Equity Investment	10,000.00
Debt	5,000.00
Contributed Capital	**15,000.00**
Value to Initial Investment in 1 year	
FCF	46,140.66
FCF to Equity Return	**361.41%**
Initial Book Value	10,000.00
Ending Book Value	43,377.50
Book Value Return	**333.78%**
Value to Initiial Investment in 5 years	
EV	
EBIT	51,800.00
EV(5x EBIT)	259,000.00
Plus Net Cash	26,140.66
Equity Value	**285,140.66**
Net Tangible Assets	43,377.50
FCF	46,140.66
5x FCF	230,703.29
Equity Value	**274,080.79**
Average	**279,610.72**
Equity Value/Equity investment	**2696.11%**
ROE (TTM NI/Avg. SE)	18.45%
Cash	26,140.66
Debt	0.00
Net Cash	26,140.66

The business venture started with a 10,000 USD equity investment and 5,000 USD from debt with a 10% interest rate.

The funds were used to purchase the initial inventory for $2000, or 500 units at $5/unit. We expected to sell 2000 units in the 1st month of operation. We sold 2500 units and eventually purchased 3000 units during the period. The products were sold at $10/unit, or double the purchase price, or a $5/margin per unit, or a total gross margin of $12,500. 2500 units/month is about 100 units each business day, or 12 units/hour in an 8 hour operation.

We budgeted $9000/month in cash based operating expenses and eventually netted $2,000 after taxes and interest expense. With 3 employees, wages are not a burden, especially with lower wage levels for college students.

After 5 months of operations, accumulating cash to $22,000, we purchased our first piece of equipment for $20,000. We began to take into consideration depreciation expense in our income statement, which helped to lower our tax burden. We eventually paid off the $5,000 debt in month 9 and purchased an additional piece of equipment for $10,000 in month 10.

Capital was never an issue with 50% gross margin. Tshirts, sweaters, gloves, hats are sellable at 50% gross margin, since they are produced at a discount in nearby factories, either in China, or So. Asian countries.

A $40,000 FCF for a $10,000 equity investment isn't bad, but it would not compensate for lost salary should this be a full time operation. However, this trade off is favorable if we could persuade the potential acquiror of the business prospects in 5 - 10 years. Then the capital gains alone, would add an additional 50k on top of the cash flow, if held for 5 years. If we can sell it after 1 year, then this business would be a $300,000 payday ($46,000 FCF + $250,000 capital gains).

The biggest concern is the 1) high fixed cost as a percentage of revenue, 2) high concentration of sales in top 2 customers, 3) variability of unit cost that can eat into margins, 4) lack of visibility into future sales.

Contracts must be drawn with this business model as the margins may be attractive, but the volume is too low to cover the fixed expenses, which could lead to severe operational problems.

At least $17,000 is needed for inventory purposes, should a cram up occur, where inventory is built up and sales halt, so cash balalnce should cover $9000 in fixed expenses plus $17000 for inventory, or $26,000.

	1	2	3	4	5	6	7	8	9	10	11	12	
Samsung	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	
LG	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	
C	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
D	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
E	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
F	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
G	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
Units Sold	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	**2,500.00**	
Cycle breakeven	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	**-548.39**	
Shortage in Supply?	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	**Surplus**	
# of Unit Shortage													
Capital Required to Purchase Shortage													
Cash Balance	**2,177.50**	**15,230.00**	**17,618.75**	**21,974.31**	**4,928.22**	**10,404.54**	**16,581.98**	**20,884.47**	**20,210.72**	**16,070.66**	**21,430.66**	**26,140.66**	
Samsung	10.00	11.00	11.00	11.00	12.00	12.00	12.00	13.00	13.00	13.00	13.00	13.00	
LG	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
C	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
D	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
E	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
F	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
G	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
Average Weighted Selling Price	**10.00**	**10.40**	**10.40**	**10.40**	**10.80**	**10.80**	**10.80**	**11.20**	**11.20**	**11.20**	**11.20**	**11.20**	
Revenue	**25,000.00**	**26,000.00**	**26,000.00**	**26,000.00**	**27,000.00**	**27,000.00**	**27,000.00**	**28,000.00**	**28,000.00**	**28,000.00**	**28,000.00**	**28,000.00**	**324,000.00**
Cash Received in Transaction	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	
A/R	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	
Beginning Balalnce	0.00	12,500.00	1,275.00	713.75	685.69	709.28	710.46	710.52	735.53	736.78	736.84	736.84	
A/R in Dollars during Period	12,500.00	13,000.00	13,000.00	13,000.00	13,500.00	13,500.00	13,500.00	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00	
A/R Balance before Collection	12,500.00	25,500.00	14,275.00	13,713.75	14,185.69	14,209.28	14,210.46	14,710.52	14,735.53	14,736.78	14,736.84	14,736.84	
Collected A/R	0.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	95.00%	
Collected A/R in Dollars	0.00	24,225.00	13,561.25	13,028.06	13,476.40	13,498.82	13,499.94	13,975.00	13,998.75	13,999.94	14,000.00	14,000.00	
Ending Balance	12,500.00	1,275.00	713.75	685.69	709.28	710.46	710.52	735.53	736.78	736.84	736.84	736.84	
Total A/R Rolling Balalnce	12,500.00	25,500.00	38,500.00	51,500.00	65,000.00	78,500.00	92,000.00	106,000.00	120,000.00	134,000.00	148,000.00	162,000.00	
Collected	0.00	24,225.00	37,786.25	50,814.31	64,290.72	77,789.54	91,289.48	105,264.47	119,263.22	133,263.16	147,263.16	161,263.16	
Uncollected	12,500.00	1,275.00	713.75	685.69	709.28	710.46	710.52	735.53	736.78	736.84	736.84	736.84	
Purchase Cost	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
Purchase Cost	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	**12,500.00**	
Direct/Indirect Labor													
Overhead Cost													
Cost of Goods Sold	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	**150,000.00**
Gross Margin	**12,500.00**	**13,500.00**	**13,500.00**	**13,500.00**	**14,500.00**	**14,500.00**	**14,500.00**	**15,500.00**	**15,500.00**	**15,500.00**	**15,500.00**	**15,500.00**	**174,000.00**
Sung	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Worker A	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	**12,000.00**
Worker B	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	**12,000.00**
Worker C	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	**12,000.00**
Salary	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**3,000.00**	**36,000.00**
Rent	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	**24,000.00**
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Marketing/Advertisement	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	**6,000.00**
Supplies	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	**12,000.00**
Utilities	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	**12,000.00**
Insurance	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	**7,200.00**
Misc. Exp	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	**12,000.00**
SG&A	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	9,100.00	**109,200.00**
Depreciation	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**2,000.00**	**2,000.00**	**2,000.00**	**2,000.00**	**2,000.00**	**3,000.00**	
EBITDA	**3,400.00**	**4,400.00**	**4,400.00**	**4,400.00**	**5,400.00**	**5,400.00**	**5,400.00**	**6,400.00**	**6,400.00**	**6,400.00**	**6,400.00**	**6,400.00**	**64,800.00**
EBIT	**3,400.00**	**4,400.00**	**4,400.00**	**4,400.00**	**5,400.00**	**5,400.00**	**3,400.00**	**4,400.00**	**4,400.00**	**4,400.00**	**4,400.00**	**3,400.00**	**51,800.00**
Interest Expense	**50.00**	**50.00**	**50.00**	**50.00**	**50.00**	**50.00**	**50.00**	**50.00**	**50.00**	**0.00**	**0.00**	**0.00**	**450.00**
Debt Balalnce	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	0.00	0.00	0.00	
Interest Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	
Interest Income													**0.00**
EBT	**3,350.00**	**4,350.00**	**4,350.00**	**4,350.00**	**5,350.00**	**5,350.00**	**3,350.00**	**4,350.00**	**4,350.00**	**4,400.00**	**4,400.00**	**3,400.00**	**51,350.00**
Taxes	**1,172.50**	**1,522.50**	**1,522.50**	**1,522.50**	**1,872.50**	**1,872.50**	**1,172.50**	**1,522.50**	**1,522.50**	**1,540.00**	**1,540.00**	**1,190.00**	**17,972.50**
Net Income	**2,177.50**	**2,827.50**	**2,827.50**	**2,827.50**	**3,477.50**	**3,477.50**	**2,177.50**	**2,827.50**	**2,827.50**	**2,860.00**	**2,860.00**	**2,210.00**	**33,377.50**
Tax Rate	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	**35.00%**	
Sales Share													
Samsung	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	
LG	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	
C	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
D	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
E	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
F	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
G	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
	100.00%	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	

Purchase Amount	0	1	2	3	4	5	6	7	8	9	10	11	12
Beginning Balance	-	400	500	700	900	600	700	700	300	400	500	300	400
A													
B													
C													
D													
E		300	500	400	500	400	400	500	500	500	500	500	500
F		500	500	500		500	500		500	500	500	500	500
G		500	400	400	400	400	400	400	400	400	400	400	400
H		400	400	400	400	400	300	300	300	300		300	300
I		100	100	100	100	100	100	100	100	100	100	100	100
J		300	300	400	300	300	300	300	300	300	300	300	300
K		500	500	500	500	500	500	500	500	500	500	500	500
L													
M	400												
Units Purchased	**400**	**3,000**	**3,200**	**3,400**	**3,100**	**3,200**	**3,200**	**2,800**	**2,900**	**3,000**	**2,800**	**2,900**	**3,000**
Number of Units Sold		**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**	**2,500**
Remaining Units	**400**	**500**	**700**	**900**	**600**	**700**	**700**	**300**	**400**	**500**	**300**	**400**	**500**

Cost													
A		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
B		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
C		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
D		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
E		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
F		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
G		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
H		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
I		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
J		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
K		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
L		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
M	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Initial Inventory Balance	2,000.00	2,500.00	3,500.00	4,500.00	3,000.00	3,500.00	3,500.00	1,500.00	2,000.00	2,500.00	1,500.00	2,000.00	2,500.00
Inventory Purchase	**2,000.00**	**15,000.00**	**16,000.00**	**17,000.00**	**15,500.00**	**16,000.00**	**16,000.00**	**14,000.00**	**14,500.00**	**15,000.00**	**14,000.00**	**14,500.00**	**15,000.00**
Maximum	**17,000.00**												

Weight													
		13.33%	15.63%	20.59%	29.03%	18.75%	21.88%	25.00%	10.34%	13.33%	17.86%	10.34%	13.33%
A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
B	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
E	0.00%	10.00%	15.63%	11.76%	16.13%	12.50%	12.50%	17.86%	17.24%	16.67%	17.86%	17.24%	16.67%
F	0.00%	16.67%	15.63%	14.71%	0.00%	15.63%	15.63%	0.00%	17.24%	16.67%	17.86%	17.24%	16.67%
G	0.00%	16.67%	12.50%	11.76%	12.90%	12.50%	12.50%	14.29%	13.79%	13.33%	14.29%	13.79%	13.33%
H	0.00%	13.33%	12.50%	11.76%	12.90%	12.50%	9.38%	10.71%	10.34%	10.00%	0.00%	10.34%	10.00%
I	0.00%	3.33%	3.13%	2.94%	3.23%	3.13%	3.13%	3.57%	3.45%	3.33%	3.57%	3.45%	3.33%
J	0.00%	10.00%	9.38%	11.76%	9.68%	9.38%	9.38%	10.71%	10.34%	10.00%	10.71%	10.34%	10.00%
K	0.00%	16.67%	15.63%	14.71%	16.13%	15.63%	15.63%	17.86%	17.24%	16.67%	17.86%	17.24%	16.67%
L	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
M	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	100.00%	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Weighted Cost													
		0.67	0.78	1.03	1.45	0.94	1.09	1.25	0.52	0.67	0.89	0.52	0.67
A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E	0.00	0.50	0.78	0.59	0.81	0.63	0.63	0.89	0.86	0.83	0.89	0.86	0.83
F	0.00	0.83	0.78	0.74	0.00	0.78	0.78	0.00	0.86	0.83	0.89	0.86	0.83
G	0.00	0.83	0.63	0.59	0.65	0.63	0.63	0.71	0.69	0.67	0.71	0.69	0.67
H	0.00	0.67	0.63	0.59	0.65	0.63	0.47	0.54	0.52	0.50	0.00	0.52	0.50
I	0.00	0.17	0.16	0.15	0.16	0.16	0.16	0.18	0.17	0.17	0.18	0.17	0.17
J	0.00	0.50	0.47	0.59	0.48	0.47	0.47	0.54	0.52	0.50	0.54	0.52	0.50
K	0.00	0.83	0.78	0.74	0.81	0.78	0.78	0.89	0.86	0.83	0.89	0.86	0.83
L	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	5.00	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**

	0	1	2	3	4	5	6	7	8	9	10	11	12
Cash Balance (EOPeriod)	13,000.00	2,177.50	15,230.00	17,618.75	21,974.31	4,928.22	10,404.54	16,581.98	20,884.47	20,210.72	16,070.66	21,430.66	26,140.66
Inventory	2,000.00	2,500.00	3,500.00	4,500.00	3,000.00	3,500.00	3,500.00	1,500.00	2,000.00	2,500.00	1,500.00	2,000.00	2,500.00
A/R	0.00	12,500.00	1,275.00	713.75	685.69	709.28	710.46	710.52	735.53	736.78	736.84	736.84	736.84
PP&E	0.00	0.00	0.00	0.00	0.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	30,000.00	30,000.00	30,000.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	4,000.00	6,000.00	8,000.00	10,000.00	13,000.00	16,000.00
Net PP&E	0.00	0.00	0.00	0.00	0.00	20,000.00	18,000.00	16,000.00	14,000.00	12,000.00	20,000.00	17,000.00	14,000.00
Assets	**15,000.00**	**17,177.50**	**20,005.00**	**22,832.50**	**25,660.00**	**29,137.50**	**32,615.00**	**34,792.50**	**37,620.00**	**35,447.50**	**38,307.50**	**41,167.50**	**43,377.50**
Debt	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	0.00	0.00	0.00	0.00
Liabilities	**5,000.00**	**5,000.00**	**5,000.00**	**5,000.00**	**5,000.00**	**5,000.00**	**5,000.00**	**5,000.00**	**5,000.00**	**0.00**	**0.00**	**0.00**	**0.00**
Equity Issuance	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Retained Earnings	0.00	2,177.50	5,005.00	7,832.50	10,660.00	14,137.50	17,615.00	19,792.50	22,620.00	25,447.50	28,307.50	31,167.50	33,377.50
Stockholder's Equity	**10,000.00**	**12,177.50**	**15,005.00**	**17,832.50**	**20,660.00**	**24,137.50**	**27,615.00**	**29,792.50**	**32,620.00**	**35,447.50**	**38,307.50**	**41,167.50**	**43,377.50**
L+SE	**15,000.00**	**17,177.50**	**20,005.00**	**22,832.50**	**25,660.00**	**29,137.50**	**32,615.00**	**34,792.50**	**37,620.00**	**35,447.50**	**38,307.50**	**41,167.50**	**43,377.50**
Assets	**15,000.00**	**17,177.50**	**20,005.00**	**22,832.50**	**25,660.00**	**29,137.50**	**32,615.00**	**34,792.50**	**37,620.00**	**35,447.50**	**38,307.50**	**41,167.50**	**43,377.50**
Variance	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

	0	1	2	3	4	5	6	7	8	9	10	11	12
Net Income	0.00	2,177.50	2,827.50	2,827.50	2,827.50	3,477.50	3,477.50	2,177.50	2,827.50	2,827.50	2,860.00	2,860.00	2,210.00
Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	3,000.00	3,000.00
Increase in A/P													
(Increase) in A/R		-12,500.00	11,225.00	561.25	28.06	-23.60	-1.18	-0.06	-25.00	-1.25	-0.06	0.00	0.00
(Increase) in Inventory	-2,000.00	-500.00	-1,000.00	-1,000.00	1,500.00	-500.00	0.00	2,000.00	-500.00	-500.00	1,000.00	-500.00	-500.00
Cash Flow from Operations	**-2,000.00**	**-10,822.50**	**13,052.50**	**2,388.75**	**4,355.56**	**2,953.90**	**5,476.32**	**6,177.44**	**4,302.50**	**4,326.25**	**5,859.94**	**5,360.00**	**4,710.00**
PP&E	0.00	0.00	0.00	0.00	0.00	20,000.00	0.00	0.00	0.00	0.00	10,000.00	0.00	0.00
Equipment						20,000.00					10,000.00		
Factory													
Cash Flow from Investing	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**-20,000.00**	**0.00**	**0.00**	**0.00**	**0.00**	**-10,000.00**	**0.00**	**0.00**
Equity Issuance	10,000.00												
Debt	5,000.00									-5,000.00			
Dividend													
Cash Flow from Financing	**15,000.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**-5,000.00**	**0.00**	**0.00**	**0.00**
Beginning Cash Balalnce	0.00	13,000.00	2,177.50	15,230.00	17,618.75	21,974.31	4,928.22	10,404.54	16,581.98	20,884.47	20,210.72	16,070.66	21,430.66
Change in Cash Balance	**13,000.00**	**(10,822.50)**	**13,052.50**	**2,388.75**	**4,355.56**	**(17,046.10)**	**5,476.32**	**6,177.44**	**4,302.50**	**(673.75)**	**(4,140.06)**	**5,360.00**	**4,710.00**
Ending Cash Balance	13,000.00	2,177.50	15,230.00	17,618.75	21,974.31	4,928.22	10,404.54	16,581.98	20,884.47	20,210.72	16,070.66	21,430.66	26,140.66