
CONFIDENTIAL

Business Plan



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Executive Summary

Opportunity

Problem

Banks hold a significant amount of control over their consumers – causing a portion of the public to feel a sense of powerlessness. The traditional credit system, debt, and sky-high interest rates are all factors that severely limit people’s abilities to gain financial freedom and improve their lives. Thanks to modern technology cryptocurrency has become a promising alternative to traditional banking. Although interest is increasing, the majority of individuals lack knowledge about how cryptocurrency works and may not know how to find relevant information. Even those individuals who are well-informed find that managing and exchanging cryptocurrency is not always straightforward and occasionally can be unsafe. As digital currency becomes progressively more established in today’s society, a comprehensive platform that allows users to learn about and invest in digital currency will become necessary.



Solution

CryptoApp will be a mobile platform that allows users to buy, sell, and trade cryptocurrency. Once users have created a secure profile and linked a method of payment, they will be able to browse through hundreds of pre-verified, legitimate digital coins. Moreover, the company will also enhance consumer safety by requiring that all purchases, trades, and withdrawals go through a two-step payment verification system. Other features of the app will include a news feed, where users can look up the latest information about various coins and a library that will enable users to learn more about the technology behind cryptocurrencies, investing strategies, and much more. CryptoApp will also reward users for engaging in the learning modules by gifting them one free coin for achieving certain learning goals. In sum, CryptoApp will be a comprehensive cryptocurrency platform that will enable users to manage their coins as well as educate themselves about crypto and technology and other related topics.



\$1.6 B

**Global Scale
Market Revenue**

25-34 males

**Largest consumer
Segment**

\$250.9 M

**North America
overall value**

Market

CryptoApp will take part in the North American cryptocurrency market. At a global scale, market revenue was estimated at \$1.6 billion as of 2021. North America makes up a considerable portion of the global market, with an overall value of \$250.9 million. The rising interest in cryptocurrency as an easy and flexible alternative to traditional currency is a central demand driver in the industry. Segmenting the market by age and gender demographics reveals that 25- to 34-year-old males make up the largest consumer segment.

Competition

CryptoApp's competitors are a variety of other apps that allow individuals to manage, buy, sell, and exchange cryptocurrency. These apps include Binance, Kraken Pro, Newton, CEX10, and Bitpanda. Bitpanda is the only app we identified that also provides the option to buy and manager other types of stocks as well. All listed apps enable users to view their dashboards and portfolios and exchange their cryptocurrency via bank or card transfer. The majority of these platforms do charge fees for these types of transactions, however, the cost to do so varies among competitors. Newton, an exclusively Canadian app, is the only cryptocurrency app that allows users to trade and transfer for free. Some apps also offer advanced order features, which is an option to set limits on orders based on pre-determined values. Finally, some apps, such as Kraken Pro and Bitpanda, offer a broad variety of learning material for novice users on their websites.

Why Us?

CryptoApp will serve as the safest and most user-friendly cryptocurrency platform on the market. The company will ensure that users invest in the technology with peace of mind by performing thorough inspections on newly released coins and by enacting safety measures that will prevent unauthorized transactions from taking place. Furthermore, by combining a sleek portfolio design and a clean and comprehensive profit and loss report, both novice and experienced users will find the app easy to use and accessible. Any individual who is interested in staying up to date with and learning more about cryptocurrency topics, will be able to do so through the news page and learning hub. A unique aspect of CryptoApp's learning hub is that it will motivate users to educate themselves by awarding them with free coins for completing modules. As such, CryptoApp will become a must-have app thanks to its focus on security and ease of access for users of all levels.

Executive Summary

Opportunity

CryptoApp will begin operations generating revenue of \$1,030 in its first month. The company will see steady month-over-month growth throughout its first year, ending with revenue of \$18,200 in month 12. CryptoApp expects to realize a net profit of \$3,407 in year one on revenue of \$75,708. As the company continues to execute its marketing and sales plans, CryptoApp will see continued revenue growth in years two and three. The company expects to reach revenue of \$384,212 in year three and earn a net profit of \$240,824.

\$384,212

Expected revenue in year 3

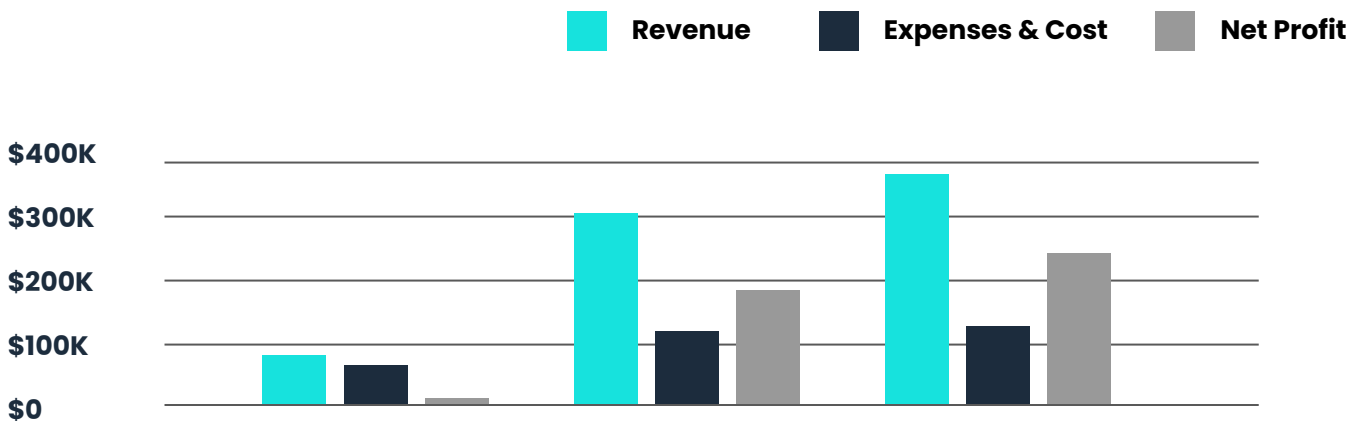
\$240,824

Net Profit

The Company is seeking an investment of

\$149,000.

Financial Highlights by Year



Financing Needed

The total cost of the project is expected to be \$149,000. This includes the development of the company's interactive prototype and website, mobile application, initial legal fees, and operating expenses for six months. The company is seeking \$99,000 from outside investors to fund the project. The owner will inject \$50,000 of equity into the project.

Opportunity

Problem & Solution



Problem Worth Solving

Distrust in the traditional banking system has grown throughout recent years. According to the World Economic Forum (2022), 45.3% of individuals stated that they do not trust banks to be honest and fair with the public. This may be caused by a number of factors, such as the credit ranking system that enables banks to hold an excessive amount of power over consumers. For example, users who have low credit scores can become completely cut off from being able to start a business or purchase a home. Debt burden is another means of control that banks often hold over consumers. Millions of people currently struggle with student and credit card debt, both of which carry excessively high interest rates and seemingly endless monthly payments. Thus, consumers often become overwhelmed with the amount of debt they have and find it difficult to invest their money or save it for retirement. In other words, legacy banking systems do not provide sufficient options for consumers to improve their financial well-being.

Digital banking alternatives such as cryptocurrency are surging in popularity – providing users with an opportunity to free themselves from the traditional banking system. Since virtual currency can be exchanged through encrypted peer-to-peer financial transactions, it is able to function in a decentralized manner, operating independently of banks. However, despite the numerous benefits of cryptocurrency, some consumers are weary of this technology for several reasons. To begin with, the concept of virtual currency is relatively new, and many individuals simply do not understand how it works and lack the proper resources to educate themselves on the matter. Furthermore, many platforms are obscure and extremely difficult to navigate – making them unappealing to beginners. Even tech-savvy people who are knowledgeable about digital currency and have the means to invest in it, find it difficult to manage their accounts and find platforms that enable them to effortlessly trade their digital coins for fiat money. Safety is also a concern as numerous people have been subjected to scams. As digital currency becomes more prevalent in society, a platform that can educate consumers and render it simpler to invest and exchange cryptocurrency will become essential.

Our Solution

CryptoApp will be a mobile app that enables users to buy, sell, and trade cryptocurrency. Users will start by downloading CryptoApp from their preferred app store and creating a profile. During set-up, users will be required to include their basic information and then link a method of payment. Additionally, they will verify their identity by providing a genuine physical address and a form of ID. After the profile has been verified, users will be able to access the CryptoApp marketplace to view hundreds of digital coins. The marketplace will offer a wide variety of coins, including new releases. As a safety measure, each coin will be thoroughly inspected by our CryptoApp team to ensure that it is legitimate and safe to purchase.

If a user identifies a coin that they are interested in, they will be able to purchase it quickly and securely using a two-step payment verification system. After one or more coins have been purchased, the user will be able to access their portfolio to view their transaction history and the total amount that they have invested as well as the amount they have placed into each individual coin. Furthermore, CryptoApp will offer the ability to generate different types of reports from the portfolio page, such as the rate of return and profit/loss reports. There will also be the option for users to trade their coins for other coins or withdraw their funds by exporting them into their traditional bank account.

Other features that CryptoApp will include are the news page and the crypto library. The news page will be a place where users can access information regarding specific coins as well as view the value of certain coins over time. On the other hand, the library will be an important resource that users can access to learn more about digital currency. Here, users will also be able to find articles, blogposts, podcasts, and video content created by various cryptocurrency and blockchain experts. To incentivize users to educate themselves on the topic, CryptoApp will reward individuals with a coin for completing a certain number of modules and receiving over 80% on a short quiz. Overall, CryptoApp will be a beginner-friendly cryptocurrency platform that will educate consumers and enable them to easily buy, sell, and manage their cryptocurrency.





CryptoApp

CryptX will participate in the cryptocurrency market in North America.

According to a 2021 report by Markets and Markets, global cryptocurrency revenue is currently estimated to be worth

\$1.6 billion.

The industry is expected to grow in upcoming years, reaching

\$2.2 billion

by 2026, equating to a compounded annual growth rate of 7.1%.

Fortune Business Insights reports that the North American market currently stands at

\$250.9 million

 as of 2021.

Cryptocurrency Market Segmented by Type



66%

Bitcoin



11%

Ether



6%

XRP & Tether



17%

Other Cryptocurrencies

Demographic Segmentation of Cryptocurrency Usage



9.34%

18 - 24

47.95%

25 - 34

28.33%

35 - 44

9.6%

45 - 54

4.78%

55 - 65+

The price of Bitcoin is primarily driven by supply and demand. Other important factors that determine the price of Bitcoin include, but are not limited to, the cost of producing Bitcoin through the mining process, regulations governing its sale, the rewards given to Bitcoin miners for transaction verification, and the number of competing cryptocurrencies



Target Market

CryptoApp will participate in the cryptocurrency market in North America. According to a 2021 report by Markets and Markets, global cryptocurrency revenue is currently estimated to be worth \$1.6 billion. The industry is expected to grow in upcoming years, reaching 2.2 billion by 2026, equating to a compounded annual growth rate of 7.1%. Fortune Business Insights (2021) reports that the North American market currently stands at \$250.9 million as of 2021. The main driver in this industry is rising interest in cryptocurrency as an easy and flexible transactional method.

The price of Bitcoin is primarily driven by supply and demand. Other important factors that determine the price of Bitcoin include, but are not limited to, the cost of producing Bitcoin through the mining process, regulations governing its sale, the rewards given to Bitcoin miners for transaction verification, and the number of competing cryptocurrencies. Several major companies have taken notice of the growing demand for cryptocurrency and have begun to invest in the global and North American markets. For example, Amazon has recently started a partnership with an open-sourced blockchain in Singapore that will allow users to exchange “smart contracts” in an efficient manner. Facebook has also entered the cryptocurrency game by creating its own branded cryptocurrency named Libra.

The cryptocurrency market can be segmented by type. Leading the market is cryptocurrency Bitcoin. According to Coin Market Cap (2022), this digital currency presently holds 66% of the total market share. In second place is Ether, coming in at just 11%. Next are XRP and Tether cryptocurrencies – each of which holds 3% of the market. Finally, all other cryptocurrencies combined make up around 18% of the market. With almost 7,800 cryptocurrency types in circulation, each holds a minuscule portion of the share in comparison to that of its competitors.

In a recent report, Google Analytics explored the demographic segmentation of cryptocurrency usage (Comben, 2019). According to its survey, the largest age demographic for crypto engagement was that of individuals between the ages of 25 and 34, at 47.95%. This was closely followed by individuals between the ages of 35 and 44, at 28.33%. Only 9.6% of 45- to 54-year-olds reported engaging in the exchanging, selling, or buying of cryptocurrency. As for 18- to 24-year-olds, 9.34% of them reported the same. Finally, older groups between the ages of 55 and 64 and 65 plus reported a penetration rate of 3.34% and 1.43%, respectively. The market can be further segmented by gender. Males clearly dominate the industry, with a whopping 90.09% using cryptocurrency. Comparatively, only 9.91% of females reported the same.

Competition

Current Alternative

Binance

Binance is a cryptocurrency marketplace mobile app. Users can link their bank accounts and start buying and selling more than 50 types of crypto via the app. The app features a dashboard that shows users the current value of the cryptocurrency they have purchased. Additionally, users can activate price alerts if they wish to receive notifications regarding price changes and trends. Users can also take advantage of technical analysis tools that describe past patterns and trends in order to predict future values. Finally, advanced order types enable users to activate various conditional orders. For example, a “stop loss, take profit order” means that an order will be stopped if a desired profit level is reached. The app is free to use, but Binance charges a fee based on activity. Users must pay a 0.1% spot trading fee and a 0.5% instant buy/sell fee.

Kraken Pro

Kraken Pro is a mobile platform that enables users to buy, sell, and trade cryptocurrency. The app offers around 30 types of digital currency to choose from. Users are able to view their current positions, customize their displays, and view their transaction history. Similar to Binance, Kraken Pro also offers the ability to set advanced order types. One of Kraken Pro’s unique features is the database of cryptocurrency information found on the website, that is geared toward getting novice traders started. Kraken Pro’s trading fees range from 0% to 0.26% whereas the instant buy/sell fees cost 1.5%. However, such prices can change depending on the currency used. For the U.S. dollar, the fee drops to 0.9%. If users want to transfer their coins to their traditional bank, the rate is 1.7% plus a flat fee of \$0.10.

Newton

Newton is a Canadian mobile app that allows the exchange, purchase, and sale of cryptocurrency. With this app, users can manage around 10 different types of cryptocurrencies. Once users download the app and connect their bank accounts, their identities are instantly verified, making the verification process easier than that of some other competitors. Aside from these key features, the app is largely similar to its competitors. With Newton, users can view current crypto prices and their portfolios, respective positions, and transaction history. To buy and sell crypto, the app charges approximately 0.5%. Trade and withdrawals are free.

PetCloud

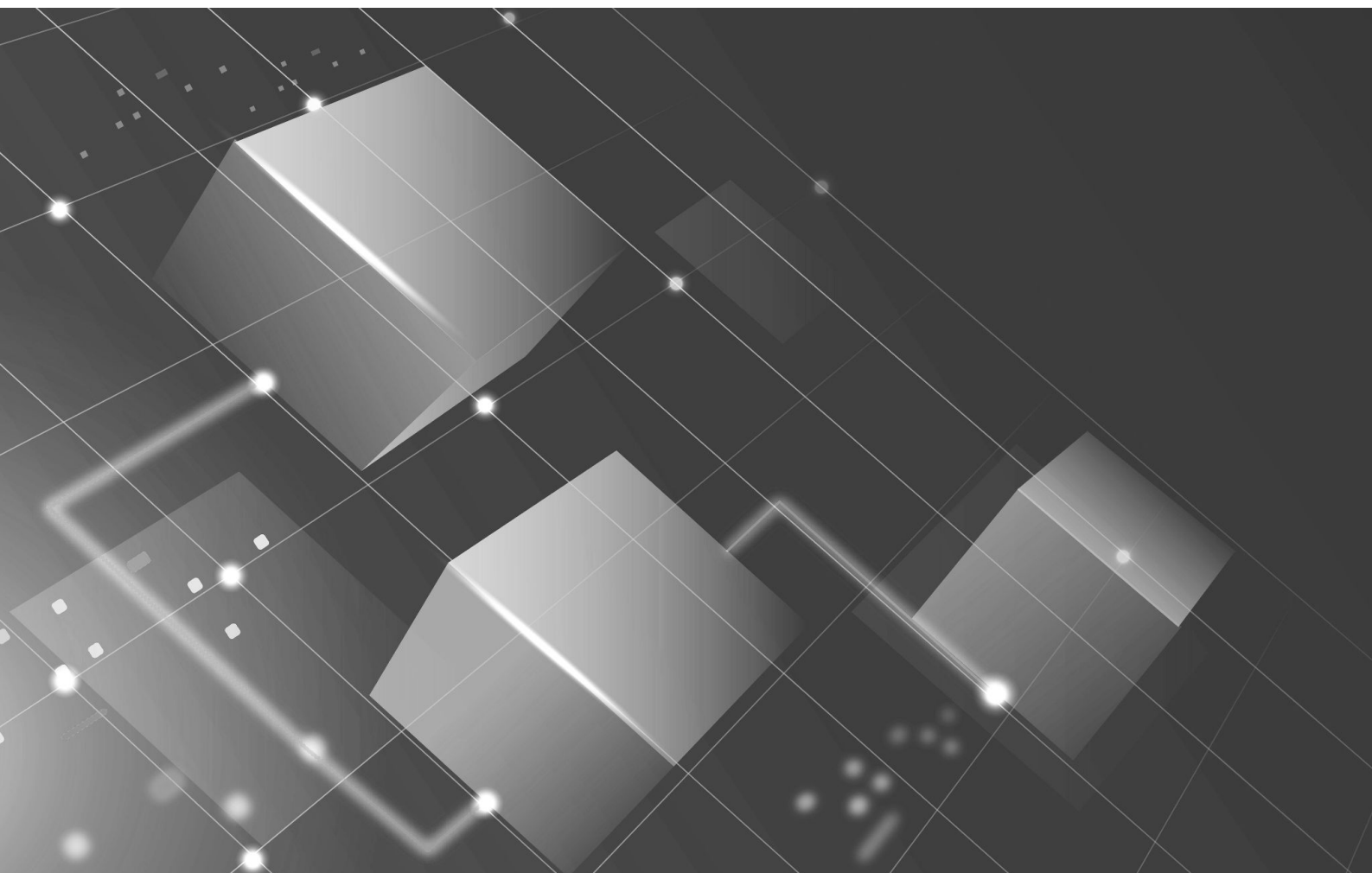
CEX.IO is mobile app and cryptocurrency marketplace. CEX.IO offers its users the ability to buy, sell, and trade around 20 different types of currencies. With this app, users can cash out their crypto through their bank by providing their checking or credit card information. Furthermore, users can set up price alerts, access real-time market data, and view their positions and the overall value of their portfolios. The app also allows users to check their balance and limit their orders based on a chosen price. CEX.IO’s fees are among some of the highest, with its trading fee roughly 7%. Bank transfers are free whereas credit card fees cost 2.99%.

CEX.IO

CEX.IO is mobile app and cryptocurrency marketplace. CEX.IO offers its users the ability to buy, sell, and trade around 20 different types of currencies. With this app, users can cash out their crypto through their bank by providing their checking or credit card information. Furthermore, users can set up price alerts, access real-time market data, and view their positions and the overall value of their portfolios. The app also allows users to check their balance and limit their orders based on a chosen price. CEX.IO's fees are among some of the highest, with its trading fee roughly 7%. Bank transfers are free whereas credit card fees cost 2.99%.

Bitpanda

Bitpanda is a mobile platform that allows its users to buy, sell, and trade various types of cryptocurrencies. The app also enables users to invest in stocks or exchange traded funds (ETFs) through the app. One of Bitpanda's unique features is the ability to create savings and checking accounts and order an associated Bitpanda credit card. The card allows users to spend their assets immediately without first needing to transfer to a bank account. Furthermore, users have the option to invest in a crypto index by investing in either the top 10, 15, or 25 cryptocurrencies – allowing users to diversify their portfolios. Like other apps, Bitpanda enables users to view their positions in the app or transfer their funds to a bank or credit card. The website also offers a large library of lessons and information regarding the cryptocurrency market. Buying and selling fees on the app are around 1.49%. There are also other fees for exchanging stocks and precious metals. Users can also subscribe to Bitpanda Pro, which can lower trading fees by up to 20%. The website does not mention the cost of the Pro membership.



Our Advantages

CryptoApp will distinguish itself from the competition by offering the safest and most user-friendly platform on the market. The company will prioritize safety by performing thorough investigations into each digital coin that is released before accepting them into the CryptoApp marketplace. This way, users will be able to invest their money and grow their assets with an enhanced peace of mind. Additionally, users will also be required to go through a two-step verification system every time they perform a transaction – safeguarding them from unauthorized transactions.

To ensure that CryptoApp will be accessible to all users, regardless of their existing knowledge, the company will ensure that the portfolio feature is designed in such a way that is accessible and that all information is displayed clearly and coherently. Similarly, creating detailed profits and losses and rates of return reports will be a simple process offering instructions on how to get started with guidance on interpreting the reports. Furthermore, both novice and experienced users will find the news feature and library extremely useful, as they will both include a large breadth of information that is explained at various levels of difficulty. Moreover, CryptoApp will seek to motivate beginners to learn more by offering them a free coin for completing a certain number of modules. In sum, by combining these unique features, CryptoApp will offer users a powerful, yet user-friendly platform that will be simple enough for new users and offer all of the necessary details and options that advanced users have been waiting for.

Opportunity

Strength



- CryptoApp will serve as the most secure and user-friendly mobile cryptocurrency app available, with more features than any current competitors offer and a sleek, easy-to-use interface that will enhance the experience of the app's users.
- The app will offer a unique reward program that will gift users free coins for completing learning modules.

Weakness



- CryptoApp will be entering a mature market in which consumers are already accustomed to using a wide variety of mobile and web-based apps to aid in the trade and management of cryptocurrency.
- Some of CryptoApp's likely competitors, such as Bitpanda, also allow users to buy and sell other types of financial instruments, like stocks or ETFs.

Opportunity



- Once CryptoApp is firmly established in the North American market, it could expand to the UK, EU, and elsewhere, which would increase its revenue potential significantly.
- The app could launch additional services that enhance user experience and create additional opportunities to capture more revenue; for example, it could allow users to buy, trade, and sell ETFs, stocks, bonds, and mutual funds, or could enable users to open checking, savings, and retirement accounts on the platform.

Threats



- Greater government regulation of the cryptocurrency market could lead to higher compliance costs, which could impact CryptoApp's growth and profitability.
- Current or future competitors introducing comprehensive features that rival what CryptoApp plans to offer could erase the app's competitive advantage and threaten its long-term viability.

Execution

Marketing & Sales

Marketing Plan

CryptoApp will emphasize its comprehensive cryptocurrency app in all of its marketing efforts. The company will use a multi-pronged marketing strategy that includes the following:



Strength

CryptoApp will develop a dedicated website that provides information about the application's features, functions, and options. The website will be search engine optimized to drive organic traffic to the site. The website will also host the company's content marketing.



Content Marketing

CryptoApp will execute a content marketing strategy that includes an informational blog. The blog will feature articles and posts related to the basics of cryptocurrency trading, buying and selling crypto, and the hottest currencies on the market. The company's content marketing will drive organic traffic to the website.



Pay-Per-Click Advertising

The company will engage in pay-per-click campaigns on both Google and Bing. The campaigns will focus on applicable keywords and consumer characteristics associated with the company's target market. The campaigns will use A/B testing and will be optimized using analytics. The company will also use on-page advertising to target users as they navigate the internet.



Social Media Marketing

CryptoApp will create profiles on all major social media platforms. The company will use its profiles to interact with consumers and promote its product. CryptoApp will engage in paid social media advertising that targets specific consumer interests and characteristics.



Email Marketing

CryptoApp will capture email addresses when users download the application and create a profile. The company will use these addresses to send promotional emails to its subscribers. These emails will include upcoming promotions, updates in fee structures, newly available currencies, and information about developments at the company.



Influencer Marketing

CryptoApp will reach out to and collaborate with individuals who have a substantial social media presence and a large following on popular platforms. Influencers will have the capability of informing their existing follower bases about the company's unique features, thus increasing the reach of the company's marketing approach and brand recognition.

Sales Plan

The company will not have a dedicated sales team. CryptoApp will generate interest for its application through its marketing activities.

Pricing

CryptoApp will offer a free version of the app that will include ads and access to some of the basic features. If users wish to remove ads, they can pay \$3.99 to do so. In addition to ad and ad-removal revenue, the company will gain a portion of its profits from charging a fee of 10% on trade commissions and a \$2.99 withdrawal fee and from contest entry fees.

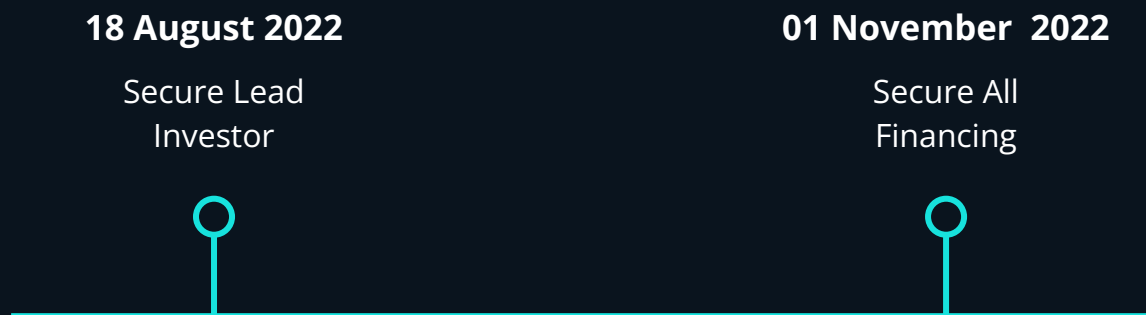


Operations

CryptoApp will initially operate from the home of the owner, Adam Smith in Los Angeles, California. The company will explore the possibility of moving to a dedicated office facility in the future.

Milestones & Metrics

Milestones Table



Key Metrics

Air Bark'n'Bark will initially operate from the home of the co-owner, Vicki Cronan, in Canberra, Australia. The company will explore the possibility of moving to a dedicated office facility in the future.

- ✓ Daily active users
- ✓ Monthly active users
- ✓ Daily sessions per daily active user
- ✓ App stickiness
- ✓ Cost per acquisition
- ✓ Customer lifetime value
- ✓ Average revenue per user

Company

Overview

CryptoApp is registered as a C Corporation in California. The company is 100% owned by Adam Smith.

Team

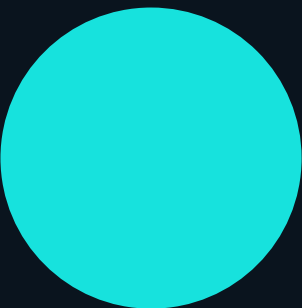
Management Team



Adam Smith

Co-Founder and CEO

Adam Smith received his MBA with a focus in finance from UCLA. After graduating, he worked as a financial analyst and business consultant for one of the largest investment banking companies in LA. During this time, Adam learned the ins and outs of finance and became interested in innovative ways for people to grow their wealth. In his journey, Adam's curiosity for cryptocurrency grew and he saw it as a feasible way for individuals to invest their money in a way that has never been done with the traditional banking systems. However, he also recognized the difficulties that most people have in getting started with this technology and this realization is what incited his idea for CryptoApp. Mr. Smith will serve as the CEO of CryptoApp and will oversee the company's launch and growth strategy.



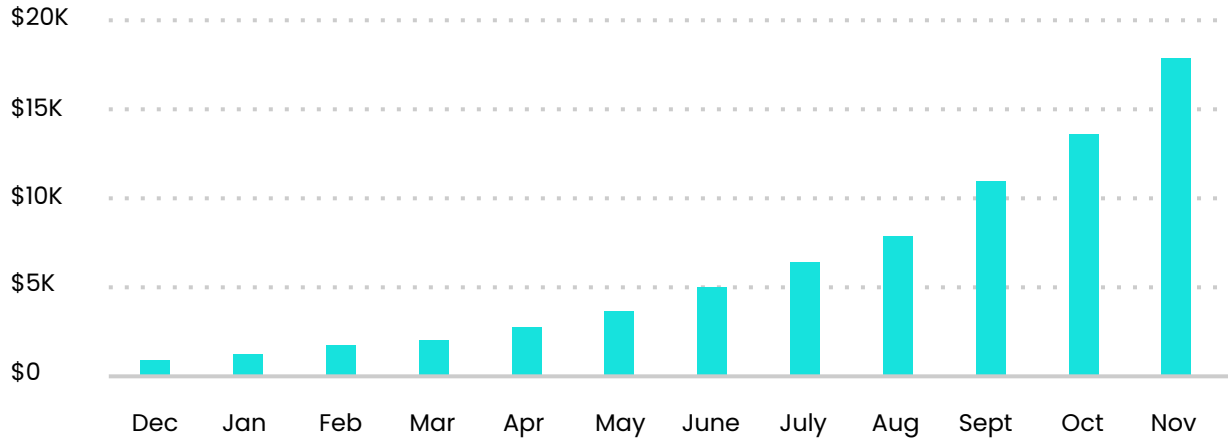
Financial Plan

Key Assumption

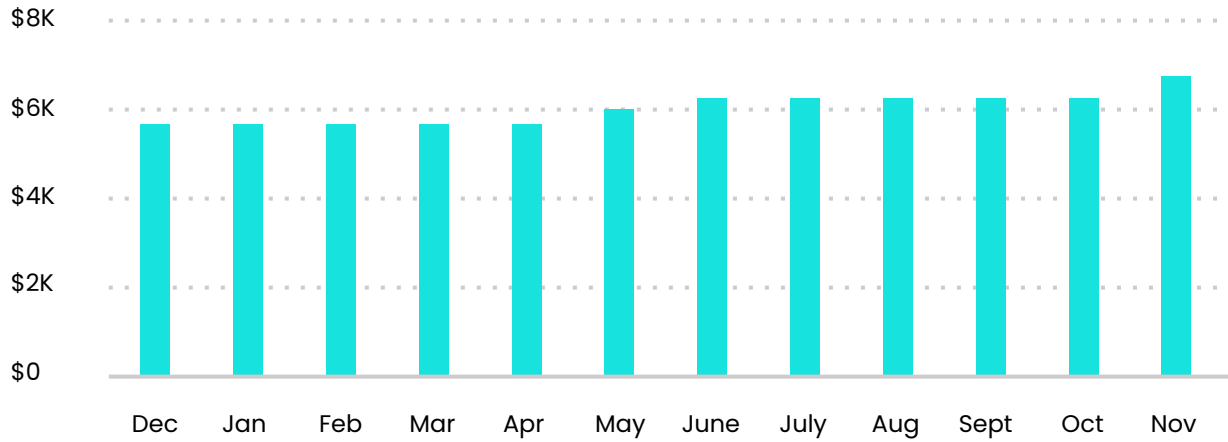
The company will begin the projection period with the following revenue sources:

- Commissions: The company will receive 10% commission on trades. The average trade was estimated at \$100. The company will begin the projection period with an estimated 100 trades in month one. A monthly growth rate of 85% was applied to monthly trades, seeing an estimated 1,774 total trades in month 12.
- Withdrawal fees: The company will charge a \$2.99 fee for any withdrawals from the app. The company will begin the projection period with an estimated 10 withdrawals in month one. A monthly growth rate of 85% was applied, seeing an estimated 153 total withdrawals in month 12.
- The number of new monthly trades and withdrawals for month 12 was annualized, with a growth rate of 20% applied to calculate the number of new monthly trades and withdrawals in year two.
- A 25% growth rate was applied to new monthly trades and withdrawals between years two and three.
- A 30-day churn rate of 55% was applied.
- Development costs are capitalized over five years.
- An income tax rate of 15% was assumed.

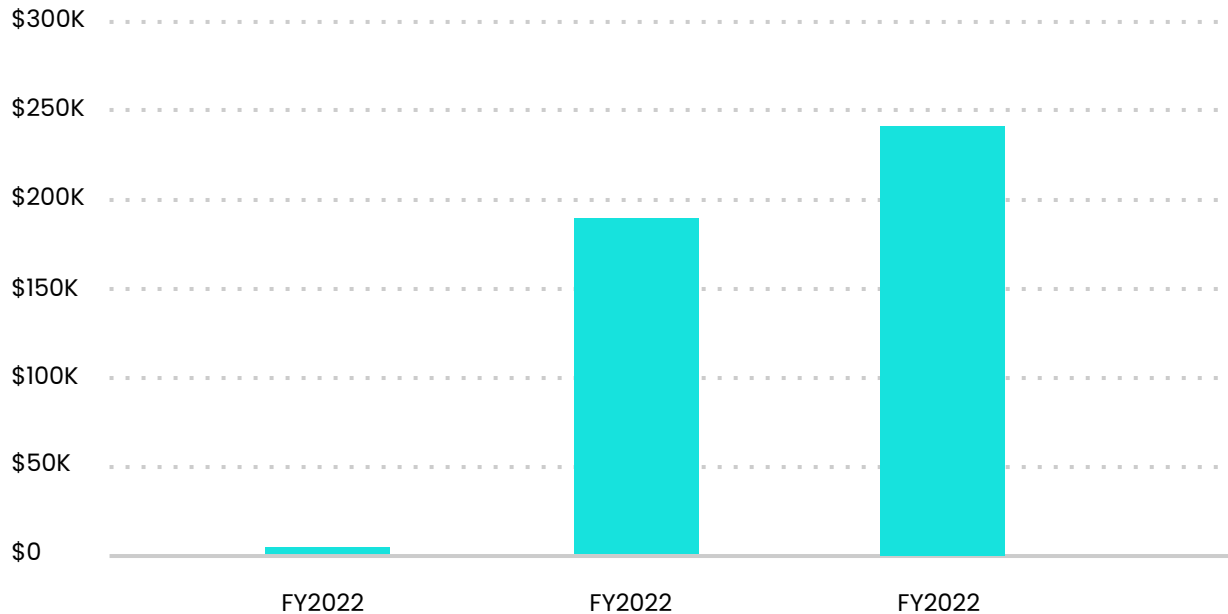
Revenue by Month



Expenses by Month



Expenses by Month



Financing

Use of Funds

Funds will be used for the website and app development costs, upfront legal expenses, and working capital needs of the business. Working capital is sufficient to cover at least six months of operating expenses. The total cost of the project is \$149,000.

Use of Funds		
App Design/ Clickable Prototype	\$45,000	30%
Mobile & Web App Development	\$65,000	44%
Legal Fees	\$15,000	10%
Working Capital	\$24,000	16%
Total	\$149,000	100%

Sources of Funds

CryptoApp is seeking an investment of \$99,000. The owner will inject equity of \$50,000 - \$100,000 into the project.

Use of Funds		
App Design/ Clickable Prototype	\$99,000	50%
Mobile & Web App Development	\$450,000	22%
Total	\$213,000	100%

Pre-Revenue Valuation

Based on the size of the market, the existing competition, the expected future revenue, and the company's current point in establishing a minimum viable product, its estimated valuation is currently **\$500,000**.

Projected Profit and Loss

	FY2022	FY2023	FY2024
Revenue	\$75,708	\$305,277	\$384,212
Direct Costs			
Gross Margin	\$75,708	\$305,277	\$384,211
Gross Margin %	100%	100%	100%
Operating Expenses			
Customer Support	\$3,000	\$6,000	\$12,000
Web & App Support	\$3,000	\$6,000	\$12,000
Marketing	\$36,000	\$39,600	\$43,560
Professional Fees	\$5,000	\$5,500	\$6,050
Server Costs	\$2,700	\$4,800	\$5,280
Amortization of Other Current Assets	\$0	\$0	\$0
Total Operating Expenses	\$49,700	\$61,900	\$78,890
Operating Income	\$26,008	\$243,377	\$305,322
Interest Incurred			
Depreciation & Amortization	\$22,000	\$22,000	\$22,000
Gain or Loss from Sale of Assets			
Income Taxes	\$601	\$33,207	\$42,498
Total Expenses	\$72,301	\$117,107	\$143,388
Net Profit	\$3,407	\$188,170	\$240,824
Net Profit / Sales	5%	62%	63%

Projected Balance Sheet

	Starting Balances	FY2022	FY2023	FY2024
Cash	\$24,000	\$61,364	\$338,576	\$622,530
Accounts Receivable	\$0	\$0	\$0	\$0
Inventory	\$0	\$0	\$0	\$0
Other Current Assets	\$0	\$0	\$0	\$0
Total Current Assets	\$24,000	\$61,364	\$338,576	\$622,530
Long-Term Assets	\$110,000	\$110,000	\$110,000	\$110,000
Accumulated Depreciation	\$0	(\$22,000)	(\$44,000)	(\$66,000)
Total Long-Term Assets	\$110,000	\$88,000	\$66,000	\$44,000
Total Assets	\$134,000	\$149,364	\$404,576	\$666,530
Accounts Payable	\$0	\$0	\$0	\$0
Income Taxes Payable	\$0	\$601	\$33,207	\$42,498
Sales Taxes Payable	\$0	\$11,356	\$45,792	\$57,631
Short-Term Debt				
Prepaid Revenue	\$0	\$0	\$0	\$0
Total Current Liabilities	\$0	\$11,957	\$78,999	\$100,129
Long-Term Debt				
Long-Term Liabilities				
Total Liabilities	\$0	\$11,957	\$78,999	\$100,129
Paid-In Capital	\$149,000	\$149,000	\$149,000	\$149,000
Retained Earnings	(\$15,000)	(\$15,000)	(\$11,593)	\$176,577
Earnings		\$3,407	\$188,170	\$240,823
Total Owner's Equity	\$134,000	\$137,407	\$325,577	\$566,401
Total Liabilities & Equity	\$134,000	\$149,364	\$404,576	\$666,530

Projected Cash Flow Statement

	FY2022	FY2023	FY2024
Net Cash Flow from Operations			
Net Profit	\$3,407	\$188,170	\$240,824
Depreciation & Amortization	\$22,000	\$22,000	\$22,000
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory	\$0	\$0	\$0
Change in Accounts Payable	\$0	\$0	\$0
Change in Income Tax Payable	\$601	\$32,606	\$9,291
Change in Sales Tax Payable	\$11,356	\$34,436	\$11,839
Change in Prepaid Revenue	\$0	\$0	\$0
Net Cash Flow from Operations	\$37,364	\$277,212	\$283,953
Investing & Financing			
Assets Purchased or Sold			
Net Cash from Investing			
Investments Received			
Dividends & Distributions			
Change in Short-Term Debt			
Change in Long-Term Debt			
Net Cash from Financing			
Cash at Beginning of Period	\$24,000	\$61,364	\$338,576
Net Change in Cash	\$37,364	\$277,212	\$283,953
Cash at End of Period	\$61,364	\$338,576	\$622,530

Appendix

Profit and Loss Statement (With Monthly Detail)

FY2022	Dec '21	Jan '22	Feb '22	Mar '22	Apr '22	May '22	June '22	July '22	Aug '22	Sept '22	Oct '22	Nov '22
Total Revenue	\$1,030	\$1,337	\$1,735	\$2,262	\$2,929	\$3,794	\$4,931	\$6,397	\$8,306	\$10,784	\$14,003	\$18,200
Total Direct Costs												
Gross Margin	\$1,030	\$1,337	\$1,735	\$2,262	\$2,929	\$3,794	\$4,931	\$6,397	\$8,306	\$10,784	\$14,003	\$18,200
Gross Margin %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Operating Expenses												
Customer Support	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Web & App Support	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Marketing	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Professional Fees	\$416	\$416	\$416	\$416	\$416	\$416	\$416	\$416	\$418	\$418	\$418	\$418
Server Costs	\$0	\$0	\$0	\$0	\$0	\$300	\$400	\$400	\$400	\$400	\$400	\$400
Amortization of Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$3,916	\$3,916	\$3,916	\$3,916	\$3,916	\$4,216	\$4,316	\$4,316	\$4,318	\$4,318	\$4,318	\$4,318
Operating Income	(\$2,886)	(\$2,579)	(\$2,181)	(\$1,654)	(\$987)	(\$422)	\$615	\$2,081	\$3,988	\$6,466	\$9,685	\$13,882
Interest Incurred												
Depreciation & Amortization	\$1,833	\$1,834	\$1,833	\$1,833	\$1,834	\$1,833	\$1,833	\$1,834	\$1,833	\$1,833	\$1,834	\$1,833
Gain or Loss from Sale of Assets												
Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$601
Total Expenses	\$5,749	\$5,750	\$5,749	\$5,749	\$5,750	\$6,049	\$6,149	\$6,150	\$6,151	\$6,151	\$6,152	\$6,752
Net Profit	(\$4,719)	(\$4,412)	(\$4,015)	(\$3,487)	(\$2,820)	(\$2,256)	(\$1,218)	\$247	\$2,155	\$4,632	\$7,852	\$11,448
Net Profit / Sales	(458%)	(330%)	(231%)	(154%)	(96%)	(59%)	(25%)	4%	26%	43%	56%	63%

Profit and Loss Statement (With Monthly Detail)

	FY2022	FY2023	FY2024
Total Revenue	\$75,708	\$305,277	\$384,212
Total Direct Costs			
Gross Margin	\$75,708	\$305,277	\$384,211
Gross Margin %	100%	100%	100%
Operating Expenses			
Customer Support	\$3,000	\$6,000	\$12,000
Web & App Support	\$3,000	\$6,000	\$12,000
Marketing	\$36,000	\$39,600	\$43,560
Professional Fees	\$5,000	\$5,500	\$6,050
Server Costs	\$2,700	\$4,800	\$5,280
Amortization of Other Current Assets	\$0	\$0	\$0
Total Operating Expenses	\$49,700	\$61,900	\$78,890
Operating Income	\$26,008	\$243,377	\$305,322
Interest Incurred			
Depreciation & Amortization	\$22,000	\$22,000	\$22,000
Gain or Loss from Sale of Assets			
Income Taxes	\$601	\$33,207	\$42,498
Total Expenses	\$72,301	\$117,107	\$143,388
Net Profit	\$3,407	\$188,170	\$240,824
Net Profit / Sales	5%	62%	63%

Balance Sheet (With Monthly Detail)

	Starting Balances	Dec '21	Jan '22	Feb '22	Mar '22	Apr '22	May '22	June '22	July '22	Aug '22	Sept '22	Oct '22	Nov '22
Cash	\$24,000	\$21,268	\$18,890	\$16,969	\$15,655	\$15,107	\$15,254	\$16,609	\$19,649	\$24,883	\$32,967	\$44,752	\$61,364
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$24,000	\$21,268	\$18,890	\$16,969	\$15,655	\$15,107	\$15,254	\$16,609	\$19,649	\$24,883	\$32,967	\$44,752	\$61,364
Long-Term Assets	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
Accumulated Depreciation	\$0	(\$1,833)	(\$3,667)	(\$5,500)	(\$7,333)	(\$9,167)	(\$11,000)	(\$12,833)	(\$14,667)	(\$16,500)	(\$18,333)	(\$20,167)	(\$22,000)
Total Long-Term Assets	\$110,000	\$108,167	\$106,333	\$104,500	\$102,667	\$100,833	\$99,000	\$97,167	\$95,333	\$93,500	\$91,667	\$89,833	\$88,000
Total Assets	\$134,000	\$129,435	\$125,224	\$121,469	\$118,322	\$115,941	\$114,254	\$113,776	\$114,982	\$118,383	\$124,633	\$134,585	\$149,364
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$601
Sales Taxes Payable	\$0	\$154	\$355	\$615	\$955	\$1,394	\$1,963	\$2,703	\$3,662	\$4,908	\$6,526	\$8,626	\$11,356
Short-Term Debt													
Prepaid Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$0	\$154	\$355	\$615	\$955	\$1,394	\$1,963	\$2,703	\$3,662	\$4,908	\$6,526	\$8,626	\$11,957
Long-Term Debt													
Long-Term Liabilities													
Total Liabilities	\$0	\$154	\$355	\$615	\$955	\$1,394	\$1,963	\$2,703	\$3,662	\$4,908	\$6,526	\$8,626	\$11,957
Paid-In Capital	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000	\$149,000
Retained Earnings	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)
Earnings		(\$4,719)	(\$9,131)	(\$13,146)	(\$16,633)	(\$19,453)	(\$21,709)	(\$22,927)	(\$22,680)	(\$20,525)	(\$15,893)	(\$8,041)	\$3,407
Total Owner's Equity	\$134,000	\$129,281	\$124,869	\$120,854	\$117,367	\$114,547	\$112,291	\$111,073	\$111,320	\$113,475	\$118,107	\$125,959	\$137,407
Total Liabilities & Equity	\$134,000	\$129,435	\$125,224	\$121,469	\$118,322	\$115,941	\$114,254	\$113,776	\$114,982	\$118,383	\$124,633	\$134,585	\$149,364

Balance Sheet (With Annual Detail)

	Starting Balances	FY2022	FY2023	FY2024
Cash	\$24,000	\$61,364	\$338,576	\$622,530
Accounts Receivable	\$0	\$0	\$0	\$0
Inventory	\$0	\$0	\$0	\$0
Other Current Assets	\$0	\$0	\$0	\$0
Total Current Assets	\$24,000	\$61,364	\$338,576	\$622,530
Long-Term Assets	\$110,000	\$110,000	\$110,000	\$110,000
Accumulated Depreciation	\$0	(\$22,000)	(\$44,000)	(\$66,000)
Total Long-Term Assets	\$110,000	\$88,000	\$66,000	\$44,000
Total Assets	\$134,000	\$149,364	\$404,576	\$666,530
Accounts Payable	\$0	\$0	\$0	\$0
Income Taxes Payable	\$0	\$601	\$33,207	\$42,498
Sales Taxes Payable	\$0	\$11,358	\$45,792	\$57,631
Short-Term Debt				
Prepaid Revenue	\$0	\$0	\$0	\$0
Total Current Liabilities	\$0	\$11,957	\$78,999	\$100,129
Long-Term Debt				
Total Liabilities	\$0	\$11,957	\$78,999	\$100,129
Paid-In Capital	\$149,000	\$149,000	\$149,000	\$149,000
Retained Earnings	(\$15,000)	(\$15,000)	(\$11,593)	\$176,577
Earnings		\$3,407	\$188,170	\$240,823
Total Owner's Equity	\$134,000	\$137,407	\$325,577	\$566,401
Total Liabilities & Equity	\$134,000	\$149,364	\$404,576	\$666,530

Cash Flow Statement (With Monthly Detail)

	FY2022	FY2023	FY2024
Net Cash Flow from Operations:			
Net Profit	\$3,407	\$188,170	\$240,824
Depreciation & Amortization	\$22,000	\$22,000	\$22,000
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory	\$0	\$0	\$0
Change in Accounts Payable	\$0	\$0	\$0
Change in Income Tax Payable	\$601	\$32,606	\$9,291
Change in Sales Tax Payable	\$11,356	\$34,436	\$11,839
Change in Prepaid Revenue	\$0	\$0	\$0
Net Cash Flow from Operations:	\$37,364	\$277,212	\$283,953
Investing & Financing			
Assets Purchased or Sold			
Net Cash from Investing			
Investments Received			
Dividends & Distributions			
Change in Short-Term Debt			
Change in Long-Term Debt			
Net Cash from Financing			
Cash at Beginning of Period	\$24,000	\$61,364	\$338,576
Net Change in Cash	\$37,364	\$277,212	\$283,953
Cash at End of Period	\$61,364	\$338,576	\$622,530

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