



THE  
COOK  
HOUSE  
MARKET

Mater Academy Charter High School  
Florida  
Business Financial Plan  
2018-2019  
Aiden Guerrero  
Juliet Munoz

## Description of Business, Assumptions and Strategies to Obtain Loan

A foodie is a person who has a passionate or refined interest in food and who eats food not out of hunger but due to their interest or hobby. One of the biggest characteristics of a millennial is being a foodie. According to Lisa De Fazio, a healthy lifestyle expert, “Casual dining, especially with friends, is a high priority for this group of people after work or on weekends; these foodies want to know what they’re eating and prefer organic and healthier foods. Cooking a killer meal is also appealing to many”. The owners will open **The Cook House Market**, a hands-on cooking school that will give foodies exactly what they have been missing. **The Cook House Market’s** interactive, social, and instructional and fun cooking classes will be a place for like-minded foodies who want to hone their cooking skills. From celebrations with family and friends to team building events, **The Cook House Market** has classes for everyone.



The owners have shared their passion for culinary arts and a healthy lifestyle since they were friends in high school. Aiden Guerrero pursued his passion by obtaining a bachelor’s degree in Culinary Arts and Food Service Management and a minor in Dietetics and Applied Nutrition from Johnson and Wales University. Similarly, Juliet Muñoz obtained her bachelor’s degree in Agricultural Business, and her Master’s in Finance from the University of Miami. With Mr. Guerrero’s vast knowledge of the culinary arts and Mrs. Munoz extensive understanding of the financial aspect of the business, they will launch **The Cook House Market** into success.

Upon obtaining the required funding to operate and sustain the business, **The Cook House Market** will be opened in a 3,000 square foot stand-alone facility. This facility will be comprised of a classroom/dining area where cooking classes will be taught, a fresh food market where customers may purchase fresh ingredients, a storage area where all materials will be stored and an office area where management will carry out their responsibilities. Instructors for the classes include Mr. Guerrero alongside different visiting chefs who will provide the customers with diverse cooking techniques and styles.

The goals for **The Cook House Market’s** first year of operation include breaking even by the end of the fiscal year, establishing social media accounts to keep advertising cost down, working as managers/teachers while the company grows and creating an herb garden. Future company goals include paying off the loan, obtaining brand recognition to increase the customer base and purchasing land to develop a farm.

To successfully execute their dream of opening **The Cook House Market**, the owners must secure \$680,000 in funding. The funding will be used for purchase of building and remodeling, equipment, working capital, furniture and fixtures. The owners will each contribute \$50,000 capital. They have agreed to retain the profits in the company to have funds available for future growth. The owners will apply for a five-year Small Business Administration loan, a 30-year mortgage loan, as well as short-term financing to meet any short-term cash flow deficits. Chase Bank was the owners’ first choice based on their long-standing relationship with this bank. Obtaining these loans are crucial to the success and growth of **The Cook House Market**.

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## Company Description

### Legal Form of Business

**The Cook House Market** will be established as a Florida based Limited Liability Company (LLC). The ownership will be split evenly between the company's founders, Aiden Guerrero and Juliet Munoz. An LLC was established to combine the best features of a partnership and corporation. It provides liability protection for its owners and the opportunity to manage the distribution of its profits and losses, while also protecting the business from the double taxation that occurs within a corporation. An operating agreement will be established by the owners to document:

- Profit-sharing
- Decision-making protocols
- Procedures for handling the removal and addition of members

The legal name of the business will be **The Cook House Market** and Francesca Perez, P.A. will serve as the registered agent and file the Articles of Organization with the Florida Division of Corporations. The owners of **The Cook House Market** will comply with all federal, state and local tax laws and regulations.

### Mission Statement

**The Cook House Market** mission statement is to provide the community with a unique and distinctive service that will combine the knowledge and the ingredients to cook fresh and healthy meals with a fun party-like atmosphere.



### Company Vision

Teaching the community to cook healthy and delicious meals using fresh foods clearly identifies **The Cook House Market**.

### Company Governance

As established in the operations agreement, **The Cook House Market** will be equally owned by Aiden Guerrero and Juliet Munoz. The owners will hold different managing positions within the company; they will bring their corporate experience to the business, and will use their knowledge to train and supervise additional employees. Both owners will be entitled to equal voting rights in the decision-making process.

Aiden Guerrero holds a bachelor's degree in Culinary Arts and Food Service Management with a minor in Dietetics and Applied Nutrition from Johnson and Wales University. His experience comes from working as a teacher at Johnson and Wales University and five years as head chef at Le Bordeaux. As head chef, he will create lessons according to what produce is in harvest and will teach the lessons in the classes along with the different visiting chefs who will provide a wide array of cooking styles for the customers. By serving as the operations manager, he will be responsible for the logistics and operations. Juliet Munoz holds a bachelor's degree in Agricultural Business and a master's degree in Finance from the University of Miami. Prior to founding **The Cook House Market**, she gained vast experience working as the CFO for Pero Family Farms, the #1 ranked produce farm in Florida. Serving as the company's financial manager, she will be responsible for obtaining farm fresh ingredients from local farmers and for tracking cash flows and financial planning.



**Aiden Guerrero**  
**Operations Manager**

- Human Resources
- Facility Maintenance
- Head Chef/Market Manager



**Juliet Munoz**  
**Financial Manager**

- Cash Management
- Annual Budget
- Brand Marketing

**Company Location**

The proposed business location for **The Cook House Market** will be in Hialeah Gardens. The official address is 9800 NW 138th Street Hialeah Gardens, FL, 33018. This establishment will be located near the exit of a high traffic commuter route (I-75), making it easier for customers to locate the facility.



**Long and Short-Term Goals**

The owners of **The Cook House Market** have established long and short-term goals, as they provide a clear understanding of what the company is striving to accomplish.

**Long-Term Goals**

- Purchase farm land
- Develop a farm
- Produce a positive return on investment
- Pay off loan

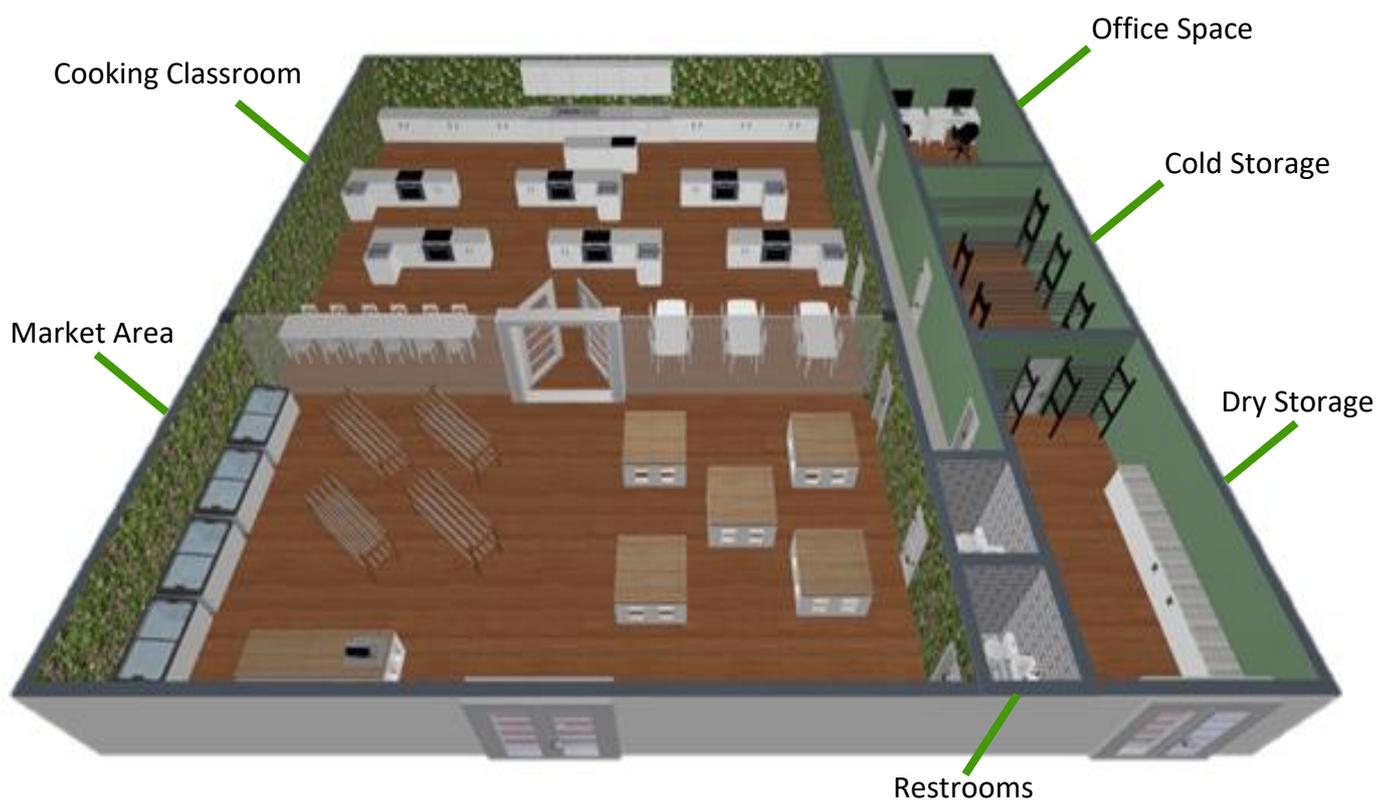
**Short-Term Goals**

- Increase brand recognition
- Increase workforce
- Create a herb garden
- Expand network of local farmers

## Operations and Management

### Business Facilities Described

Operations will be conducted in a 3,000 sq. ft stand-alone facility. The facility will be comprised of a kitchen/cooking class area, fresh farm market area, storage areas and office area. **The Cook House Market** will be open every day from 8:00 a.m. to 10:00 p.m., Mondays through Saturdays and Sundays from 10:00 a.m. to 2:00 p.m. The company will be closed on Thanksgiving, Christmas, and New Year's Day.



### *Kitchen/Cooking Class Area*

The hands-on farm-to-table cooking classes will be held in a 1,500 sq. ft area. The space will be equipped with seven cooking stations; each station consisting of a sink, stove tops, an oven, countertop space and all necessary cookware for the class. Once the fresh meals have been cooked by the customers, they will be able to enjoy these meals with their friends and loved ones on the dining tables located at the back of the class.



### Office Area

The office area will be equipped with desks and computers where management will carry out their responsibilities. Additionally, a small break area within the office has been set aside for employees.



### Fresh Farm Market Area

**The Cook House Market** will open its pantry to the public in an 1,100 sq. ft. area. The space will be equipped with refrigerated shelving, regular shelving, coolers and a checkout station. The fresh produce sold in the market will come from local farms such as LoveLife Ranch and DiMare Fresh.



### Storage Area

The storage area will consist of a storage room and a refrigerated room. All the produce, meats and supplies will be delivered to the storage room. The refrigerated room will house the fresh produce and meats used in the cooking classes and used to restock the fresh farm market.

### Management Personnel Identified

**The Cook House Market** will be managed by co-owners Aiden Guerrero and Juliet Munoz. These managers are responsible for providing a professional, well-organized and safe working environment.

#### Juliet Munoz, Financial/Sales Manager

- Develop and implement the organization's financial goals and minimize the impact of variances
- Provide monthly, quarterly and annual reports
- Monitor financial performance by measuring and analyzing results
- Source best possible food products
- Develop and implement marketing strategies including advertising campaigns and sales promotions

#### Aiden Guerrero, General Manager/Head Chef

- teach cooking classes and supervise market operations
- Manage staff, prepare work schedules and assign duties
- Interview, hire and train new employees and oversee personnel processes
- Contact visiting chefs and create schedules to teach classes

## Workforce Described

Management will ensure that **The Cook House Market** has the workforce needed to operate the business. The customer service will ultimately decide the success of the company. Therefore, the owners are dedicated to fostering an environment where employees are encouraged to grow, learn and evolve their potential while providing a high-quality service. Co-Owner, Mr. Guerrero will serve as the head chef alongside visiting chefs. **The Cook House Market** will recruit top-tier culinary students from Johnson and Wales University's North Miami Campus to serve as part-time sous chefs with flexible scheduling. Hiring part-time culinary students will save the company money, while still providing customers with quality service.

## Personnel

**The Cook House Market** will not unlawfully discriminate against employees or applicants for employment based on an individual's race, color, religion, creed, sex, national origin, age, disability, marital status, veteran status or any other status protected by applicable law.



### Head Chef

**Full-Time Employee**

- Create and plan meals for cooking class
- Teach classes

Current: 1 - Projected: 2



### Sous Chef

**Part-Time Employee**

- Gather materials for cooking classes
- Ensure all cooking stations are fully equipped

Current: 1 - Projected: 2



### Market Clerk

**Part-Time Employee**

- Provide customer Service
- Restock market
- Cashier
- Shipment handler

Current: 4 - Projected: 6

## Target Market

### Target Market Defined

Millennials are seeking fun filled activities while at the same time searching for a healthy lifestyle. **The Cook House Market** will primarily be targeting millennials residing in the city of Hialeah Gardens, Florida and its surrounding communities. At **The Cook House Market** the target market will experience a unique and distinctive service that will combine the knowledge and the ingredients to cook fresh and healthy meals with a fun party-like atmosphere. In addition, these millennials can shop for fresh, organic foods at the open pantry.

### 70% ENJOY BEING CREATIVE IN THE KITCHEN



■ Completely agree    ■ Somewhat agree

Hialeah - Miami Lakes area enjoys being creative in the kitchen. Furthermore, 80% of individuals surveyed agreed that they prefer cooking with fresh food rather than canned food.

**The Cook House Market's** services will appeal to four major market segments:

- Millennials
- Families
- Corporate events
- Children under thirteen

The business will hold special classes for children and classes for couples, families and other demographics looking for a fun activity.

The company's marketing strategies will emphasize the fun, and easy approach to cooking delicious meals. Meal choices and level of preparation will vary to accommodate the type of class or party. The company's marketing strategy will focus on establishing and promoting its brand and image.

- **The Cook House Market** has created a logo to promote the brand through signage, stationery, business cards and other communications.
- Customers can view the class schedules and food in-stock at the open pantry through the company website and mobile app.
- **The Cook House Market** will also use social media to reach its target market, prospective employees, partners, future investors and promote special events and offers.



A market research survey conducted by Scarborough Research showed that, 78% of millennials would rather spend their money on experiences rather than coveted goods and 49% of millennials see shopping as a social activity rather than an errand. In addition, when asked about their cooking preferences, 70% of the population in the

### 80% PREFER COOKING WITH FRESH FOOD



■ Completely agree    ■ Somewhat agree

Creating and implementing an effective social media strategy is crucial to access new customers and to keep repeat customers updated.



## Size

As of 2018, the population of Hialeah was 236,387, making it the sixth most populated city in the State of Florida according to the U.S. Census Bureau. Hialeah was chosen as **The Cook House Market** company location due to the population growth in the city as well as the surrounding areas.

## Growth Potential

**The Cook House Market's** growth potential is dependent on an increase in healthy lifestyle choices among millennials, as well as brand recognition in Hialeah and the surrounding cities of Pembroke Pines, Miami Lakes and Miramar. The central source of income will be generated by the cooking class portion of the business. For additional income, **The Cook House Market** will open its pantry to the public, allowing customers to purchase from the same fresh ingredients used during the classes. **The Cook House Market** has the potential for expanding its target market in the metropolitan cities surrounding Hialeah Gardens. The table shows the population of the cities within a 20-mile radius of Hialeah Gardens.



CITY	POPULATION
<i>Hialeah</i>	236,387
<i>Miami</i>	417,650
<i>Miami Lakes</i>	30,873
<i>Miramar</i>	138,389
<i>Pembroke Pines</i>	154,750
<i>Sunrise</i>	93,734

## Needs

**The Cook House Market's** competition includes local grocery stores, farmers markets and other cooking schools. **The Cook House Market** will offer a variety of hands-on cooking classes where customers can hone their cooking skills. In addition, it will offer a farm-fresh food market where customers can purchase ingredients used in class. **The Cook House Market** will ensure that its customers have the ingredients and the knowledge needed to make living a healthy lifestyle easy and delicious. This is something no other local company provides.

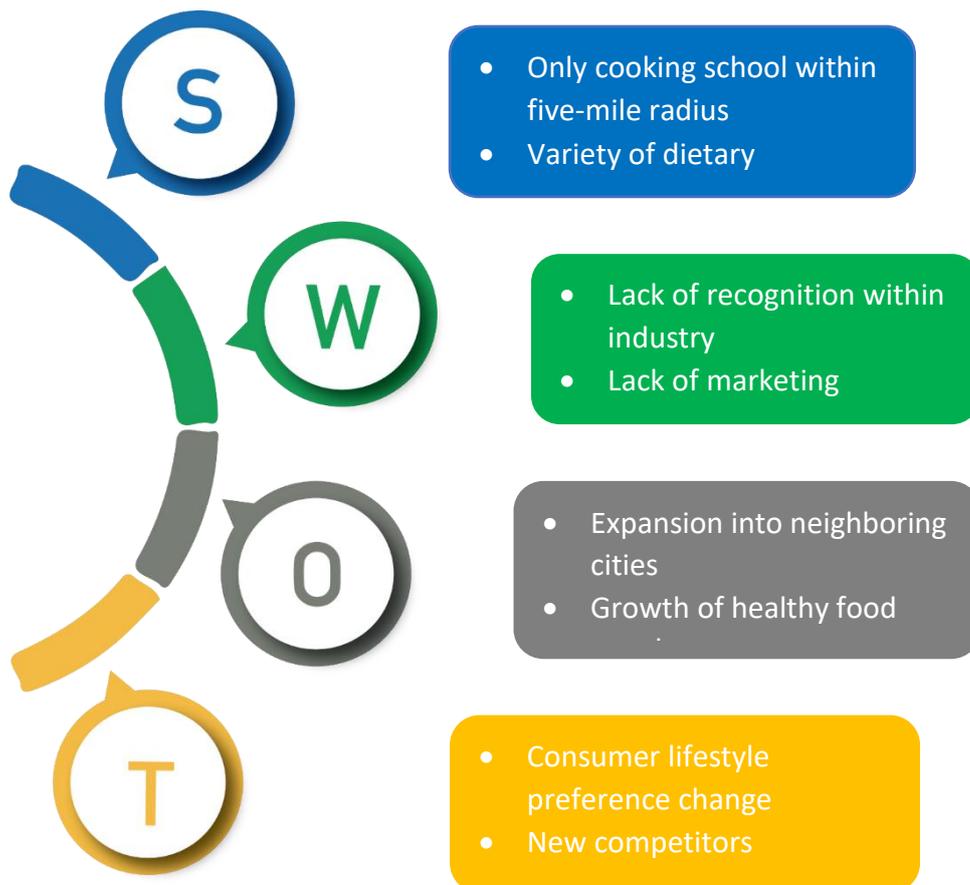


## Risks and Potential Adverse Results Identified and Planned For

Identifying potential risks and opportunities of a new business is crucial to be able to adequately plan for challenges the business may face. This requires a look at the present state, the future state, risk and financials and the creation of change requirements to achieve the desired outcomes. The management team will perform a SWOT and Porter's Five Forces analysis to identify risks and plan for them.

Management will frequently perform a SWOT analysis to pinpoint its internal strengths and weaknesses as well as external opportunities and threats. The performance of a SWOT analysis will be beneficial in recognizing not only the flaws, but the advantages in the involvement of the business. The results of understanding this analysis will allow management to make necessary changes to maintain profitability by capitalizing on its opportunities and developing strategies to reduce the impact of its threats.

## SWOT Analysis



In addition, **The Cook House Market's** management team will perform the Porter's Five Forces industry analysis, this tool will help management understand where the business power lies in terms of present competitiveness and future positioning strength. It forces management to analyze the bargaining power of suppliers and customers, the threats to new entrants and substitutes, and the competitive rivalry in the marketplace. Using this tool will help management understand the balance of power and to identify areas of potential profitability.

## Porter's 5 Forces Analysis



### 1 Potential New Entry

- Specific experience is needed
- High capital expenditure

Threat of New Entry:

**Moderate**

### 2 Customer Power

- Switching costs for customers are high
- Strong customer relationships

Customer Power:

**Moderate**

### 3 Substitutes

- Low brand recognition
- Customer preference

Threat of Substitution:

**High**

### 4 Supplier Power

- High amount of suppliers
- Supply dependent on season and climate

Supplier Power:

**Low**

### 5 Industry Rivalry

- Low amount of rivalry
- No competition located within a 20 mile radius

Rival Power:

**Low**

## Financial Institution

### Name and Type of Financial Institution

The owners have chosen JP Morgan Chase and Co. (Chase Bank), a well-established bank as their financial institution. Chase Bank was founded in 1799 and today is a leading global investment and commercial bank with both wholesale and retail operations in more than 50 countries. The owners' chose this institution because of their long-standing relationship with Chase Bank. Both owners maintain personal bank accounts as well as loan accounts with Chase. They have both established a good credit history and have the necessary qualifications to secure loans with reduced interest.

### Loan Solutions

#### SBA 7(a) Loan Program

- Best match for borrowers who need funds to expand, purchase another business or manage cash flow
- Loan amounts: Up to \$5 million
- Benefits: Often easier to qualify; longer maturity terms, lower down payment on fixed assets
- Standard terms: Working capital up to 7 years; equipment up to 10 years; real estate up to 25 years
- Structure: SBA guarantees up to 75% (guaranteed portion capped at \$3.75 million)
- Pricing: Fixed and variable rate options

### Line of Credit Solutions

#### SBA Express

- Available financing: up to \$350,000
- Benefits: Accelerated process compared to 7(a) program; SBA fees can be financed
- Standard terms: Revolving; lines up to 3 years
- Structure: SBA guarantees 50% with guaranty fees based on guaranteed amount
- Pricing: Variable rate

### Loan Request

Chase Bank offers its commercial clients a range of services such as credit card servicing, money market, checking accounts and short and long-term loans. After detailed review of the available options, the owners will apply for the SBA 7(a) Loan Program at Chase Bank to establish the new business. In addition, the owners will apply for a mortgage loan to purchase the facility for **The Cook House Market**. A line of credit will also be established for ongoing needs such as working capital and inventory management.

### Purpose of Loan and Amount Requested

The owners will apply for a \$200,000 Small Business Loan at 6.5%. The purpose of the loan is to finance the startup cost as shown in the chart below. Additional funding will come from the owners' investment of \$100,000. The loan applied for will be a medium term (5 years) with interest and principal paid semi-annually. Additionally, the owners will be applying for a \$480,000 30-year/4.5% mortgage loan. Assets purchased with the loan will be pledged as collateral.

#### START UP COST

Building and Construction	\$ 550,000
Furniture, Fixtures, Technology	28,730
Kitchen Equipment	100,250
Market Equipment	81,100
Initial Inventory	5,920
Working Capital	14,000
Funding Needed	780,000
Capital Contribution	100,000
Loan Amount	200,000
Mortgage	480,000

Below is an amortization schedule from inception to maturity, as well as a mortgage summary:

#### AMMORIZATION SCHEDULE

<i>Loan amount</i>	\$200,000		
<i>Interest rate</i>	6.50%		
<i>Semi-annual Payments</i>	Interest	Principal	Balance
2019	6,500	20,000	180,000
2019	5,850	20,000	160,000
2020	5,200	20,000	140,000
2020	4,550	20,000	120,000
2021	3,900	20,000	100,000
2021	3,250	20,000	80,000
2022	2,600	20,000	60,000
2022	1,950	20,000	40,000
2023	1,300	20,000	20,000
2023	650	20,000	-

#### MORTGAGE SUMMARY

<i>Scheduled payment</i>	\$2,432.09
<i>Scheduled number of payments</i>	360
<i>Mortgage rate</i>	4.5%

<b>LENDER NAME</b>	Chase Bank
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## Itemized Planned Expenditures

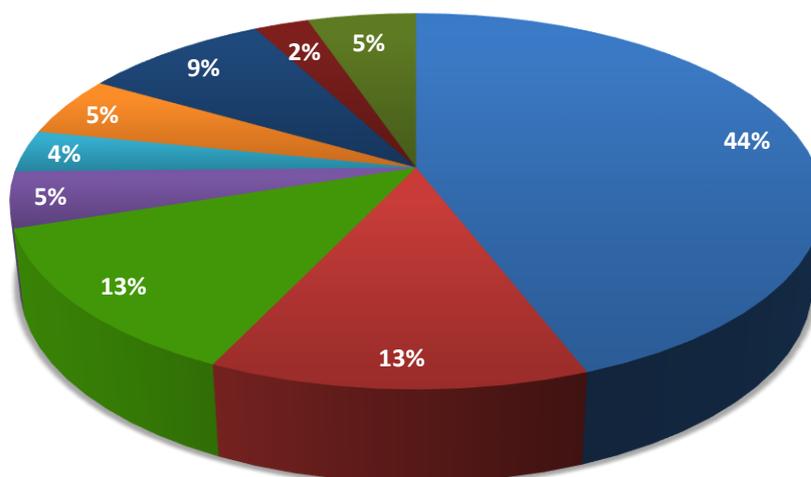
The income statement for the first year has been projected by month, followed by a 5-year projected income statement and cash flow. The first profit is projected during month 6 and projected to break even by the fourth quarter of the first year of operation. **The Cook House Market** is projected to generate sales of \$411,768 in its first year of operation. The owners assume a strong economy with no major recessions. Salaries increase/decrease according to the projected income. Visiting chefs' costs are projected in professional fees.

The Cook House Market  
Projected Income Statement

	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11	Mth 12	YTD
<b>Revenues:</b>													
Cooking Class	12,250	13,157	16,642	15,086	16,340	19,756	22,832	21,421	20,924	22,240	23,572	24,920	229,140
Food Products	14,400	14,544	14,689	14,836	14,985	15,135	15,286	15,439	15,593	15,749	15,907	16,066	182,628
<b>Total Revenue</b>	<b>26,650</b>	<b>27,701</b>	<b>31,331</b>	<b>29,922</b>	<b>31,325</b>	<b>34,890</b>	<b>38,118</b>	<b>36,860</b>	<b>36,517</b>	<b>37,989</b>	<b>39,478</b>	<b>40,985</b>	<b>411,768</b>
<b>Cost of Goods Sold</b>													
	5,330	5,540	6,266	5,984	6,265	6,978	7,624	7,372	7,303	7,598	7,896	8,197	82,354
<b>Gross Profit</b>	<b>21,320</b>	<b>22,161</b>	<b>25,065</b>	<b>23,938</b>	<b>25,060</b>	<b>27,912</b>	<b>30,495</b>	<b>29,488</b>	<b>29,213</b>	<b>30,391</b>	<b>31,583</b>	<b>32,788</b>	<b>329,415</b>
<b>Expenses:</b>													
Salary	5,309	8,310	7,833	7,481	7,831	8,723	9,530	9,215	9,129	9,497	9,870	10,246	102,973
Professional Fees	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	29,760
Insurance	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Utilities	880	889	898	907	916	925	934	943	953	962	972	982	11,161
Office Supplies	700	700	700	700	700	700	700	700	700	700	700	700	8,400
Miscellaneous	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Advertising	4,000	1,200	2,500	1,200	2,500	1,700	2,000	1,000	2,000	1,000	1,000	500	20,600
Travel	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Communication	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
<b>Total Expenses</b>	<b>18,369</b>	<b>18,579</b>	<b>19,411</b>	<b>17,767</b>	<b>19,427</b>	<b>19,527</b>	<b>20,644</b>	<b>19,339</b>	<b>20,262</b>	<b>19,640</b>	<b>20,022</b>	<b>19,908</b>	<b>232,894</b>
<b>Operating Income</b>	<b>2,951</b>	<b>3,582</b>	<b>5,655</b>	<b>6,171</b>	<b>5,633</b>	<b>8,385</b>	<b>9,851</b>	<b>10,150</b>	<b>8,951</b>	<b>10,752</b>	<b>11,561</b>	<b>12,880</b>	<b>96,521</b>
<b>Interest</b>	<b>2,798</b>	<b>2,795</b>	<b>2,793</b>	<b>2,790</b>	<b>2,788</b>	<b>2,786</b>	<b>2,783</b>	<b>2,781</b>	<b>2,778</b>	<b>2,776</b>	<b>2,773</b>	<b>2,771</b>	<b>33,413</b>
<b>Depreciation</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>5,029</b>	<b>60,349</b>
<b>Net Income (Loss)</b>	<b>(4,876)</b>	<b>(4,243)</b>	<b>(2,167)</b>	<b>(1,649)</b>	<b>(2,184)</b>	<b>570</b>	<b>2,039</b>	<b>2,340</b>	<b>1,144</b>	<b>2,947</b>	<b>3,759</b>	<b>5,080</b>	<b>2,759</b>
<b>Break Even Analysis</b>	<b>(4,876)</b>	<b>(9,118)</b>	<b>(11,286)</b>	<b>(12,935)</b>	<b>(15,119)</b>	<b>(14,549)</b>	<b>(12,510)</b>	<b>(10,170)</b>	<b>(9,027)</b>	<b>(6,080)</b>	<b>(2,321)</b>	<b>2,759</b>	



## Operating Expenses



- Salary
- Professional Fees
- Insurance
- Utilities
- Office Supplies
- Miscellaneous
- Advertising
- Travel
- Communication

## Projections for Future Financial Stability

The five-year projected income statement and cash flow show the company will be adequately funded to service its customers as well as its creditors.

### Five Year Projected Income Statement

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenues:</b>					
Cooking Class	229,140	252,054	277,260	304,986	335,484
Food Products	182,628	200,891	220,980	243,078	267,386
<b>Total Revenue</b>	<b>411,768</b>	<b>452,945</b>	<b>498,240</b>	<b>548,064</b>	<b>602,870</b>
<b>Cost of Goods Sold</b>	<b>82,354</b>	<b>126,825</b>	<b>139,507</b>	<b>153,458</b>	<b>168,804</b>
<b>Gross Profit</b>	<b>329,415</b>	<b>326,120</b>	<b>358,733</b>	<b>394,606</b>	<b>434,066</b>
<b>Expenses:</b>					
Salary	102,973	108,122	113,528	119,205	125,165
Professional Fees	29,760	31,248	32,810	34,451	36,173
Insurance	30,000	31,500	33,075	34,729	36,465
Utilites	11,161	11,719	12,305	12,920	13,566
Office Supplies	8,400	8,820	9,261	9,724	10,210
Miscellaneous	12,000	12,600	13,230	13,892	14,586
Advertising	20,600	21,630	22,712	23,847	25,039
Travel	6,000	6,300	6,615	6,946	7,293
Communication	12,000	12,600	13,230	13,892	14,586
<b>Total Expenses</b>	<b>232,894</b>	<b>244,539</b>	<b>256,766</b>	<b>269,604</b>	<b>283,084</b>
<b>Operating Income</b>	<b>96,521</b>	<b>81,582</b>	<b>101,967</b>	<b>125,002</b>	<b>150,982</b>
<b>Interest</b>	<b>33,413</b>	<b>9,600</b>	<b>7,200</b>	<b>4,800</b>	<b>2,400</b>
<b>Depreciation</b>	<b>60,349</b>	<b>60,500</b>	<b>61,105</b>	<b>61,716</b>	<b>62,333</b>
<b>Net Income (Loss)</b>	<b>2,759</b>	<b>11,482</b>	<b>33,662</b>	<b>58,486</b>	<b>86,249</b>
<b>Cash flow</b>					
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Beginning Cash	-	85,108	59,090	54,857	76,058
<b>Sources of Funds:</b>					
Capital Contribution	100,000				
Bank Loans	680,000				
Net Income	2,759	11,482	33,662	58,486	86,249
Non Cash Items	60,349	60,500	61,105	61,716	62,333
<b>Total Sources of Funds</b>	<b>843,108</b>	<b>71,982</b>	<b>94,767</b>	<b>120,202</b>	<b>148,582</b>
<b>Uses of Funds:</b>					
Start Up Cost /Additions	(230,000)	(10,000)	(10,000)	(10,000)	(10,000)
Building Purchase	(480,000)	-	-	-	-
Loan Payment	(48,000)	(88,000)	(89,000)	(89,000)	(90,000)
<b>Total Uses of Funds</b>	<b>(758,000)</b>	<b>(98,000)</b>	<b>(99,000)</b>	<b>(99,000)</b>	<b>(100,000)</b>
<b>End Cash</b>	<b>85,108</b>	<b>59,090</b>	<b>54,857</b>	<b>76,058</b>	<b>124,641</b>

## Supporting Documents

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