

Welbys Productions, Inc.

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1.0 Executive Summary

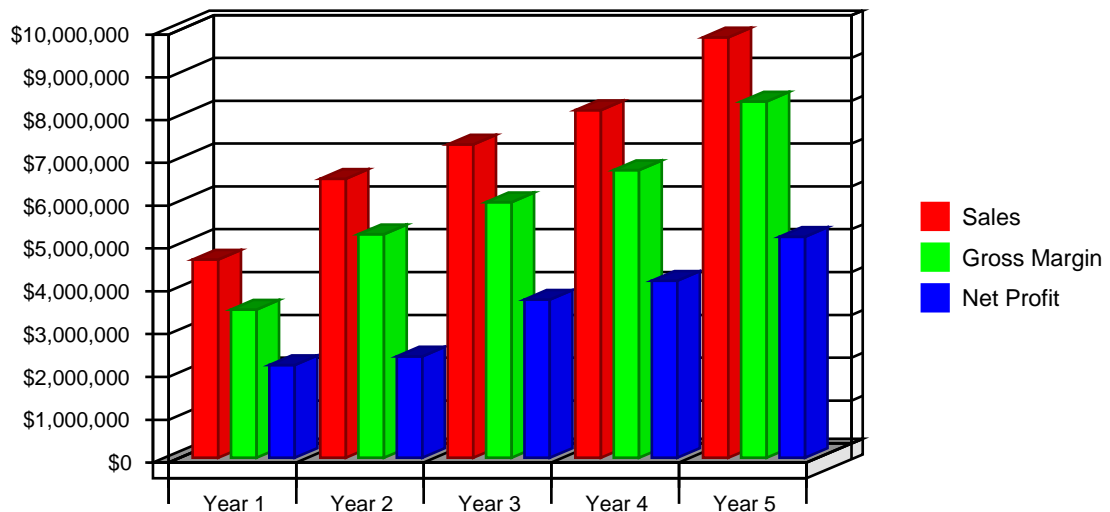
Welbys Productions, Inc. will produce the animated television show, "The Welbys". We will produce six episodes initially in order to secure a distribution deal. Once distribution is in place, we will create the remaining 16 episodes for our first 22 episode season. We will continue to produce 22 episode seasons for distribution and retain the rights for long term syndication.

Dvd sales will be introduced towards the end of the first season, it will be a "Best Of The Welbys" release. Subsequent releases will be full seasons and made for DVD movies. This will be a substantial part of our revenue stream.

The main stream of revenue will be through merchandising. Once our brand identity has been built, we can begin licensing out "The Welbys" for merchandising lines of toys, games, books, and software. There will be no production costs associated with our merchandising. We will collect royalties and licensing fees, fees which will increase as our brand identity increases.

We will also seek overseas distribution deals, and negotiate deals with overseas distributors such as King Bee Animation, and Lardux Films. Overseas distribution deals will further add to the shelf life of not only the Welbys, but all subsequent Welbys products released. By constantly adding on to our existing fan base, we hope to turn the Welbys into a long term profit vehicle.

Highlights



1.1 Objectives

The objectives of Welbys Productions, Inc.

- Raise \$1,000,000 in seed money and operating capital to create a 22 animated episode season of "The Welbys".
- Secure distribution deals with television media outlets.
- Once episodes have begun airing and brand name recognition is earned, release interactive cd-rom and licensed items.
- Secure syndication deals in both the domestic and foreign markets after four complete seasons.
- Create additional animation vehicles, possibly as spin off shows.
- Introduce healthy living tips into our programming.

1.2 Mission

The Welbys Production, Inc. is raising \$1,000,000 for the purposes of expanding the production of the half hour television show for children between the ages of 5-11, and once produced "The Welbys" will bring the viewing audience through a series of fun-filled and often challenging adventures where the characters are exposed to social and educational experiences commonplace to special needs children, and children of all cultures, country's, races, etc.

Through these vignettes, Wilbur, a sage old St. Bernard, leads an autistic 8 yr. old Willie and a host of other characters through conflict, action, then resolution. In turn, Willie learns to accept and value himself in the context of the community of characters. Conversely, the scenarios will broaden the awareness of the so- called "normal" children who must interface with this "Special-Ed" population.

While there will be an underlying educational message of tolerance, acceptance, and equalness; the show will be written with humor and strong plot lines that will be on the forefront of our viewer's minds as they watch each show.

1.3 Keys to Success

To succeed Welbys Production, Inc. must:

- Secure capital outlay to create the first six episodes of The Welbys.
- Secure contract for distribution rights of The Welbys.
- Use contract revenue to produce full 22 episode season.
- Build brand image and brand equity cross promotions.
- Develop and produce additional animated shows, and secure worldwide distribution contracts.

Welbys Productions, Inc.

2.0 Company Summary

Welbys Productions, Inc. is the creator of the animated show, "The Welbys". Welbys Productions, Inc. is currently seeking a capital outlay to produce the first six episodes of "The Welbys". Once produced the show will be marketed to Television media outlets nationwide for distribution. Once distribution is negotiated and agreed upon, Welbys Productions, Inc. will produce an entire 22 episode season. Welbys Productions, Inc. will maintain all long-term distribution rights and look to syndicate their show worldwide once they have surpassed 80 episodes.

2.1 Company Ownership

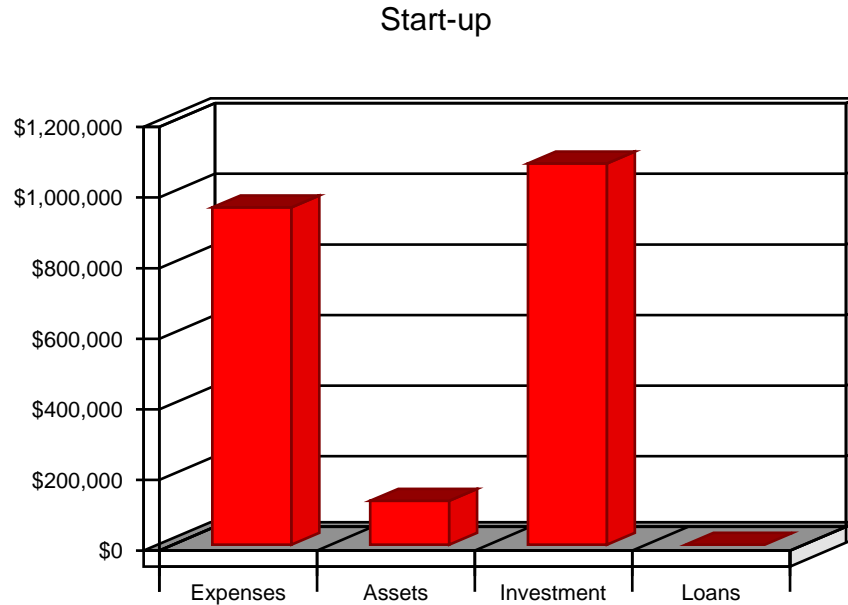
Welbys Productions, Inc. is a C-Corporation formed in the State of California, there is currently one sole owner, Ms. Kathy Tessalone.

2.2 Start-up Summary

The following table and chart illustrates projected initial start-up costs for the Welbys Productions, Inc.

Table: Start-up

<hr/>	
Start-up	
<hr/>	
Requirements	
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Start-up Expenses	
Writers	\$15,000
Producer	\$64,426
Director	\$11,217
Cast	\$93,592
Travel	\$2,500
Production Staff	\$19,199
Set Design	\$81,864
Video	\$229,784
Facilities	\$19,000
Transportation	\$3,100
Visual Effects	\$96,170
Editing	\$143,067
Titles	\$2,500
Music	\$2,000
Post Production	\$66,600
Insurance	\$45,000
Legal	\$60,000
Total Start-up Expenses	\$955,019
<hr/>	
Start-up Assets	
Cash Required	\$124,500
Other Current Assets	\$0
Long-term Assets	\$0
Total Assets	\$124,500
<hr/>	
Total Requirements	\$1,079,519
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3.0 Products

Welbys Productions, Inc.'s main product will be their brand, "The Welbys". Once the television show has been produced and begins airing, merchandising will start. Games, books, and toys will be the first products marketed.

The Welbys Synopsis:

They hit the jackpot, that is, The Welbys did. They won a house in the Heartland of America. So, tired of the big city of New York, the family packs their bags and heads for the house in the Mid-west. Along the way the Welbys are swept up by a gigantic twister, blown off course over the glistening towers of the Emerald City, and land in this out of the ordinary town called "The Other Wichita". However, the young boy Willie and his pal Wilbur, discover in extreme amazement this "Dogworld", through Wilbur's doghouse painting. In the dogworld, Wilbur becomes Willie's teacher and best-friend, and both encounter many kinds of adventures. Willie and Wilbur are the main characters and these two are where the audience will focus on.

In the human world of "The Other Wichita", the dogs blend as pets fulfilling human expectations. But in the Dogworld, this is where dogs talk, drive cars, and behave very much like people and their personalities take on an added dimension. In the Dogworld, social life revolves around the "Canine Cafe". This is where Willie and Wilbur encounter many adventures. In the evenings, the Canine Cafe is where Wilbur sums up the days adventures after each episode (like Jerry Seinfeld did at the end of his show). Back in the human world, the Welby's family sees how much different this "Other Wichita" is, like finding their furniture from the big city already set up in this red barn. So with this mystery in mind, the family tries to find their way back to the big city of New York. Development Guide - The Welby's is a fresh, smart

and wholesome animated T.V. show for the whole family.

The marketing of this show is geared to the ages of 6 -11. Children and adults will learn what gifts each one of us possess without depicting violence or crudeness. The characters on the show will project to audience all over

4.0 Market Analysis Summary

The television cartoon market has changed drastically in the past decade. Gone are family friendly shows from our youth such as "The Flintstones" and "The Jetsons", in are such crude and violent shows such as "South Park", and "Family Guy". In fact some cartoons now air with a parental advisory, and even carry a TV-MA rating.

Parents are limited in the cartoon content they can choose from to show their children. Those parents seeking education or non-violent cartoons often have to purchase DVDs of Disney's line of cartoons, or DVD lines of such cartoons as "Blues Clues". While television as a whole has shifted itself to more violent and sexual content, the outrage over cartoon content along with video game violence are the main crusades of family groups of nationwide.

Children's cartoons are alarming parents to the rate where many simply no longer allow their children to watch Saturday Morning Cartoons or cartoons airing after school. Television studios have been feeling this pinch for years, and many have eliminated airings of cartoons of Saturday mornings and after school (3pm-5pm time slot). Other studios have decided to simply create more violent and crude cartoon content to draw in children who they perceive have been so influenced by video games and non-cartoon shows and movies.

Welbys Productions, Inc. looks to break this market trend. There are parents seeking suitable content for their children, as proven by sales of non-violent animated DVD movies and shows, and viewership of certain PBS cartoons. "The Welbys" will be a family orientated show that the whole family can enjoy, without fear of content

4.1 Market Segmentation

The potential viewing audience for The Welbys includes:

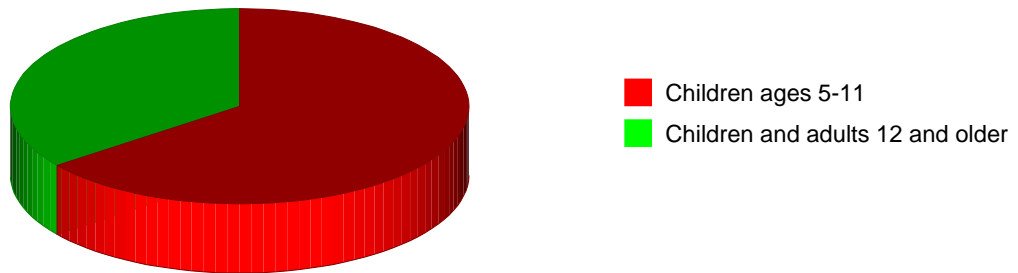
- Children: Ages 5-11
- Adults and children older than 11
- Classroom Video

Welbys Productions, Inc.

Table: Market Analysis

Market Analysis		Year 1	Year 2	Year 3	Year 4	Year 5	
Potential Customers	Growth						CAGR
Children ages 5-11	6%	24,250,000	25,705,000	27,247,300	28,882,138	30,615,066	6.00%
Children and adults 12 and older	3%	13,250,000	13,647,500	14,056,925	14,478,633	14,912,992	3.00%
Total	4.97%	37,500,000	39,352,500	41,304,225	43,360,771	45,528,058	4.97%

Market Analysis (Pie)



4.2 Target Market Segment Strategy

We have initial interest from Nickelodeon, if we are able to secure a distribution contract through them, we will reach a cable subscriber base of over 100 million households. Nickelodeon is a 24 hour channel for children friendly entertainment, and this will allow us to reach our target market with minimal advertising.

If this falls through we will approach other television media outlets. We also have the choice of doing direct to DVD, and direct to Theater as the six episodes will be 120mins.

4.3 Industry Analysis

The cartoon industry has seen a sluggish 90's turn itself around. In the 90's the ABC, CBS, and NBC networks were canceling cartoon programming on Saturday and replacing it with live action entertainment. In the late 90's FOX and The WB Networks took advantage of this and released Saturday morning cartoons. This is still the only time slot where the WB scores more viewers than the major networks.

The animated show "The Simpsons" is the longest running prime time non-variety show in history, and cartoons are being watched increasingly by teenagers and even adults. Smart cartoons are lacking, cartoons that have a message with humor are rare in the marketplace. The Welbys will fill the current demand for smart cartoons.

4.3.1 Competition and Buying Patterns

The viewership decision for our market group relies on parents as well. By producing a smart, yet hip show, we will not only create the desire within our target market age group to tune in, we will also carry an acceptance from parents as our program will carry the rating TV G, which is family friendly.

We will also introduce healthy living tips into our show. We believe strongly that by adding such a segment either at the end of the show, or incorporating it during the show, we will further raise the acceptance amongst parents in our show. Tips from healthy eating, to how exercise is important will be introduced.

5.0 Strategy and Implementation Summary

Welbys Productions, Inc strategy is to expand production capabilities in order to fulfill 22 episode seasons. With an initial investment of \$1 Million, we will be able to create six episodes which we can sell immediately for distribution and then begin production on an additional 18 more episodes. We will have 22 episode seasons, and will also expand into DVD sales and merchandising once our first season comes to a close.

5.1 SWOT Analysis

The SWOT analysis provides us with an opportunity to examine the internal strengths and weaknesses Welbys Productions, Inc. must address. It also allows us to examine the opportunities presented to Welbys Productions, Inc. as well as potential threats.

Welbys Productions, Inc. has a valuable inventory of **strengths** that will help it succeed. These strengths include: family friendly content and merchandising opportunities. Strengths are valuable, but it is also important to realize the **weaknesses** Welbys Productions, Inc. must address. These weaknesses include: a piracy and children interested in solely violent content.

Welbys Productions, Inc. strengths will help it capitalize on emerging opportunities. These **opportunities** include, but are not limited to, a growing population of daily Internet users, and merchandising opportunities. **Threats** that Welbys Productions, Inc. should be aware of include, the emerging competition and acceptance of violent programming.

5.1.1 Strengths

1. **Family Friendly Content.** The Welbys will be rated TV-G, which is suitable for all ages. We will never depict violence or crude humor in our show.
2. **Smart and Fun Dialogue.** Our writers will create scripts that engage our younger viewers, while at the same time keep our adult audience entertained.
3. **Characters Children will Adore.** Our characters will build our brand identity, children will be captivated by our character development.

5.1.2 Weaknesses

1. **May not be popular with the children 13 and older.** Children 13 and older, already exposed to violence in video games, may not be as engaged in our show. However, as our fans age they will continue to be curious as to new character developments and tune in. We expect our audience over age 13 to increase after our first five seasons.
2. **Piracy.** While we will be selling our shows on DVD, we have to keep in mind the current DVD bootleg plague overseas. We hope to secure overseas distribution contracts to alleviate some of our losses from piracy.

5.1.3 Opportunities

1. **Growing population of daily Internet users.** The importance of the Internet almost equals that of the telephone. As the population of daily Internet users increases, it is important that we branch out and meet the demands of users.
2. **Merchandising.** Once an animated television show is established, the merchandising developments are endless. This will provide us with our biggest revenues, yet it will be important that we inspect all merchandise licensing for quality and track record before making deals, bad merchandising choices can hard our brand identity.
3. **Sponsorship:** Welbys Productions, Inc. will sponsor events and studies by the Parents Television Council's (PTC), and similar watchdog groups. By not only meeting the demands of such family friendly "graders", but by also assisting them, we hope to be on the forefront of their recommended viewing lists.

5.1.4 Threats

1. **Increase in acceptance of violent and crude content.** If parents continue to accept television programming and video games that portray violence and crude content, then children will become desensitized to the point of showing a lack of desensitized in any content that does not portray or depict violence.
2. **Emerging competitors.** Currently, Pax tv is the sole station actively searching for non-violent cartoon content. However, as parents outrage grows over content, more networks may follow suit, if this occurs we may have to face competition from similar shows.

5.2 Competitive Edge

Welbys Productions, Inc. competitive edge comes from the type of content we will portray. By producing strictly family friendly content we will be a step above the competition who continue to produce violent and crude content.

5.3 Marketing Strategy

Our product is positioned very carefully: our show is a smart and humorous family-friendly program. Our marketing strategy is based mainly on making the right information available to the right target customer.

The marketing has to convey the sense of wholesomeness in every picture, every promotion, and every publication. We can't afford to appear in second-rate catalogs with poor illustrations that make the product look less than it is. We also need to leverage our presence using high-quality catalogs and specialty distributors.

5.4 Sales Strategy

Our strategy focuses first on maintaining the identity with our target audience who appreciates the best available quality, also have parents demanding suitable content. To achieve this acceptance we simply need distribution in place, whether it be with Nickleodean, or elsewhere. Once our program airs, parents will view a few moments and find it acceptable for their children, and children will fall in love with the humour and characters found in The Welbys.

Welbys Productions, Inc.

5.4.1 Sales Forecast

The company's sales rely on three sectors:

Distribution: With a selling price of \$160,000 per episode at 22 episodes per season.

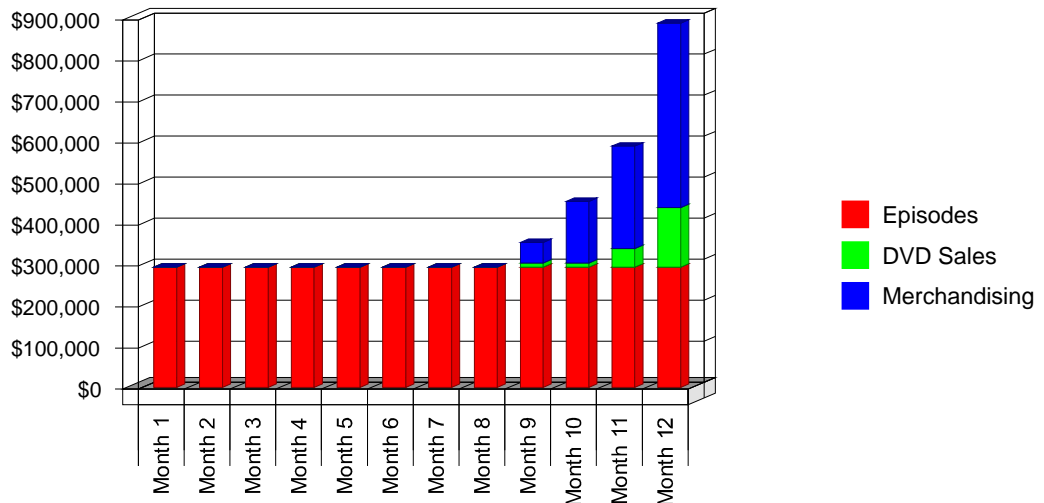
DVD sales: After the first season is complete we plan on selling full seasons on DVD.

Merchandising: Books, Toys, Games, and Software will initially be licensed. We will collect licensing fees and royalties only, there is no production cost for our merchandising.

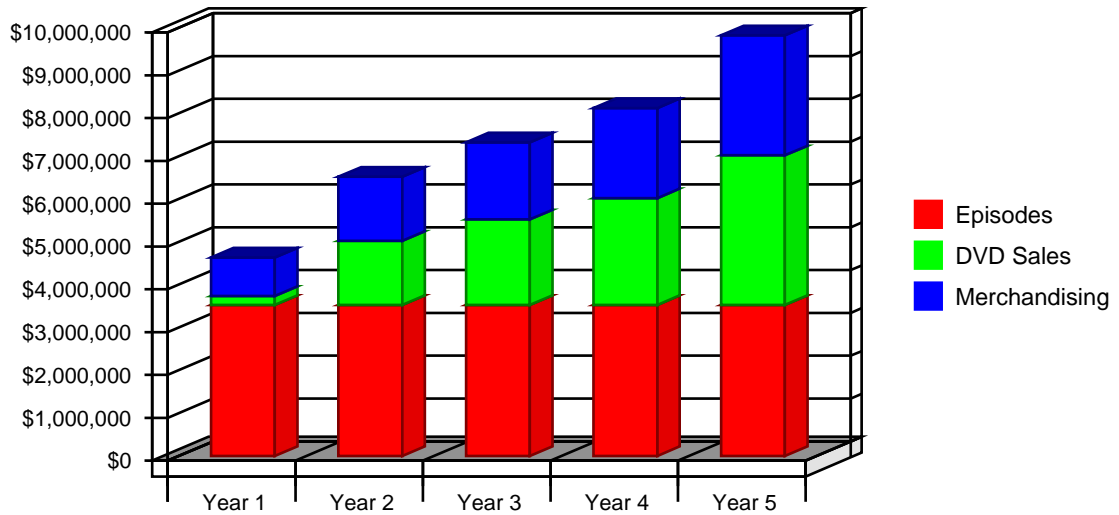
Table: Sales Forecast

Sales Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Sales					
Episodes	\$3,520,000	\$3,520,000	\$3,520,000	\$3,520,000	\$3,520,000
DVD Sales	\$210,000	\$1,498,000	\$2,000,000	\$2,500,000	\$3,500,000
Merchandising	\$900,000	\$1,500,000	\$1,800,000	\$2,100,000	\$2,800,000
Total Sales	\$4,630,000	\$6,518,000	\$7,320,000	\$8,120,000	\$9,820,000
Direct Cost of Sales					
Episodes	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000
DVD Sales	\$21,000	\$149,800	\$200,000	\$250,000	\$350,000
Merchandising	\$0	\$0	\$0	\$0	\$0
Subtotal Direct Cost of Sales	\$1,171,000	\$1,299,800	\$1,350,000	\$1,400,000	\$1,500,000

Sales Monthly



Sales by Year



6.0 Web Plan Summary

Welbys Productions, Inc.'s website will be a dynamic marketing tool for the company that serves the needs of children and fans alike. We will have information regarding characters, past episodes, and even previews of future episodes. We also plan to include photo and sound clip downloads and well as a message board for both fans and parents. As each of our episodes will contain a lesson, we will also provide more information on our site if parents choose to make that lesson a topic of a conversation with their children and simply need more information.

6.1 Website Marketing Strategy

We will maintain a two-way link between our website and fans. In addition to using the sites sales tool, we will develop a monthly newsletter and a links page for topics shown on our shows.

6.2 Development Requirements

Creation of future versions of the Welbys Productions, Inc. website will continue to be outsourced initially before we have the funds ready for an in-house design team.

7.0 Management Summary

KATHY TESSALONE – CEO/President/Director/Producer

Heard as the voice of the character Willie, Kathy Tessalone is the creator, writer, and exec. producer of the animated wonder, THE WELBYS. Starting off her electric career, Kathy worked as a make-up artist in theatre, TV, and film for 15 years. After studying business and education at Marymount Palos Verdes College, Kathy put her business savvy to work. She got her real-estate license and started buying and selling real-estate and she finance , managed, and founded her own successful Day Care for children with special needs. As a Special Ed Teacher Assistant for the Los Angeles Unified School District, Kathy noticed the lack of quality and wholesome entertainment. Together with her passion and persistence and armed with her business experience and teaching credentials, Kathy fulfilled her dream of creating educational television with wholesome values and sidesplitting humor. In a nutshell, the children Kathy has worked with over the years deserve some of the credits for the inspiration behind THE WELBYS. In addition to Ms. Tessalones career, in June 2005, she acquired a California Real Estate License. Along with her production company, she has plans to own and purchase other properties and movie companies.

Ms. Tessalone has also been a drama coach at both her high school Chaminade College Preparatory school and as a teacher at Woodlake Elementary school, and helped organize the school plays. When Ms. Tessalone was creating the Welbys, a lot of her inspiration came from the kids.

BRUCE FIGOTEN – Vice President

Bruce was born on in Detroit, Michigan and came to California with his family when he was 9 months old. He graduated from U.S. Grant High school in 1963 and San Fernando Valley State College in 1967. After moving from Detroit, Michigan in 1950, Mr. Figoten settled in the San Fernando Valley and graduated from Grant high school in 1963. Soon after he attended San Fernando State College in 1967. When he left the State College he decided to go into the field of Pharmacy and was in rolled at the Pharmacy School of the University of Arizona, in Tucson and eventually graduated with honors in 1971.

After graduation, he worked at Cedars-Sinai Medical Center as a Clinical Pharmacist for 3 years and helped set up the very first satellite pharmacy on their teaching floor before getting a better job at Sherman Oaks Community Hospital. He started Chiropractic College in 1975 and worked nights as a Clinical Pharmacist at Sherman Oaks Community Hospital and later at St. Josephs Hospital in Burbank.

He graduated with honors in 1978 from Los Angeles College of Chiropractic and started a private chiropractic practice in the evenings while working as a staff pharmacist during the day

Welbys Productions, Inc.

at Sherman Oaks Community Hospital. He was promoted to Director of Pharmacy Services at Sherman Oaks Community Hospital and eventually left that job to go into full time private practice. During my 25 years of private practice he was a member of the State Board of Chiropractic Examiners for a term of 4 years, taught pharmacology at Los Angeles College of Chiropractic for 4 years and became a Qualified Medical Evaluator for the state of California.

He recently retired from private practice and am now practicing as a real estate agent and loan officer for On The House Homes and Loans in Chatsworth, California.

DANNY RAYMOND – Vice President/Treasurer

Mr. Raymond received a B.S. Degree in Business Finance from the University of Teleaviv. In 1980 he received his bachelor degree then he shortly after that moved from Israel then Canada, and finally ended up in Los Angeles 1987 and began his own business, as a mechanics shop, in the San Fernando Valley. He has received high acclaim from the Better Business Bureau in 1991, and has been written up in Entrepreneur Magazine as he "Top Ten Lucrative" privately owned businesses. After receiving his acclaim from the Better Business Bureau, he has also started doing consulting work, to other entrepreneurs and mechanic shops. Mr. Raymond has consulted such companies directly from Japan like: Toyota, Nissan, and Honda. His eighteen year business ownership increases 10-20% because of his loyal customer service and intelligent marketing skills.

MS. DEA MARA DAWSON – Vice President/Secretary

Ms. Dawson started her career at the young age of 21 in the country of Brazil as a psychologist. She received her B.A. degree in both Psychology and the Science of Education in 1982. She attended an institution called : Facuidade de Filosofia Ciencias e Letras, San Marcos.

Ms. Dawson is fluent in: Portuguese, Spanish, and English. She has done alot of translation work in the country of Brazil and apprenticed on a one year program with the government of Brazil.

From the years of 1983-1988, she worked as a clinical psychologist in a highly recognized business called "Cobal", which was located in the town of Rio de Janero. She was awarded for her psychology work from the humanitarian society of Brazil.

From 1989-1991 she was asked to work for the school district of Brazil, as a psychologist, to organize and help straighten out the troubled children in the city of San Marcos so they could become upstanding citizens of the community. After years of hard work as a psychologist, she decided to make a career and residence change. She relocated to Los Angeles and began a career as an assistant to the famous actor Bob Saget. She learned many skills as a production coordinator and managed all of Mr. Sagets business affairs. At the present time Ms. Dawson is a teacher for the Los Angeles Unified School District and is also running her own Day Care for troubled children.

MARCUS KONANTZ – Writer/Consultant

Marcus Konantz holds a Bachelors degree in music from the Berklee College of Music in Boston, MA and a Masters of Fine Arts from California Institute of the Arts in Valencia, CA. Upon acceptance to the Berklee College he was awarded the Entering Student Talent scholarship

Welbys Productions, Inc.

and subsequently the Continuing Student Talent scholarship. Both of these awards are based on proficiency and potential in a student's area of specialty.

Upon completion of college Mr. Konantz went on to work as a studio jazz musician compiling an extensive list of album credits working with musicians including Bob Shepard, Steve Smith, Michael Williams, Neal Adams, Ken Chan and Delaney Gibson.

Mr. Konantz has always taught in some capacity through out his life. He worked as an instrumental instructor early on teaching privately and directing jazz big bands and is currently working as a high school special education teacher in the Los Angeles area where he resides. His future plans include the creation and development of children's stories.

Currently as a Special Education Teacher, Mr. Konantz was chosen as the teacher to implement the first work program called "R.O.P.", which stands for Recruiting Occupational Program, for the Los Angeles Unified School District. There was a grant given by the State Of California Education Department to educate high school students to learn job skills and to prepare them for the real world as responsible adults. This grant was given to start with the school called James Monroe High school in the San Fernando Valley. Mr. Konantz retains excellent leadership skills and was chosen for this position.

MICHELLE JOYCE – Producer/Consultant

Michelle has been working in the travel industry for over 15 years. She has had her long time career at Sony Pictures Entertainment with being a manager of travel affairs and overseeing many motion picture arrangements of not only with travel, but also with celebrity accommodations, as well as being a production assistant. She has been employee of the month on several occasions, and is now starting a new business in production with the movie industry.

During Ms. Joyce's 15 year career in the entertainment industry, she successfully organized the full travel arrangements for the movie "Spiderman", which ended up being one of the top ten grossing films of money making film history. She has worked on many large grossing films. When Sony Pictures moved from Burbank, Ca. to Culver City, Ca. after they bought MGM, Ms. Joyce was chosen to orchestrate this, and successfully did so. At the present time her production company just purchased rights to a recent story that was a current affair. This film will be a documentary.

PATRICIA JAMES – Legal/Consultant

Ms. James is Deputy General Counsel of Synergistic Development Corporation. Her duties include advising on all intellectual property matters, including patents, and business development transactions. Prior to her patent career, she served on the board of " Western Billing Center" Corp., and supervised all medical billing affairs pertinent to the company and customer service needs.

In 2000, Ms. James has advised the company of a patent idea for The Welbys Corporation. She has devised a product that hasn't ever been on the market. So when the company gets bought by Nickelodeon or another entertainment company, the patent idea will be included with the marketing and licensing of the merchandise. Ms. James has also acquired a notary public license back in 2000 as well. While she is busy working on legal matters , she is involved with the Chamber of Commerce of the city where she currently resides in. Currently Ms. James is

Welbys Productions, Inc.

working on a large acquisition for an account with substantial business revenue.

7.1 Personnel Plan

Kathy Tessionalone will earn a base salary of \$84,000 as CEO/President of Welby's Productions, Inc. Ms. Tessionalone's secretary, Daya Dawson, will earn \$30,000, and Ms. Tessionalone's personal assistant Vince Bruno will earn \$18,000 in part time duties.

Salaries will increase 15% each year, and additional personnel will be added at the beginning of year 3 and each subsequent year following.

Table: Personnel

Personnel Plan	Year 1	Year 2	Year 3	Year 4	Year 5
Kathy Tessionalone	\$84,000	\$95,000	\$105,000	\$115,000	\$135,000
Daya Dawson	\$30,000	\$35,000	\$40,000	\$45,000	\$52,000
Vince Bruno	\$18,000	\$20,000	\$22,000	\$24,000	\$26,000
Total People	3	3	5	7	10
Total Payroll	\$132,000	\$150,001	\$167,000	\$184,000	\$213,000

8.0 Financial Plan

Welbys Productions, Inc. expects to raise \$1 million in private investment for start-up costs for the first year. This will provide the bulk of the financing required to grow operations at the planned rate.

8.1 Start-up Funding

Owner

Kathy Tessionalone will invest \$80,000 in cash, benefits and labor to the start up.

Investors

Welbys Productions, Inc. is in the process of negotiating with potential investors for the seed cash needed to start the business. It is expected that \$1,000,000 will be raised to start the business. It is expected that no more than 45% interest will be given to investors.

Welbys Productions, Inc.

Table: Start-up Funding

<u>Start-up Funding</u>	
Start-up Expenses to Fund	\$955,019
Start-up Assets to Fund	\$124,500
Total Funding Required	\$1,079,519
<u>Assets</u>	
Non-cash Assets from Start-up	\$0
Cash Requirements from Start-up	\$124,500
Additional Cash Raised	\$481
Cash Balance on Starting Date	\$124,981
Total Assets	\$124,981
<u>Liabilities and Capital</u>	
<u>Liabilities</u>	
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
Total Liabilities	\$0
<u>Capital</u>	
<u>Planned Investment</u>	
Owner	\$80,000
Investors	\$1,000,000
Additional Investment Requirement	\$0
Total Planned Investment	\$1,080,000
Loss at Start-up (Start-up Expenses)	(\$955,019)
Total Capital	\$124,981
<u>Total Capital and Liabilities</u>	
Total Capital and Liabilities	\$124,981
<u>Total Funding</u>	
Total Funding	\$1,080,000

8.2 Important Assumptions

Important assumptions for this plan are found in the following table. These assumptions largely determine the financial plan and require that we secure additional financing.

8.3 Break-even Analysis

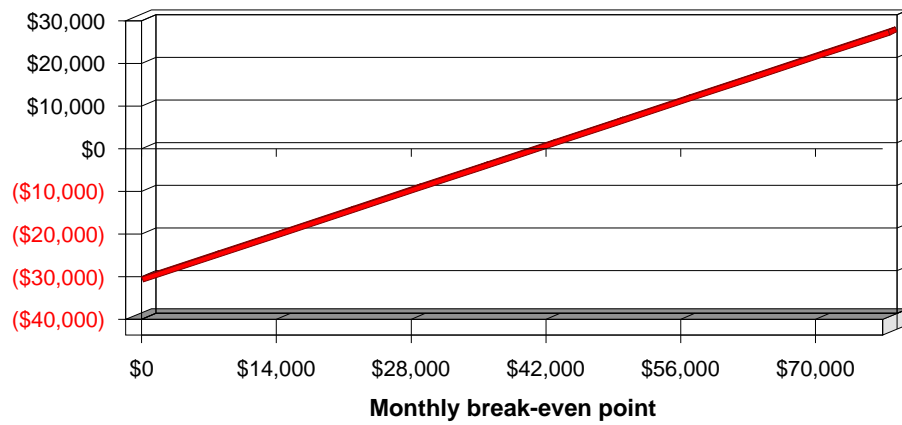
The Break-even Analysis chart and table show that if the costs stay at the current, or relatively stable, level Welby's will be able to make an increased profit by the second year. The break-even point is \$41,216 per month.

Welbys Productions, Inc.

Table: Break-even Analysis

Break-even Analysis	
Monthly Revenue Break-even	\$41,216
Assumptions:	
Average Percent Variable Cost	25%
Estimated Monthly Fixed Cost	\$30,792

Break-even Analysis



Break-even point = where line intersects with 0

8.4 Projected Profit and Loss

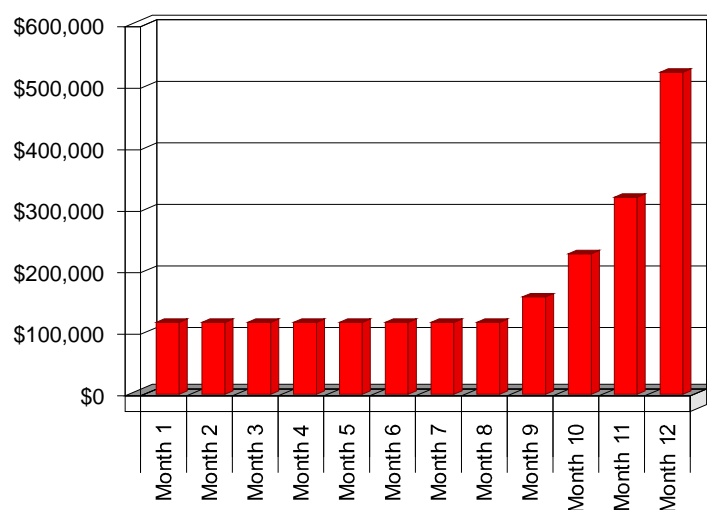
As the profit and loss table shows, Welbys Productions, Inc. expects to continue its steady growth in profitability over the next three years of operations.

Welbys Productions, Inc.

Table: Profit and Loss

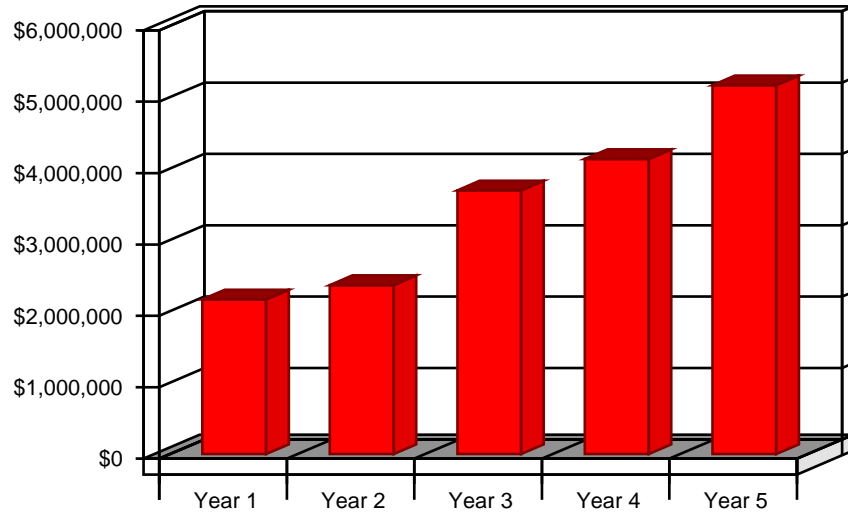
Pro Forma Profit and Loss					
	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	\$4,630,000	\$6,518,000	\$7,320,000	\$8,120,000	\$9,820,000
Direct Costs of Goods	\$1,171,000	\$1,299,800	\$1,350,000	\$1,400,000	\$1,500,000
Other Costs of Goods	\$0	\$0	\$0	\$0	\$0
Cost of Goods Sold	\$1,171,000	\$1,299,800	\$1,350,000	\$1,400,000	\$1,500,000
Gross Margin	\$3,459,000	\$5,218,200	\$5,970,000	\$6,720,000	\$8,320,000
Gross Margin %	74.71%	80.06%	81.56%	82.76%	84.73%
Expenses					
Payroll	\$132,000	\$150,001	\$167,000	\$184,000	\$213,000
Marketing/Promotion	\$50,000	\$1,500,000	\$250,000	\$350,000	\$450,000
Depreciation	\$6,000	\$6,000	\$1,200	\$800	\$600
Rent	\$0	\$0	\$100,000	\$100,000	\$100,000
Utilities	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500
Insurance	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
Payroll Taxes	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Other	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Total Operating Expenses	\$369,500	\$1,837,501	\$699,700	\$816,300	\$945,100
Profit Before Interest and Taxes	\$3,089,500	\$3,380,699	\$5,270,300	\$5,903,700	\$7,374,900
EBITDA	\$3,095,500	\$3,386,699	\$5,271,500	\$5,904,500	\$7,375,500
Interest Expense	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$926,850	\$1,014,210	\$1,581,090	\$1,771,110	\$2,212,470
Net Profit	\$2,162,650	\$2,366,490	\$3,689,210	\$4,132,590	\$5,162,430
Net Profit/Sales	46.71%	36.31%	50.40%	50.89%	52.57%

Profit Monthly

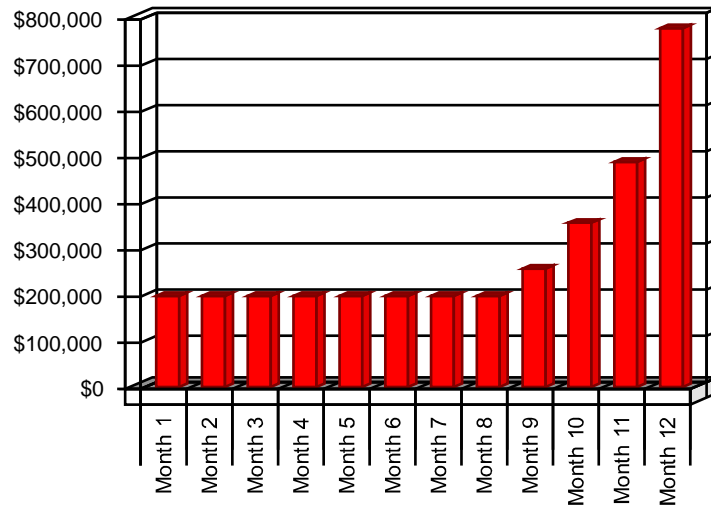


Welbys Productions, Inc.

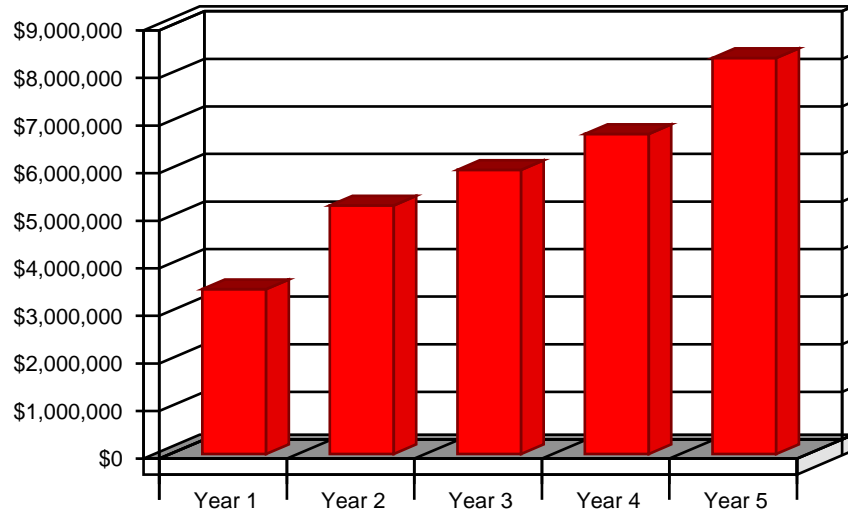
Profit Yearly



Gross Margin Monthly



Gross Margin Yearly



8.5 Projected Cash Flow

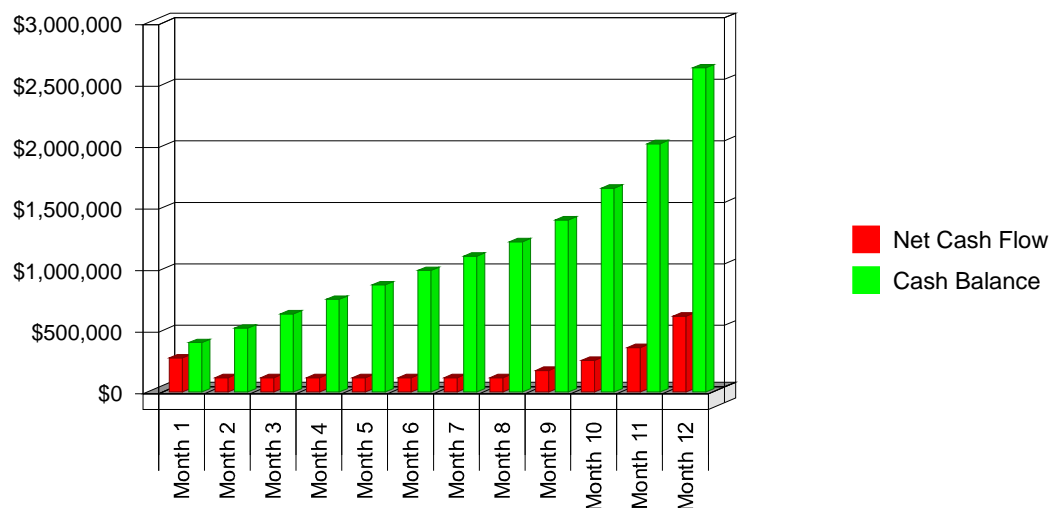
The following chart and table show the Projected Cash Flow for Welbys Productions, Inc.

Welbys Productions, Inc.

Table: Cash Flow

Pro Forma Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Received					
Cash from Operations					
Cash Sales	\$4,630,000	\$6,518,000	\$7,320,000	\$8,120,000	\$9,820,000
Subtotal Cash from Operations	\$4,630,000	\$6,518,000	\$7,320,000	\$8,120,000	\$9,820,000
Additional Cash Received					
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$4,630,000	\$6,518,000	\$7,320,000	\$8,120,000	\$9,820,000
Expenditures					
Expenditures from Operations					
Cash Spending	\$132,000	\$150,001	\$167,000	\$184,000	\$213,000
Bill Payments	\$1,987,356	\$4,008,201	\$3,507,297	\$3,774,663	\$4,391,255
Subtotal Spent on Operations	\$2,119,356	\$4,158,201	\$3,674,297	\$3,958,663	\$4,604,255
Additional Cash Spent					
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$2,119,356	\$4,158,201	\$3,674,297	\$3,958,663	\$4,604,255
Net Cash Flow	\$2,510,644	\$2,359,799	\$3,645,703	\$4,161,337	\$5,215,745
Cash Balance	\$2,635,625	\$4,995,424	\$8,641,127	\$12,802,464	\$18,018,208

Cash



Welbys Productions, Inc.

8.6 Projected Balance Sheet

Welbys Productions, Inc.'s projected company balance sheet follows.

Table: Balance Sheet

Pro Forma Balance Sheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Current Assets					
Cash	\$2,635,625	\$4,995,424	\$8,641,127	\$12,802,464	\$18,018,208
Other Current Assets	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$2,635,625	\$4,995,424	\$8,641,127	\$12,802,464	\$18,018,208
Long-term Assets					
Long-term Assets	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$6,000	\$12,000	\$13,200	\$14,000	\$14,600
Total Long-term Assets	(\$6,000)	(\$12,000)	(\$13,200)	(\$14,000)	(\$14,600)
Total Assets	\$2,629,625	\$4,983,424	\$8,627,927	\$12,788,464	\$18,003,608
Liabilities and Capital					
Current Liabilities					
Accounts Payable	\$341,995	\$329,304	\$284,596	\$312,543	\$365,258
Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
Subtotal Current Liabilities	\$341,995	\$329,304	\$284,596	\$312,543	\$365,258
Long-term Liabilities					
Total Liabilities	\$341,995	\$329,304	\$284,596	\$312,543	\$365,258
Paid-in Capital	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000
Retained Earnings	(\$955,019)	\$1,207,631	\$3,574,120	\$7,263,330	\$11,395,920
Earnings	\$2,162,650	\$2,366,490	\$3,689,210	\$4,132,590	\$5,162,430
Total Capital	\$2,287,631	\$4,654,120	\$8,343,330	\$12,475,920	\$17,638,350
Total Liabilities and Capital	\$2,629,625	\$4,983,424	\$8,627,927	\$12,788,464	\$18,003,608
Net Worth	\$2,287,631	\$4,654,120	\$8,343,330	\$12,475,920	\$17,638,350

8.7 Business Ratios

Business ratios for the years of this plan are shown below. Industry profile ratios based on the Standard Industrial Classification (SIC) code 7812.9902, Cartoon Production, Television are shown for comparison.

Welbys Productions, Inc.

Table: Ratios

Ratio Analysis						
	Year 1	Year 2	Year 3	Year 4	Year 5	Industry Profile
Sales Growth	0.00%	40.78%	12.30%	10.93%	20.94%	8.19%
Percent of Total Assets						
Other Current Assets	0.00%	0.00%	0.00%	0.00%	0.00%	44.97%
Total Current Assets	100.23%	100.24%	100.15%	100.11%	100.08%	74.81%
Long-term Assets	-0.23%	-0.24%	-0.15%	-0.11%	-0.08%	25.19%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Current Liabilities	13.01%	6.61%	3.30%	2.44%	2.03%	39.82%
Long-term Liabilities	0.00%	0.00%	0.00%	0.00%	0.00%	16.03%
Total Liabilities	13.01%	6.61%	3.30%	2.44%	2.03%	55.85%
Net Worth	86.99%	93.39%	96.70%	97.56%	97.97%	44.15%
Percent of Sales						
Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Gross Margin	74.71%	80.06%	81.56%	82.76%	84.73%	100.00%
Selling, General & Administrative Expenses	28.00%	43.75%	31.16%	31.86%	32.15%	79.18%
Advertising Expenses	0.00%	0.00%	0.00%	0.00%	0.00%	0.81%
Profit Before Interest and Taxes	66.73%	51.87%	72.00%	72.71%	75.10%	1.89%
Main Ratios						
Current	7.71	15.17	30.36	40.96	49.33	1.39
Quick	7.71	15.17	30.36	40.96	49.33	0.94
Total Debt to Total Assets	13.01%	6.61%	3.30%	2.44%	2.03%	63.96%
Pre-tax Return on Net Worth	135.05%	72.64%	63.17%	47.32%	41.81%	3.33%
Pre-tax Return on Assets	117.49%	67.84%	61.08%	46.16%	40.96%	9.23%
Additional Ratios						
	Year 1	Year 2	Year 3	Year 4	Year 5	
Net Profit Margin	46.71%	36.31%	50.40%	50.89%	52.57%	n.a
Return on Equity	94.54%	50.85%	44.22%	33.12%	29.27%	n.a
Activity Ratios						
Accounts Payable Turnover	6.81	12.13	12.17	12.17	12.17	n.a
Payment Days	27	31	32	29	28	n.a
Total Asset Turnover	1.76	1.31	0.85	0.63	0.55	n.a
Debt Ratios						
Debt to Net Worth	0.15	0.07	0.03	0.03	0.02	n.a
Current Liab. to Liab.	1.00	1.00	1.00	1.00	1.00	n.a
Liquidity Ratios						
Net Working Capital	\$2,293,631	\$4,666,120	\$8,356,530	\$12,489,920	\$17,652,950	n.a
Interest Coverage	0.00	0.00	0.00	0.00	0.00	n.a
Additional Ratios						
Assets to Sales	0.57	0.76	1.18	1.57	1.83	n.a
Current Debt/Total Assets	13%	7%	3%	2%	2%	n.a
Acid Test	7.71	15.17	30.36	40.96	49.33	n.a
Sales/Net Worth	2.02	1.40	0.88	0.65	0.56	n.a
Dividend Payout	0.00	0.00	0.00	0.00	0.00	n.a

8.8 Long-term Plan

Our long term goals consist of producing animation, and solely animation for the next two years. We have two other shows that we have in development, that we will introduce after the successful launch of the Welbys.

We will pursue options in live television as well, a half hour live action television show for high school and middle school kids, and full length features and documentaries.

Animation is our main goal right now, and will continue to be so for the next two years. If all of our animated series meet with success, we may spin off into two separate entities and have an animation studio and live action sector of our company.

Appendix

Appendix Table: Sales Forecast

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													
Episodes	0%	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333
DVD Sales	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000	\$45,000	\$145,000
Merchandising	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$150,000	\$250,000	\$450,000
Total Sales		\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$353,333	\$453,333	\$588,333	\$888,333
Direct Cost of Sales													
Episodes		\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833
DVD Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$4,500	\$14,500
Merchandising		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Direct Cost of Sales		\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$96,833	\$96,833	\$100,333	\$110,333

Appendix

Appendix Table: Personnel

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
Kathy Tesselone	0%	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
Daya Dawson	0%	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Vince Bruno	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
Total People		3	3	3	3	3	3	3	3	3	3	3	3
Total Payroll		\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000

Appendix

Appendix Table: Profit and Loss

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	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$353,333	\$453,333	\$588,333	\$888,333
Direct Costs of Goods	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$96,833	\$96,833	\$100,333	\$110,333
Other Costs of Goods	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Goods Sold	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$95,833	\$96,833	\$96,833	\$100,333	\$110,333
Gross Margin	\$197,500	\$197,500	\$197,500	\$197,500	\$197,500	\$197,500	\$197,500	\$197,500	\$256,500	\$356,500	\$488,000	\$778,000
Gross Margin %	67.33%	67.33%	67.33%	67.33%	67.33%	67.33%	67.33%	67.33%	72.59%	78.64%	82.95%	87.58%
Expenses												
Payroll	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000
Marketing/Promotion	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167
Depreciation	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$958	\$958	\$958	\$958	\$958	\$958	\$958	\$958	\$958	\$958	\$958	\$958
Insurance	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750
Payroll Taxes	15% \$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250
Other	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167
Total Operating Expenses	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792	\$30,792
Profit Before Interest and Taxes	\$166,708	\$166,708	\$166,708	\$166,708	\$166,708	\$166,708	\$166,708	\$166,708	\$225,708	\$325,708	\$457,208	\$747,208
EBITDA	\$167,208	\$167,208	\$167,208	\$167,208	\$167,208	\$167,208	\$167,208	\$167,208	\$226,208	\$326,208	\$457,708	\$747,708
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$50,012	\$50,012	\$50,012	\$50,012	\$50,012	\$50,012	\$50,012	\$50,012	\$67,712	\$97,712	\$137,163	\$224,163
Net Profit	\$116,696	\$116,696	\$116,696	\$116,696	\$116,696	\$116,696	\$116,696	\$116,696	\$157,996	\$227,996	\$320,046	\$523,046
Net Profit/Sales	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	39.78%	44.72%	50.29%	54.40%	58.88%

Appendix

Appendix Table: Cash Flow

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	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$353,333	\$453,333	\$588,333	\$888,333
Subtotal Cash from Operations	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$353,333	\$453,333	\$588,333	\$888,333
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	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$293,333	\$353,333	\$453,333	\$588,333	\$888,333
Expenditures												
Expenditures from Operations												
Cash Spending	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000
Bill Payments	\$5,505	\$165,138	\$165,138	\$165,138	\$165,138	\$165,138	\$165,138	\$165,138	\$165,761	\$184,838	\$215,269	\$260,021
Subtotal Spent on Operations	\$16,505	\$176,138	\$176,138	\$176,138	\$176,138	\$176,138	\$176,138	\$176,138	\$176,761	\$195,838	\$226,269	\$271,021
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	\$16,505	\$176,138	\$176,138	\$176,138	\$176,138	\$176,138	\$176,138	\$176,138	\$176,761	\$195,838	\$226,269	\$271,021
Net Cash Flow	\$276,829	\$117,196	\$117,196	\$117,196	\$117,196	\$117,196	\$117,196	\$117,196	\$176,573	\$257,496	\$362,064	\$617,313
Cash Balance	\$401,810	\$519,005	\$636,201	\$753,397	\$870,593	\$987,789	\$1,104,985	\$1,222,180	\$1,398,753	\$1,656,249	\$2,018,313	\$2,635,625

Appendix

Appendix Table: Balance Sheet

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	\$124,981	\$401,810	\$519,005	\$636,201	\$753,397	\$870,593	\$987,789	\$1,104,985	\$1,222,180	\$1,398,753	\$1,656,249	\$2,018,313	\$2,635,625
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$124,981	\$401,810	\$519,005	\$636,201	\$753,397	\$870,593	\$987,789	\$1,104,985	\$1,222,180	\$1,398,753	\$1,656,249	\$2,018,313	\$2,635,625
Long-term Assets													
Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$500	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500	\$6,000
Total Long-term Assets	\$0	(\$500)	(\$1,000)	(\$1,500)	(\$2,000)	(\$2,500)	(\$3,000)	(\$3,500)	(\$4,000)	(\$4,500)	(\$5,000)	(\$5,500)	(\$6,000)
Total Assets	\$124,981	\$401,310	\$518,005	\$634,701	\$751,397	\$868,093	\$984,789	\$1,101,485	\$1,218,180	\$1,394,253	\$1,651,249	\$2,012,813	\$2,629,625
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	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$177,710	\$206,710	\$248,228	\$341,995
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	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$177,710	\$206,710	\$248,228	\$341,995
Long-term Liabilities													
Total Liabilities	\$0	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$159,633	\$177,710	\$206,710	\$248,228	\$341,995
Paid-in Capital	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000
Retained Earnings	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)	(\$955,019)
Earnings	\$0	\$116,696	\$233,391	\$350,087	\$466,783	\$583,479	\$700,175	\$816,871	\$933,566	\$1,091,562	\$1,319,558	\$1,639,604	\$2,162,650
Total Capital	\$124,981	\$241,677	\$358,372	\$475,068	\$591,764	\$708,460	\$825,156	\$941,852	\$1,058,547	\$1,216,543	\$1,444,539	\$1,764,585	\$2,287,631
Total Liabilities and Capital	\$124,981	\$401,310	\$518,005	\$634,701	\$751,397	\$868,093	\$984,789	\$1,101,485	\$1,218,180	\$1,394,253	\$1,651,249	\$2,012,813	\$2,629,625
Net Worth	\$124,981	\$241,677	\$358,372	\$475,068	\$591,764	\$708,460	\$825,156	\$941,852	\$1,058,547	\$1,216,543	\$1,444,539	\$1,764,585	\$2,287,631