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| Top of Form   |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Pro-Forma Cash Flow | | | | | | | | | |  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 5 | Quarter 6 | Quarter 7 | Quarter 8 | | Beginning Cash Balance | 0 | 912,000 | 932,000 | 1 | 1,316,629 | 2,483,713 | 1,981,898 | 1,899,921 | | Receipts and Disbursements from Operating Activities | | | | | | | | | | Revenues | 0 | 0 | 282,325 | 5,299,961 | 7,519,418 | 20,028,927 | 51,087,039 | 142,618,785 | | - Rebates | 0 | 0 | 8,050 | 0 | 0 | 0 | 0 | 97,132 | | - Production | 0 | 0 | 265,331 | 2,379,211 | 3,440,433 | 8,379,168 | 23,814,425 | 51,941,025 | | - Research and Development | 0 | 0 | 270,000 | 280,000 | 5,108,110 | 2,811,927 | 5,025,982 | 3,121,927 | | - Quality Cost | 0 | 0 | 11,368 | 227,244 | 188,614 | 680,314 | 982,837 | 1,700,425 | | - Advertising | 0 | 0 | 248,188 | 222,554 | 533,886 | 1,674,261 | 3,997,239 | 5,565,424 | | - Sales Force Expense | 0 | 0 | 323,726 | 359,868 | 660,084 | 1,536,804 | 3,978,075 | 10,547,435 | | - Sales Office and Web Center Expenses | 0 | 380,000 | 170,000 | 650,000 | 1,256,440 | 1,309,784 | 1,588,109 | 1,053,107 | | - Marketing Research | 88,000 | 0 | 69,000 | 92,000 | 115,000 | 115,000 | 115,000 | 115,000 | | - Shipping | 0 | 0 | 7,070 | 89,587 | 130,040 | 303,752 | 665,072 | 1,670,845 | | - Inventory Holding Costs | 0 | 0 | 17,492 | 12,065 | 35,292 | 61,199 | 181,572 | 376,876 | | - Excess Capacity Cost | 0 | 0 | 359,932 | 0 | 540,853 | 401,918 | 1,230,301 | 538,033 | | - Web Marketing Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | - Income Taxes | 0 | 0 | 0 | 0 | 0 | 0 | 2,139,337 | 19,778,421 | | + Interest Income | 0 | 0 | 0 | 0 | 2,250 | 4,500 | 6,750 | 9,000 | | - Interest Charges | 0 | 0 | 0 | 34,971 | 82,500 | 82,500 | 212,429 | 82,500 | | + Licensing Income | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | | - Licensing Fees | 0 | 0 | 0 | 0 | 0 | 0 | 500,000 | 1,137,028 | | + Other Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | - Other Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | **= Net Operating Cash Flow** | **-88,000** | **-380,000** | **-1,467,832** | **952,461** | **-4,569,584** | **2,676,800** | **6,663,412** | **44,902,608** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | Investing Activities | | | | | | | | | | Fixed Plant Capacity | 0 | 600,000 | 1,100,000 | 0 | 2,120,032 | 3,028,617 | 10,095,389 | 2,120,032 | | + Sinking Fund | 0 | 0 | 0 | 0 | 150,000 | 150,000 | 150,000 | 150,000 | | **= Total Investing Activities** | **0** | **600,000** | **1,100,000** | **0** | **2,270,032** | **3,178,617** | **10,245,389** | **2,270,032** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | Financing Activities | | | | | | | | | | Increase in Common Stock | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 5,006,700 | 0 | 0 | 0 | | + Borrow Conventional Loan | 0 | 0 | 0 | 0 | 0 | 0 | 3,500,000 | 0 | | - Repay Conventional Loan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,500,000 | | + Borrow Long-Term Loan | 0 | 0 | 0 | 0 | 3,000,000 | 0 | 0 | 0 | | + Borrow Emergency Loan | 0 | 0 | 635,832 | 0 | 0 | 0 | 0 | 0 | | - Repay Emergency Loan | 0 | 0 | 0 | 635,832 | 0 | 0 | 0 | 0 | | - Dividends | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | - Deposit 3 Month Certificate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | + Withdraw 3 Month Certificate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | - Deposit to Foreign Currencies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | + Withdraw from Foreign Currencies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | **= Total Financing Activities** | **1,000,000** | **1,000,000** | **1,635,832** | **364,168** | **8,006,700** | **0** | **3,500,000** | **-3,500,000** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | **Cash Balance, End of Period** | **912,000** | **932,000** | **1** | **1,316,629** | **2,483,713** | **1,981,898** | **1,899,921** | **41,032,497** | | If you wish to estimate your income statement for future quarters, you need to estimate the cost of goods sold for each quarter.  In the table below, you will find the starting inventory plus the production plan for all brands. The total of these two numbers represents the total available inventory for sale in the current quarter. This is the maximum you can expense in inventory this quarter, and thus the maximum you can enter in the open cell. | | | | | | | | | | Cost of Goods Sold | | | | | | | | | | Starting Inventory | 0 | 0 | 0 | 174,922 | 120,654 | 352,922 | 611,987 | 1,815,721 | | + Production | 0 | 0 | 265,331 | 2,379,211 | 3,440,433 | 8,379,168 | 23,814,425 | 51,941,025 | | **= Available Inventory** | **0** | **0** | **265,331** | **2,554,133** | **3,561,087** | **8,732,090** | **24,426,412** | **53,756,746** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | - Cost of Goods Sold | 0 | 0 | 90,409 | 2,433,479 | 3,208,165 | 8,120,103 | 22,610,691 | 49,987,982 | | **= Ending Inventory** | 0 | 0 | 174,922 | 120,654 | 352,922 | 611,987 | 1,815,721 | 3,768,764 |   Bottom of Form |
| Top of Form   |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Pro-Forma Income Statement | | | | | | | | | |  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 5 | Quarter 6 | Quarter 7 | Quarter 8 | | Gross Profit | | | | | | | | | | Revenues | 0 | 0 | 282,325 | 5,299,961 | 7,519,418 | 20,028,927 | 51,087,039 | 142,618,785 | | - Rebates | 0 | 0 | 8,050 | 0 | 0 | 0 | 0 | 97,132 | | - Cost of Goods Sold | 0 | 0 | 90,409 | 2,433,479 | 3,208,165 | 8,120,103 | 22,610,691 | 49,987,982 | | **= Gross Profit** | **0** | **0** | **183,866** | **2,866,482** | **4,311,253** | **11,908,824** | **28,476,348** | **92,533,671** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | Expenses | | | | | | | | | | Research and Development | 0 | 0 | 270,000 | 280,000 | 5,108,110 | 2,811,927 | 5,025,982 | 3,121,927 | | + Quality Cost | 0 | 0 | 11,368 | 227,244 | 188,614 | 680,314 | 982,837 | 1,700,425 | | + Advertising | 0 | 0 | 248,188 | 222,554 | 533,886 | 1,674,261 | 3,997,239 | 5,565,424 | | + Sales Force Expense | 0 | 0 | 323,726 | 359,868 | 660,084 | 1,536,804 | 3,978,075 | 10,547,435 | | + Sales Office and Web Center Expenses | 0 | 380,000 | 170,000 | 650,000 | 1,256,440 | 1,309,784 | 1,588,109 | 1,053,107 | | + Marketing Research | 88,000 | 0 | 69,000 | 92,000 | 115,000 | 115,000 | 115,000 | 115,000 | | + Shipping | 0 | 0 | 7,070 | 89,587 | 130,040 | 303,752 | 665,072 | 1,670,845 | | + Inventory Holding Costs | 0 | 0 | 17,492 | 12,065 | 35,292 | 61,199 | 181,572 | 376,876 | | + Excess Capacity Cost | 0 | 0 | 359,932 | 0 | 540,853 | 401,918 | 1,230,301 | 538,033 | | + Depreciation | 0 | 0 | 25,000 | 70,833 | 70,833 | 159,168 | 285,360 | 706,001 | | + Web Marketing Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | **= Total Expenses** | **88,000** | **380,000** | **1,501,776** | **2,004,151** | **8,639,152** | **9,054,127** | **18,049,547** | **25,395,073** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | **Operating Profit** | **-88,000** | **-380,000** | **-1,317,910** | **862,331** | **-4,327,899** | **2,854,697** | **10,426,801** | **67,138,598** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | Miscellaneous Income and Expenses | | | | | | | | | | + Licensing Income | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | | - Licensing Fees | 0 | 0 | 0 | 0 | 0 | 0 | 500,000 | 1,137,028 | | + Other Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | - Other Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | + Foreign Currency Gains and Losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | **= Earnings Before Interest and Taxes** | **-88,000** | **-380,000** | **-1,317,910** | **862,331** | **-4,327,899** | **2,854,697** | **9,926,802** | **66,001,571** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | + Interest Income | 0 | 0 | 0 | 0 | 2,250 | 4,500 | 6,750 | 9,000 | | - Interest Charges | 0 | 0 | 0 | 34,971 | 82,500 | 82,500 | 212,429 | 82,500 | | **= Income Before Taxes** | **-88,000** | **-380,000** | **-1,317,910** | **827,360** | **-4,408,149** | **2,776,697** | **9,721,123** | **65,928,071** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | - Loss Carry Forward | 0 | 0 | 0 | 827,360 | 0 | 2,776,698 | 2,590,001 | 0 | | **= Taxable Income** | **0** | **0** | **0** | **0** | **0** | **0** | **7,131,122** | **65,928,071** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | - Income Taxes | 0 | 0 | 0 | 0 | 0 | 0 | 2,139,337 | 19,778,421 | | **= Net Income** | **-88,000** | **-380,000** | **-1,317,910** | **827,360** | **-4,408,150** | **2,776,698** | **7,581,787** | **46,149,650** | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  | | Earnings per Share | -9 | -19 | -36 | 18 | -59 | 37 | 102 | 622 |   Bottom of Form  Top of Form  Bottom of Form |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Top of Form   |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Pro-Forma Balance Sheet | | | | | | | | | |  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Quarter 5 | Quarter 6 | Quarter 7 | Quarter 8 | | Current Assets | | | | | | | | | | Cash | 912,000 | 932,000 | 1 | 1,316,629 | 2,483,713 | 1,981,898 | 1,899,921 | 41,032,497 | | + 3 Month Certificate of Deposit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | + Foreign Currency Balances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | + Finished Goods Inventory | 0 | 0 | 174,922 | 120,654 | 352,922 | 611,987 | 1,815,721 | 3,768,764 | | Long Term Assets | | | | | | | | | | + Sinking Fund | 0 | 0 | 0 | 0 | 150,000 | 300,000 | 450,000 | 600,000 | | + Net Fixed Assets | 0 | 600,000 | 1,675,000 | 1,604,167 | 3,653,365 | 6,522,814 | 16,332,843 | 17,746,874 | |  | | | | | | | | | | **= Total** | **912,000** | **1,532,000** | **1,849,923** | **3,041,450** | **6,640,000** | **9,416,699** | **20,498,485** | **63,148,135** | |  | | | | | | | | | | Debt | | | | | | | | | | Conventional Bank Loan | 0 | 0 | 0 | 0 | 0 | 0 | 3,500,000 | 0 | | + Long-Term Loan | 0 | 0 | 0 | 0 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | | + Emergency Loan | 0 | 0 | 635,832 | 0 | 0 | 0 | 0 | 0 | | Equity | | | | | | | | | | + Common Stock | 1,000,000 | 2,000,000 | 3,000,000 | 4,000,000 | 9,006,700 | 9,006,700 | 9,006,700 | 9,006,700 | | + Retained Earnings | -88,000 | -468,000 | -1,785,910 | -958,550 | -5,366,699 | -2,590,001 | 4,991,786 | 51,141,436 | |  | | | | | | | | | | **= Total** | **912,000** | **1,532,000** | **1,849,923** | **3,041,450** | **6,640,000** | **9,416,699** | **20,498,485** | **63,148,135** |   Bottom of Form  Top of Form  Bottom of Form |