

Appendix B

MICHAEL'S BUSINESS CENTRE

CASH FLOW STATEMENT - For the year ending December 31, 1999

Month	Jan 1	Feb 2	Mar 3	Apr 4	May 5	June 6	July 7	Aug 8	Sept 9	Oct 10	Nov 11	Dec 12	Total
Inflows													
Issuance of capital stock	100												100
Collection of accounts receivable	7,920	15,840	18,810	21,780	24,503	27,225	27,225	27,720	31,433	34,650	36,383	38,610	312,098
Owner's initial investment	60,000	-	-	-	-	-	-	-	-	-	-	-	60,000
	<u>68,020</u>	<u>15,840</u>	<u>18,810</u>	<u>21,780</u>	<u>24,503</u>	<u>27,225</u>	<u>27,225</u>	<u>27,720</u>	<u>31,433</u>	<u>34,650</u>	<u>36,383</u>	<u>38,610</u>	<u>372,198</u>
Outflows													
Incorporation costs	750												750
Acquisition of fixed assets	45,000												45,000
Repayment of shareholder loan			-	-	-	-	-	1,000	2,000	3,000	3,000	4,000	13,000
Payment of accounts payable	6,500	12,500	13,500	15,000	17,000	19,000	19,000	19,500	22,000	24,250	25,500	27,000	220,750
Monthly expenses (excl. dep'n)	9,003	7,278	7,278	7,278	7,278	7,278	7,278	7,273	7,274	7,274	7,274	7,274	89,042
	<u>61,253</u>	<u>19,778</u>	<u>20,778</u>	<u>22,278</u>	<u>24,278</u>	<u>26,278</u>	<u>26,278</u>	<u>27,773</u>	<u>31,274</u>	<u>34,524</u>	<u>35,774</u>	<u>38,274</u>	<u>368,542</u>
Increase (Decrease) in cash	<u>6,767</u>	<u>(3,938)</u>	<u>(1,968)</u>	<u>(498)</u>	<u>224</u>	<u>947</u>	<u>947</u>	<u>(53)</u>	<u>158</u>	<u>126</u>	<u>608</u>	<u>336</u>	<u>-</u>
Cash, Beginning	0	6,767	2,829	861	362	587	1,534	2,480	2,427	2,586	2,711	3,320	3,656
Cash, Ending	<u>\$ 6,767</u>	<u>\$ 2,829</u>	<u>\$ 861</u>	<u>\$ 362</u>	<u>\$ 587</u>	<u>\$ 1,534</u>	<u>\$ 2,480</u>	<u>\$ 2,427</u>	<u>\$ 2,586</u>	<u>\$ 2,711</u>	<u>\$ 3,320</u>	<u>\$ 3,656</u>	<u>\$ 3,656</u>

MICHAEL'S BUSINESS CENTRE

Schedule detailing cash flow statement calculations

Month	Jan 1	Feb 2	Mar 3	Apr 4	May 5	Jun 6	Jul 7	Aug 8	Sep 9	Oct 10	Nov 11	Dec 12
Accounts Receivable												
Balance, beginning	-	7,920	7,920	10,890	10,890	13,613	13,613	13,613	14,108	17,325	17,325	19,058
Sales, net	15,840	15,840	21,780	21,780	27,225	27,225	27,225	28,215	34,650	34,650	38,115	39,105
Collections	(7,920)	(15,840)	(18,810)	(21,780)	(24,503)	(27,225)	(27,225)	(27,720)	(31,433)	(34,650)	(36,383)	(38,610)
Balance, ending	<u>\$ 7,920</u>	<u>\$ 7,920</u>	<u>\$ 10,890</u>	<u>\$ 10,890</u>	<u>\$ 13,613</u>	<u>\$ 13,613</u>	<u>\$ 13,613</u>	<u>\$ 14,108</u>	<u>\$ 17,325</u>	<u>\$ 17,325</u>	<u>\$ 19,058</u>	<u>\$ 19,553</u>
Collection of accounts receivable												
Assuming collection of net sales within 30 days												
	<u>\$ 15,840</u>	<u>\$ 15,840</u>	<u>\$ 21,780</u>	<u>\$ 21,780</u>	<u>\$ 27,225</u>	<u>\$ 27,225</u>	<u>\$ 27,225</u>	<u>\$ 28,215</u>	<u>\$ 34,650</u>	<u>\$ 34,650</u>	<u>\$ 38,115</u>	<u>\$ 39,105</u>
Collection 50 in the month	7,920	7,920	10,890	10,890	13,613	13,613	13,613	14,108	17,325	17,325	19,058	19,553
Collection 50% in the following month	-	7,920	7,920	10,890	10,890	13,613	13,613	13,613	14,108	17,325	17,325	19,058
	<u>\$ 7,920</u>	<u>\$ 15,840</u>	<u>\$ 18,810</u>	<u>\$ 21,780</u>	<u>\$ 24,503</u>	<u>\$ 27,225</u>	<u>\$ 27,225</u>	<u>\$ 27,720</u>	<u>\$ 31,433</u>	<u>\$ 34,650</u>	<u>\$ 36,383</u>	<u>\$ 38,610</u>
Accounts payable												
Balance, Beginning	\$ -	\$ 6,500	\$ 6,000	\$ 7,500	\$ 7,500	\$ 9,500	\$ 9,500	\$ 9,500	\$ 10,000	\$ 12,000	\$ 12,250	\$ 13,250
Purchases	13,000	12,000	15,000	15,000	19,000	19,000	19,000	20,000	24,000	24,500	26,500	27,500
Payments	(6,500)	(12,500)	(13,500)	(15,000)	(17,000)	(19,000)	(19,000)	(19,500)	(22,000)	(24,250)	(25,500)	(27,000)
Balance, ending	<u>\$ 6,500</u>	<u>\$ 6,000</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>\$ 9,500</u>	<u>\$ 9,500</u>	<u>\$ 9,500</u>	<u>\$ 10,000</u>	<u>\$ 12,000</u>	<u>\$ 12,250</u>	<u>\$ 13,250</u>	<u>\$ 13,750</u>
Payment of expenses												
Purchases	13,000	12,000	15,000	15,000	19,000	19,000	19,000	20,000	24,000	24,500	26,500	27,500
Payment 50% in the month	6,500	6,000	7,500	7,500	9,500	9,500	9,500	10,000	12,000	12,250	13,250	13,750
Payment 50% in the following month	-	6,500	6,000	7,500	7,500	9,500	9,500	9,500	10,000	12,000	12,250	13,250
	<u>\$ 6,500</u>	<u>\$ 12,500</u>	<u>\$ 13,500</u>	<u>\$ 15,000</u>	<u>\$ 17,000</u>	<u>\$ 19,000</u>	<u>\$ 19,000</u>	<u>\$ 19,500</u>	<u>\$ 22,000</u>	<u>\$ 24,250</u>	<u>\$ 25,500</u>	<u>\$ 27,000</u>