

Beginning Cash Note A	165000	45000	-400	-16540	20624
Accounting Profit	-137250	-63400	84860	202164	274522
Add-Non-Cash Outlays					
Cost of Sales-New	32250	72000	20000	0	0
Amortization	12000	12000	12000		
A/P Balance	0	0	0	0	0
Depreciation	4000	4000	4000	4000	4000
Less:					
A/R Outstanding	-31000	-70000	-104000	-136000	-164000
Repay Term Loan			-33000	-33000	-34000
Cash Flow this Year	-120000	-45400	-16140	37164	80522
Ending Cash	45000	-400	-16540	20624	101146

Note A:

Starts with capital contributions of \$200,000

Less purchase price of \$125,000, which is primarily 750 new sets

Less \$10,000 legal and other startup costs

Plus a term loan of \$100,000 repayable in years 3-5