable Turnover	17.08	17.08	17.08	n.a
Collection Days	59	18	19	n.a
Accounts Payable Turnover	34.28	12.17	12.17	n.a
Payment Days	31	19	28	n.a
Total Asset Turnover	3.44	3.06	2.52	n.a

Debt Ratios

Debt to Net Worth	0.62	0.38	0.22	n.a
Current Liab. to Liab.	0.08	0.27	0.33	n.a

Liquidity Ratios

Net Working Capital	£74,488	£110,443	£166,208	n.a
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Interest Coverage 8.52 22.82 38.31 n.a

Additional Ratios

Assets to Sales 0.29 0.33 0.40 n.a

Current Debt/Total Assets 3% 7% 6% n.a

Acid Test 26.86 11.83 15.14 n.a

Sales/Net Worth 5.58 4.22 3.06 n.a

Dividend Payout 0.00 0.00 0.00 n.a

Appendix

Sales Forecast

		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													
First-Time Homeowners	0%	£2,100	£2,200	£5,020	£8,000	£10,500	£15,000	£18,000	£22,000	£10,022	£5,210	£3,820	£2,800
Other Homebuyers	0%	£1,050	£1,100	£2,510	£4,000	£5,250	£7,500	£9,000	£11,000	£5,011	£2,605	£1,910	£1,400
Residential Refinancing	0%	£3,000	£3,000	£6,640	£10,000	£11,000	£14,000	£17,000	£20,000	£13,000	£4,322	£3,222	£2,655
Total Sales		£6,150	£6,300	£14,170	£22,000	£26,750	£36,500	£44,000	£53,000	£28,033	£12,137	£8,952	£6,855
Direct Cost of Sales													
First-Time Homeowners		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Other Homebuyers		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Residential Refinancing		£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

Personnel Plan

		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Joan Billings	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
Maureen Shoe	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
Admin Assistants	0%	£3,000	£3,000	£3,000	£3,000	£5,000	£5,000	£5,000	£5,000	£5,000	£3,000	£3,000	£3,000
Total People		3	3	3	3	4	4	4	4	4	3	3	3
Total Payroll		£13,000	£13,000	£13,000	£13,000	£15,000	£15,000	£15,000	£15,000	£15,000	£13,000	£13,000	£13,000

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		£6,150	£6,300	£14,170	£22,000	£26,750	£36,500	£44,000	£53,000	£28,033	£12,137	£8,952	£6,855
Direct Cost of Sales		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Other Production Expenses		£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		£6,150	£6,300	£14,170	£22,000	£26,750	£36,500	£44,000	£53,000	£28,033	£12,137	£8,952	£6,855
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		£13,000	£13,000	£13,000	£13,000	£15,000	£15,000	£15,000	£15,000	£15,000	£13,000	£13,000	£13,000
Sales and Marketing and Other Expenses		£650	£650	£650	£650	£650	£650	£650	£650	£650	£650	£650	£650
Depreciation		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Leased Equipment		£200	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Utilities		£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200
Insurance		£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200
Rent		£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000
Payroll Taxes	15%	£1,950	£1,950	£1,950	£1,950	£2,250	£2,250	£2,250	£2,250	£2,250	£1,950	£1,950	£1,950
Other		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Operating Expenses		£19,200	£19,000	£19,000	£19,000	£21,300	£21,300	£21,300	£21,300	£21,300	£19,000	£19,000	£19,000
Profit Before Interest and Taxes		(£13,050)	(£12,700)	(£4,830)	£3,000	£5,450	£15,200	£22,700	£31,700	£6,733	(£6,863)	(£10,048)	(£12,145)
EBITDA		(£13,050)	(£12,700)	(£4,830)	£3,000	£5,450	£15,200	£22,700	£31,700	£6,733	(£6,863)	(£10,048)	(£12,145)
Interest Expense		£248	£246	£244	£279	£277	£275	£235	£233	£231	£229	£227	£225
Taxes Incurred		(£3,989)	(£3,884)	(£1,522)	£816	£1,552	£4,478	£6,739	£9,440	£1,951	(£2,128)	(£3,083)	(£3,711)
Net Profit		(£9,309)	(£9,062)	(£3,552)	£1,905	£3,621	£10,448	£15,725	£22,027	£4,551	(£4,965)	(£7,193)	(£8,659)
Net Profit/Sales		-151.36%	-143.84%	-25.06%	8.66%	13.54%	28.62%	35.74%	41.56%	16.24%	-40.90%	-80.35%	-126.32%



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	£1,538	£1,575	£3,543	£5,500	£6,688	£9,125	£11,000	£13,250	£7,008	£3,034	£2,238	£1,714
Cash from Receivables	£0	£154	£4,616	£4,922	£10,823	£16,619	£20,306	£27,563	£33,225	£39,126	£20,627	£9,023
Subtotal Cash from Operations	£1,538	£1,729	£8,159	£10,422	£17,511	£25,744	£31,306	£40,813	£40,233	£42,160	£22,865	£10,737
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	£4,500	£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	£12,000	£0	£0	£0	£0	£0	£0	£0	£0	£0
Subtotal Cash Received	£1,538	£1,729	£20,159	£14,922	£17,511	£25,744	£31,306	£40,813	£40,233	£42,160	£22,865	£10,737
Expenditures	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Expenditures from Operations												
Cash Spending	£13,000	£13,000	£13,000	£13,000	£15,000	£15,000	£15,000	£15,000	£15,000	£13,000	£13,000	£13,000
Bill Payments	£10,082	£2,455	£2,441	£4,801	£7,130	£8,226	£11,127	£13,365	£15,724	£8,336	£4,070	£3,124
Subtotal Spent on Operations	£23,082	£15,455	£15,441	£17,801	£22,130	£23,226	£26,127	£28,365	£30,724	£21,336	£17,070	£16,124
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	£4,500	£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	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250
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	£23,332	£15,705	£15,691	£18,051	£22,380	£23,476	£30,877	£28,615	£30,974	£21,586	£17,320	£16,374
Net Cash Flow	(£21,794)	(£13,977)	£4,468	(£3,129)	(£4,869)	£2,267	£430	£12,198	£9,260	£20,574	£5,546	(£5,637)
Cash Balance	£18,156	£4,179	£8,647	£5,518	£649	£2,916	£3,346	£15,544	£24,803	£45,378	£50,923	£45,287

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	£39,950	£18,156	£4,179	£8,647	£5,518	£649	£2,916	£3,346	£15,544	£24,803	£45,378	£50,923
Accounts Receivable	£0	£4,613	£9,184	£15,195	£26,773	£36,013	£46,769	£59,463	£71,650	£59,450	£29,427	£15,513
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
Total Current Assets	£59,950	£42,768	£33,363	£43,842	£52,291	£56,661	£69,685	£82,808	£107,194	£104,253	£94,804	£86,437
Long-term Assets												
Long-term Assets	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Accumulated Depreciation	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Long-term Assets	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Assets	£59,950	£42,768	£33,363	£43,842	£52,291	£56,661	£69,685	£82,808	£107,194	£104,253	£94,804	£86,437
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	£10,000	£2,377	£2,283	£4,564	£6,859	£7,858	£10,684	£12,832	£15,441	£8,199	£3,965	£3,040
Current Borrowing	£0	£0	£0	£0	£4,500	£4,500	£4,500	£0	£0	£0	£0	£0
Other Current Liabilities	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Subtotal Current Liabilities	£10,000	£2,377	£2,283	£4,564	£11,359	£12,358	£15,184	£12,832	£15,441	£8,199	£3,965	£3,040
Long-term Liabilities	£30,000	£29,750	£29,500	£29,250	£29,000	£28,750	£28,500	£28,250	£28,000	£27,750	£27,500	£27,250
Total Liabilities	£40,000	£32,127	£31,783	£33,814	£40,359	£41,108	£43,684	£41,082	£43,441	£35,949	£31,465	£30,290
Paid-in Capital	£40,000	£40,000	£40,000	£52,000	£52,000	£52,000	£52,000	£52,000	£52,000	£52,000	£52,000	£52,000
Retained Earnings	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)	(£20,050)
Earnings	£0	(£9,309)	(£18,371)	(£21,922)	(£20,018)	(£16,397)	(£5,949)	£9,776	£31,803	£36,354	£31,389	£24,197
Total Capital	£19,950	£10,641	£1,579	£10,028	£11,932	£15,553	£26,001	£41,726	£63,753	£68,304	£63,339	£56,147
Total Liabilities and Capital	£59,950	£42,768	£33,363	£43,842	£52,291	£56,661	£69,685	£82,808	£107,194	£104,253	£94,804	£86,437
Net Worth	£19,950	£10,641	£1,579	£10,028	£11,932	£15,553	£26,001	£41,726	£63,753	£68,304	£63,339	£56,147

General Assumptions

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Plan Month	1	2	3	4	5	6	7	8	9	10	11	12
Current Interest Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Long-term Interest Rate	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Tax Rate	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Other	0	0	0	0	0	0	0	0	0	0	0	0