

Good Knight Child
Empowerment
Network, Inc.

Business Plan for the
Period
Starting January 2008

Table Of Contents

Executive Summary	
	Business Description
	Ownership and Management
	Key Initiatives and Objectives
	Marketing Opportunities
	Competitive Advantages
	Marketing Strategy
	Summary of Financial Projections
Confidentiality and Recognition of Risks	
	Confidentiality Clause
	Recognition of Risk
Business Overview	
	Business History
	Vision and Mission Statement
	Objectives
	Ownership
	Location and Facilities
Products and Services	
	Description of Products and Services
	Key Features of the Products and Services
	Production of Products and Services
	Future Products and Services
	Comparative Advantages in Production
Industry Overview	
	Market Research
	Size of the Industry
	Key Product Segments
	Key Market Segments
	Purchase Process and Buying Criteria
	Description of Industry Participants
	Key Industry Trends
	Industry Outlook
Marketing Strategy	
	Target Markets
	Description of Key Competitors
	Analysis of Competitive Position
	Pricing Strategy
	Promotion Strategy
	Distribution Strategy
Management and Staffing	
	Organizational Structure
	Management Team
	Staffing
	Labour Market Issues
Regulatory Issues	
	Intellectual Property Protection
	Regulatory Issues
Risks	
	Market Risks
	Other Risks
Implementation Plan	
	Implementation Activities and Dates
Financial Plan	
	Beginning Balance Sheet

Discussion of Projected Net Income
Discussion of Monthly Cash Flow Statement
Discussion of Projected Annual Cash Flow
Discussion of Pro-Forma Balance Sheet
Discussion of Business Ratios
Pro Forma Income Statement
Cash Flow Statement, Year 1
Three Year Projected Annual Cash Flow
Balance Sheet
Business Ratios
Note 1: Revenue Assumptions
Note 2: Assumptions Regarding the Collection of Sales Revenue
Note 3: Cost of Sales Assumptions
Note 4: Sales and Marketing Assumptions
Note 5: Property and Utilities Assumptions
Note 6: Operations Assumptions
Note 7: Banking and Other Assumptions
Note 8: Wages and Other Assumptions
Note 9: Other Sources of Funding
Note 10: Other Uses of Funding

Business Overview

Business History

In 1985 three retired government special agents, all experts in their fields, decided to form The National Missing Child Search Society, now known as Good Knight Child Empowerment Network, Inc., a 501 (c)3 non-profit public safety organization that would help the American family deal with the growing threat of criminal predators who primarily focused on children. They were Admiral Elmo R. Zumalt, Jr. former Chief of Naval Operations (now deceased), Dennis V.N. McCarthy, U.S. Secret Service (now deceased) and Edward Jagen, Major Crimes Investigator, Washington D.C. Police. Together they formulated a strategy that would allow the charity to reach all concerned citizens. Jagen called upon his experience investigating crimes against children to author A Good Knight Story, a fairytale that would open the lines of communication about a very sensitive subject between parent and child. McCarthy helped Jagen coordinate and produce a candid camera style film that would outline the "ABC's of Protection" that expose the ten basic psychological deceptions that criminal predators use to manipulate and maintain control over the intended victims. The book and film were to be used as teaching tools. Admiral Zumalt strategized with members of the U.S. Congress on the best way to fund the free distribution of these materials to law enforcement, schools, churches and civic organizations. After the deaths of his two partners during the 1990's Jagen went on to lobby Congress and private industry to support the free giveaway of the materials not only to organizations but to the millions of families nationwide who feared the growing threat of abduction. In 2001 Jagen partnered with child safety expert, Sophia West, who was a longtime volunteer of the Network and who went on to found Mothers Against Predators. Together with their staff of volunteers they designed and constructed the Good Knight Magic Kingdom and family safety museum on three acres in Beltsville, MD where Jagen's original fairytale is brought to life along with other classics in literature. The museum hosts interactive magic shows, safety programs, festivals and field trips throughout the year for thousands of visitors to the greater Baltimore/Washington, D.C. metropolitan area

Vision and Mission Statement

Mission Statement:

The Cause:

To empower the children of the world and awaken the victorious child within us all by instilling the knowledge and awareness for self-protection, and the inspiration to champion others.

The Effect:

Lowering the threat of crime and violence against youth for generations. GKCE seeks to empower children of the world with the knowledge of self protection and the inspiration to champion others The organization's goal is to protect the innocence of children.

Objectives

Our primary objectives over the next year are:

1. Distribute 10 million copies of the SuperBook of Family Safety.
2. Register 10,000 site coordinators to present the GKCE safety program in their community under the Mothers Against Predators Initiative.
3. Seek funding through grants, awards, and private sponsorship to give away the safety educational materials as tools for site coordinators, families and children who volunteer to present the safety program.

4. Increase funding for general operating costs through live program presentations at the Castle headquarters, rental of the Castle grounds for private functions and off site program presentations.

5. Raise funding through grants, corporate donations/matches and private fund raising for the building fund.

6. Increase newsletter distribution through such avenues as Points of Light Foundation, AmeriCorps, SeniorCorp, AARP, NEA, etc.

Ownership

The Good Knight Child Empowerment Network ("GKCEN") was incorporated in 1985 as a national nonprofit in the Commonwealth of Virginia under the original name of National Missing Child Search Society. It is run by a Board of Directors headed by Chairwoman Maria Cascio. The current Officers of this organization include: Len Malinowski as President, Leah Robinson as Vice President, June Sevilla as Secretary and Jacqueline Cooper as Treasurer.

Location and Facilities

GKCEN is headquartered in Beltsville, Maryland, 20 minutes Northeast of Washington D.C. The Network occupies a two story building with 4000 square feet of office space called the Good Knight Magic Castle and Family Museum. The main Castle, towers and grounds are a children's museum that boast swords and armor of antiquity and live interactive exhibits ranging from fairy tale classics brought to life to the great pyramids in Egypt. The Castle is on 3 acres of beautifully manicured land full of gardens, waterfalls, ponds and a peaceful magical labyrinth.

The grounds and buildings are deeded to the Network but currently due to renovation costs and investment in the production of educational materials there is a \$3,100/month mortgage on the property.

Products and Services

Description of Products and Services

GKCEN currently has sole distribution rights to A Good Knight Story and related safety educational materials to include but not limited to "ABC's of Protection" film on both VHS and DVD format, "Quest of the Good Knight" Fairy tale activity book, A Good Knight Story in book and audio format, "Good Knight Curriculum Guide and Presenter's Script" for teachers and site coordinators, and "Flower Fairy Adventure" an environmental educational book. All the educational materials offered teach parents, children and concerned citizens how to spot the predatory behavior of an individual.

GKCEN has developed the SuperBook of Family Safety that is a comprehensive safety resource manual that families will keep in the home forever. It covers all aspects of family safety. This year it is projected to distribute 10 million copies nationwide.

GKCEN also offers a CrimeStopper alarm backpack for the personal protection of children and adults. The backpack sends out two 130 decibel alarms with strobe light when the rip cord is pulled. This alarm is loud enough to hear 3 miles away in a city atmosphere and 5 miles away in open country.

Our volunteers present live interactive adventure quest programs to entertain and educate audiences of all ages both on and off site at the Good Knight Magic Castle location.

Key Features of the Products and Services

GKCEN has exclusive rights to distribute the Good Knight educational materials and the SuperBook of Family Safety. This gives us an edge on any competition in the child safety market because what makes these materials unique is the multicultural knighthood theme which is used to present the story in a non threatening, interactive format. The program also re-defines the way people represent the word stranger when they are teaching children to avoid danger. GKCEN teaches children and adults to recognize the strange behavior of an individual, not just what they look like or the known element.

The best thing about "ABC's of Protection" film is that it was made by volunteer children who themselves were abused. They created the script, directed the film in a candid camera style format and many of them volunteered to act out the very trick that they fell victim to. This is a heartwarming one of a kind classic performance that will live on in infamy carrying a lifesaving message for generations to come.

Production of Products and Services

GKCEN acquires the Good Knight educational materials, The SuperBook of Family Safety and alarm backpacks at a wholesale discounted bulk price from Angel Knight Productions.

All artwork, publications and ads are produced on an in-house desktop publishing system which allows for high quality publishing and creative control at a minimal cost to the charity.

Future Products and Services

The SuperBook of Family Safety will be distributed this year. Plans to produce a documentary film and a full length major motion picture are in the works. An internet safety DVD and related educational materials are in production as well as interactive CD-ROMs, an interactive video game and sequel to the original fairy tale book.

Comparative Advantages in Production

We utilize the volunteer effort to minimize our production costs and general operating costs as much as possible. Through the implementation of our intern program, we have graduate students from major universities around the greater Washington/Baltimore area working with us for credit in their specialized field that complements our programs in various ways.

Industry Overview

Market Research

To analyze the market potential of safety oriented educational materials in the United States, Canada, South America, Japan and the European nations, we collected information from a number of sources. We gained information with respect to the market for safety material for each province dating from 1996-2007 from several leading market research companies. The information also included industry trend analysis, future sales projections and an assessment of the level of competition in safety publications for children.

In addition, we also commissioned an on-site survey of families, educators and concerned citizens that attended Good Knight programs at the Castle headquarters and off-site when the volunteers traveled to do performances. The survey results were used to prepare customer profiles and gauge

what type of information materials were in demand. Newspaper clippings and journal articles gleaned from local libraries and the Internet were also used as sources of market research information.

Size of the Industry

According to The 2000 United States census, there are 59,149,665 children from ages 3 and over enrolled in school with 78,100,603 number turning 3 in 2008. And, according to U.S. Census Bureau, International Data Base, globally there are over 1,796,112,362 children ages 5-19 Families with target age range children are growing exponentially. All industry experts agree that the phenomenal 100% or more annual growth rates seen since 1994 will continue for years to come. Every generation needs to view this material every six months throughout their formative years. It is estimated that all families with children are all potential customers for the safety products. This market is ever replicating itself with each new child born to the world.

From onset of the charity in 1985 to 1996, there were no other organizations with educational materials that addressed abduction prevention. Despite a few companies and organizations who have come on the safety front, there still remains no one with the uniqueness of GKCN's approach in empowering youth and parents. With the pervasiveness of the internet, advertising revenues for 3 leading safety related companies grew by approximately 53% to U.S. \$650 million in 2006 versus U.S. \$490 million in 2005. While 2007 figures are not yet available, a similar increase is expected by industry experts.

Key Product Segments

In the United States alone child safety related organizations consist of three main service/product sectors: those dealing with prevention and educational products (25%), those focused on finding children once they become missing or exploited (50%), and those who and who exploit the problem (25%).

In the prevention and education segment, GKCN is the only organization that deals primarily with empowering children and parents so that the potential target is armed with the exact information they need to safe from potential danger.

Key Market Segments

Consumers of child safety products generally are grouped into one of eight major categories: parents, grandparents, educators, counselors, social workers, victims' advocates, concerned citizens and teens who are using the products as part of their community service projects for graduation. By far, the two largest market segments are parents and grandparents. While parents are the largest market segment today, grandparents are making a steady climb and are expected to equal the market over the next few years. This figure comes about because of the growing trend in grandparents raising their grandchildren.

In terms of material distribution, the key market segments are the internet and on site program presentations. We do not sell in stores in order to keep costs to the public at an affordable level. An independent study commissioned by GKCN indicates that 85% of all safety materials are sold over the internet.

Purchase Process and Buying Criteria

Good Knight educational materials can be purchased through www.goodknight.org, the charity's website, and mailed directly to a purchaser's home, office or a designated school or learning facility.

In order to keep the purchase price as affordable as possible GKCEN eliminates the middle man for direct purchase from the charity. For large organizations GKCEN also offers bulk rate discounts.

From time to time when GKCEN receives grant funding or private donations, the materials are offered for free at the website or on location. Shipping, if ordered out of state, is the only fee paid by the consumer during those promotions (and sales tax when applicable).

Description of Industry Participants

There are currently 5 main child safety related organizations in the United States alone. Four are non-profits, one is a large corporation with an extremely diverse line of materials. None of the five has the unique qualities that GKCEN possesses. GKCEN is currently an all volunteer based organization with very altruistic goals and ideals. We believe solely in the protection of children and their undeniable right to retain their innocence until which time they choose to change that aspect of their life.

We are the only organization that presents live interactive programs in fairy tale format to inspire, empower and increase self esteem within children.

Key Industry Trends

The pervasiveness of the internet and predators stalking children online has changed the way people look at safety. The media has sensationalized the sexual predator threat with major networks profiling sting operations to gain ratings. They constantly show the problem, but never offer a true viable solution. GKCEN is just in time to step up and offer the only solution with a 95% success rate.

Industry Outlook

In the child safety industry the products with the greatest potential for growth are interactive videos, CD-ROMS, video games and educational awareness campaigns to target teens on the internet.

Marketing Strategy

Target Markets

Our primary target markets are parents, grandparents, guardians and educators of children. Geographically, we would like to increase our market share in Latin America and eventually expand to Europe. Should this expansion prove successful, we will further expand our distribution worldwide with translations in every major language.

Our major future target market among retailers is major store chains and bookstores with multiple locations in the target markets. By securing distribution contracts with the major stores, the Network's market exposure and availability will be greatly enhanced

Good Knight Child Empowerment Network

PRO FORMA INCOME STATEMENT

for the Periods Ending December

	2008	2009	2010
Sales/Grants/Sponsorship	135,000	160,000	200,000
Direct Cost of Sales	6,655	10,000	15,000
Gross Margin	128,345	150,000	185,000
Expenses:			
Sales & Marketing	10,000	15,000	20,000
Property & Utilities	55,610	56,000	57,800
Operations	14,800	16,000	17,400
Banking & Other	12,570	13,000	14,800
Other Wages & Benefits	35,000	45,000	60,000
Interest Operating Loan	0	0	0
Interest Term Loan	0	0	0
Depreciation	0	0	0
Total Expenses	127,980	145,000	160,000
Net Income Before Taxes	365	5,000	15,000
Less: Income Taxes	0	0	0
Net Income	365	5,000	15,000

Good Knight Child Empowerment Network

PROJECTED ANNUAL CASH FLOW STATEMENT

for the Years Ending December

	2,008	2,009	2,010
Cash Inflows:			
Cash Receipts	502	0	0
Other Sources of Funding:	134,500	160,000	200,000
Owner Investment	0	0	0
Operating Loan Advances	0	0	0
Term Loan Advances	0	0	0
Sale of Fixed Assets	0	0	0
Other Assets	0	0	0
Total Cash Inflows	135,000	160,000	200,000
Cash Outflows:			
Payment Of:			
Cost of Sales Items	0	0	0
Sales & Marketing Items	44,500	50,000	60,000
Property & Utilities Items	55,610	56,700	57,800
Operations Items	14,800	16,000	17,500
Banking & Other Items	12,570	13,200	14,800
Other Wages & Benefits Items	0	0	0
Other Uses of Funding:			
Repayment of Shareholder Capital	0	0	0
Payment of Dividends/Earnings	0	0	0
Term Loan Interest & Principal	0	0	0
Operating Loan Interest	0	0	0

& principal			
Purchase of Fixed Assets	0	0	0
Payment of Other Assets	0	0	0
Payment of Taxes	0	0	0
Total Cash Outflows	134,615	150,000	185,000

Good Knight Child Empowerment Network PRO FORMA BALANCE SHEET As at December

	Starting Balance	2008	2009	2010
ASSETS				
Current Assets:				
Cash	10,504	13,869	38,869	63,869
Accounts Receivable	502			
Inventory	41,967	45,000	50,000	55,000
Other Assets	67,858	67,858	67,858	67,858
Total Current Assets	120,831	126,727	156,727	186,727
Fixed Assets:				
Fixed Assets	559,178	307,717	285,442	263,167
Accumulated Depreciation	251,461	22,275	22,275	22,275
Total Fixed Assets	307,717	285,442	263,167	240,892
TOTAL ASSETS	428,548	402,169	419,894	427,619
LIABILITIES & OWNER'S EQUITY				
Liabilities:				
Accounts Payable	4,779	1000	1000	1000
Taxes Payable	0	0	0	0
Operating Loans Payable	0	0	0	0
Term Loans & Mortgages	378,727	363,227	346,727	378,727
Total Liabilities	383,506	363,227	346,727	329,727
Owner's Equity:				
Paid-in Capital	0	0	0	0
Retained Earnings	45,042	38,942	73,167	97,892
Total Owner's Equity	45,042	38,942	73,167	97,892
TOTAL LIABILITIES & OWNER'S EQUITY	428,548	402,169	419,894	427,619

Note 1: Assumptions Regarding the Collection of Sales Revenue

a. We assume that the percent of our sales which are collected in the month they are made, in the month following, in the two months, and in the three months are:

Current Month	100
In the Following Month	0
In Two Months	0
In Three Months	0
Total	100

Note 2: Cost of Sales Assumptions

a. Our assumptions regarding the amount that we will pay each month in Year 1 for Cost of Sales items listed below. These figures show up on our cash flow statements.

Year 1	Production Wages	Goods & Materials	*****	*****	Total
Month 1	0	827	0	0	827
Month 2	0	828	0	0	828
Month 3	0	500	0	0	500
Month 4	0	500	0	0	500
Month 5	0	500	0	0	500
Month 6	0	500	0	0	500
Month 7	0	500	0	0	500
Month 8	0	500	0	0	500
Month 9	0	500	0	0	500
Month 10	0	500	0	0	500
Month 11	0	500	0	0	500
Month 12	0	500	0	0	500
Total	0	6655	0	0	6655

b. Our assumptions regarding the amount that we will pay in Year 2 and 3 for Cost of Sales items listed below. These figures show up on our annual Cash Flow Statement.

Year 1	Production Wages	Goods & Materials	*****	*****	Total
Year 2	0	10,000	0	0	10,000
Year 3	0	15,000	0	0	15,000

c. Some of these payments may have been to produce or purchase goods which we won't have sold yet. We estimate the value of such goods which we will have in inventory at the end of Years 1, 2, and 3 will be:

Year	Inventory
Beginning Balance	41,967
Year 1	0
Year 2	0
Year 3	0

d. Apart from what we have already paid for, there may be additional Cost of Sales goods or services which we have received but we won't have paid for yet. We estimate the amount that we will owe (have as an Account Payable) for Cost of Sales items at the end of Years 1, 2, and 3 will be:

Year	Cost of Sales Payable
Beginning Balance	0
Year 1	0
Year 2	0
Year 3	0

Note 4: Sales and Marketing Assumptions

a. Our assumptions regarding the amount that we will pay each month in Year 1 for Sales and Marketing items are listed below. These figures show up on our cash flow statements.

Year 1	Advertising	*****	*****	*****	Total
Month 1	1,300	0	0	0	750
Month 2	1,300	0	0	0	750
Month 3	1,700	0	0	0	850
Month 4	1,700	0	0	0	850
Month 5	1,700	0	0	0	850
Month 6	1,700	0	0	0	850
Month 7	1,700	0	0	0	850
Month 8	1,700	0	0	0	850
Month 9	1,700	0	0	0	850
Month 10	1,700	0	0	0	850
Month 11	1,700	0	0	0	850
Month 12	1,700	0	0	0	850
Total	20,000	0	0	0	10,000

b. Our assumptions regarding the amount that we will pay in Year 2 and 3 for Sales and Marketing items are listed below. These figures show up on our annual Cash Flow Statement.

Year 1	Advertising	*****	*****	*****	Total
Year 2	50,000	0	0	0	15,000
Year 3	60,000	0	0	0	20,000

c. Apart from what we have already paid for, there may be additional Sales and Marketing items which we have received by we won't have paid for yet. We estimate the amount that we will owe (have as an Account Payable) for Sales and Marketing items at the end of Years 1, 2, and 3 will be:

Year	Sales and Marketing Payable
Beginning Balance	0
Year 1	0
Year 2	0
Year 3	0

d. Based on these assumptions, we have calculated our Sales and Marketing expenses. These figures, which show up on our Income Statement, are shown in both dollar values and as a percent of our projected revenues.

Sales and Marketing	\$
Year 1	10,000
Year 2	15,000
Year 3	20,000

Note 5: Property and Utilities Assumptions

a. Our assumptions regarding the amount that we will pay each month in Year 1 for Property & Utilities items are listed below. These figures show up on our cash flow statements.

Year 1	Rent & Property	Utilities	Telephone	Other	Total
Month 1	3,125	1,200	260	0	4,585
Month 2	3,125	1,225	260	0	4,610
Month 3	3,125	1,230	260	0	4,615
Month 4	3,125	1,230	260	0	4,615
Month 5	3,125	1,250	260	0	4,635

Month 6	3,125	1,250	260	0	4,635
Month 7	3,125	1,250	260	0	4,635
Month 8	3,125	1,250	260	0	4,635
Month 9	3,125	1,250	260	0	4,635
Month 10	3,125	1,275	260	0	4,660
Month 11	3,125	1,280	260	0	4,665
Month 12	3,125	1,300	260	0	4,685
Total	37,500	14,990	3,120	0	55,610

b. Our assumptions regarding the amount that we will pay in Year 2 and 3 for Property & Utilities items are listed below. These figures show up on our annual Cash Flow Statement.

Year 1	Rent & Property	Utilities	Telephone	Other	Total
Year 2	37,500	15,300	3,200	0	56,000
Year 3	37,500	17,000	3,300	0	57,800

c. Apart from what we have already paid for, there may be additional Property & Utilities items which we have received by we won't have paid for yet. We estimate the amount that we will owe (have as an Account Payable) for Property & Utilities items at the end of Years 1, 2, and 3 will be:

Year	Property & Utilities Payable
Beginning Balance	0
Year 1	0
Year 2	0
Year 3	0

d. Based on these assumptions, we have calculated our Property & Utilities expenses. These figures, which show up on our Income Statement, are shown in both dollar values and as a percent of our projected revenues.

Property and Utilities	\$	%
Year 1	55,610	0.00
Year 2	56,000	0.00
Year 3	57,800	0.00

Note 6: Operations Assumptions

a. Our assumptions regarding the amount that we will pay each month in Year 1 for Operations items are listed below. These figures show up on our cash flow statements.

Year 1	Supplies	Repair and Maintenance	Vehicles and Travel	Licenses and Permits	Other Assets Expensed	Total
Month 1	1,000	150	0	0	0	1,150
Month 2	1,050	150	0	0	0	1,200
Month 3	1,050	150	0	0	0	1,200
Month 4	1,100	150	0	0	0	1,250
Month 5	1,100	150	0	0	0	1,250
Month 6	1,100	150	0	0	0	1,250
Month 7	1,100	150	0	0	0	1,250
Month 8	1,100	150	0	0	0	1,250
Month 9	1,100	150	0	0	0	1,250
Month 10	1,100	150	0	0	0	1,250
Month 11	1,100	150	0	0	0	1,250
Month 12	1,100	150	0	0	0	1,250
Total	13,000	1,800	0	0	0	14,800

b. Our assumptions regarding the amount that we will pay in Year 2 and 3 for Operations items are listed below. These figures show up on our annual Cash Flow Statement.

Year 1	Supplies	Repair and Maintenance	Vehicles and Travel	Licenses and Permits	Other Assets Expensed	Total
Year 2	14,000	2,000	0	0	0	16,000
Year 3	15,000	2,400	0	0	0	17,400

c. Apart from what we have already paid for, there may be additional Operations items which we have received by we won't have paid for yet. We estimate the amount that we will owe (have as an Account Payable) for Operations items at the end of Years 1, 2, and 3 will be:

Year	Operations Payable
Beginning Balance	0
Year 1	0
Year 2	0
Year 3	0

d. Based on these assumptions, we have calculated our Operations expenses. These figures, which show up on our Income Statement, are shown in both dollar values and as a percent of our projected revenues.

Operations	\$	%
Year 1	14,800	0.00
Year 2	16,000	0.00
Year 3	17,400	0.00

Note 7: Banking and Other Assumptions

a. Our assumptions regarding the amount that we will pay each month in Year 1 for Banking & Other items are listed below. These figures show up on our cash flow statements.

	Bank Charges	Accounting & Legal	Insurance	Other	Total
Month 1	175	400	485	0	1,060
Month 2	175	400	485	0	1,060
Month 3	175	400	485	0	1,060
Month 4	175	400	485	0	1,060
Month 5	175	400	485	0	1,060
Month 6	175	400	485	0	1,060
Month 7	150	400	485	0	1,035
Month 8	150	400	485	0	1,035
Month 9	150	400	485	0	1,035
Month 10	150	400	485	0	1,035
Month 11	150	400	485	0	1,035
Month 12	150	400	485	0	1,035
Total	1,950	4,800	5,820	0	12,570

b. Our assumptions regarding the amount that we will pay in Year 2 and 3 for Banking & Other items are listed below. These figures show up on our annual Cash Flow Statement.

	Bank Charges	Accounting & Legal	Insurance	Other	Total
Year 2	2,000	5,000	6,000	0	13,000
Year 3	2,800	5,500	6,500	0	14,800

Note 8: Wages and Other Assumptions

a. Our assumptions regarding the amount that we will pay each month in Year 1 for Wages & Other items are listed below. These figures show up on our cash flow statements.

Year 1	*****	*****	*****	*****	Total
Month 1	2000	0	0	0	2000
Month 2	3000	0	0	0	3000
Month 3	3000	0	0	0	3000
Month 4	3000	0	0	0	3000
Month 5	3000	0	0	0	3000
Month 6	3000	0	0	0	3000
Month 7	3000	0	0	0	3000
Month 8	3000	0	0	0	3000
Month 9	3000	0	0	0	3000
Month 10	3000	0	0	0	3000
Month 11	3000	0	0	0	3000
Month 12	3000	0	0	0	3000
Total	35,000	0	0	0	35,000

b. Our assumptions regarding the amount that we will pay in Year 2 and 3 for Wages & Other items are listed below. These figures show up on our annual Cash Flow Statement.

Year 1	*****	*****	*****	*****	Total
Year 2	45,000	0	0	0	45,000
Year 3	0	0	0	0	60,000

c. Apart from what we have already paid for, there may be additional Wages & Other items which we have received by we won't have paid for yet. We estimate the amount that we will owe (have as an Account Payable) for Wages & Other items at the end of Years 1, 2, and 3 will be:

Year	Wages and Payable
Beginning Balance	0
Year 1	0
Year 2	0
Year 3	0

Note 9: Other Sources of Funding

a. Our assumptions regarding other sources of funding for our business in Year 1 are:

	Investment by Owners	Operating Loan Advances	Term Loan Advances	Sales of Fixed Assets	Other Assets
Month 1	0	0	0	0	0
Month 2	0	0	0	0	0
Month 3	0	0	0	0	0
Month 4	0	0	0	0	0
Month 5	0	0	0	0	0
Month 6	0	0	0	0	0
Month 7	0	0	0	0	0
Month 8	0	0	0	0	0
Month 9	0	0	0	0	0
Month 10	0	0	0	0	0
Month 11	0	0	0	0	0
Month 12	0	0	0	0	0
Total	0	0	0	0	0

b. Our assumptions regarding other sources of funding for Years 2 and 3 are:

	Investment by Owners	Operating Loan Advances	Term Loan Advances	Sales of Fixed Assets	Other Assets
Year 2	0	0	0	0	0
Year 3	0	0	0	0	0

Note 10: Other Uses of Funding

a. Our assumptions regarding payments to owners and repayment of loan principal and interest in Year 1 are:

Payment or Repayment of	Capital to Shareholders	Dividends/Earnings Shareholders	Operating Loan Interest & Principle	Term Loan Interest & Principle
Month 1	0	0	0	0
Month 2	0	0	0	0
Month 3	0	0	0	0
Month 4	0	0	0	0
Month 5	0	0	0	0
Month 6	0	0	0	0
Month 7	0	0	0	0
Month 8	0	0	0	0
Month 9	0	0	0	0
Month 10	0	0	0	0
Month 11	0	0	0	0
Month 12	0	0	0	0
Total	0	0	0	0

b. Our assumptions regarding payments to owners and repayment of loan principal and interest in Years 2 and 3 are:

Payment or Repayment of	Capital to Shareholders	Dividends/Earnings Shareholders	Operating Loan Interest & Principle	Term Loan Interest & Principle
Year 2	0	0	0	0
Year 3	0	0	0	0

c. Our assumptions regarding other payments in Year 1 are:

Other Uses of Funds	Purchase of Fixed Assets	Payments for Other Assets	Payment for Income Taxes
Month 1	0	0	0
Month 2	0	0	0
Month 3	0	0	0
Month 4	0	0	0
Month 5	0	0	0
Month 6	0	0	0
Month 7	0	0	0
Month 8	0	0	0
Month 9	0	0	0
Month 10	0	0	0
Month 11	0	0	0
Month 12	0	0	0
Total	0	0	0

d. Our assumptions regarding other payments in Year 2 and 3 are:

Other Uses of Funds	Purchase of Fixed Assets	Payments for Other Assets	Payment for Income Taxes
Year 2	0	0	0
Year 3	0	0	0