

Baranoff Island Brewing Company
Pro Forma Financial Plan and Forecast

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues	508,775	726,821	1,108,403	1,326,449	1,526,325	1,755,274
Less Variable Manufacturing Expenses						
Direct Labor	94,400	141,725	147,158	152,948	232,241	241,436
Direct materials	155,000	221,429	326,607	374,527	412,237	453,460
	<u>249,400</u>	<u>363,154</u>	<u>473,765</u>	<u>527,476</u>	<u>644,478</u>	<u>694,896</u>
Contribution Margin	259,375	363,667	634,637	798,974	881,847	1,060,378
Contribution margin Percentage	50.98%	50.04%	57.26%	60.23%	57.78%	60.41%
Less Fixed Manufacturing Expenses						
Indirect Labor	26,550	39,860	41,388	43,017	65,318	67,904
Indirect materials	24,700	30,587	40,733	46,654	52,121	58,349
Other Indirect Manufacturing Costs	41,600	42,022	43,474	43,979	44,519	45,072
	<u>92,850</u>	<u>112,469</u>	<u>125,596</u>	<u>133,650</u>	<u>161,959</u>	<u>171,325</u>
Gross Profit (Gross Margin)	166,525	251,198	509,042	665,323	719,888	889,053
Gross Profit Percentage	32.73%	34.56%	45.93%	50.16%	47.16%	50.65%
Selling, General and Administrative Costs						
Selling and Administrative Labor	26,550	39,860	41,388	43,017	65,318	67,904
Other Selling, General and Administrative Costs	104,700	109,590	103,257	115,028	117,386	119,775
	<u>131,250</u>	<u>149,450</u>	<u>144,646</u>	<u>158,045</u>	<u>182,704</u>	<u>187,678</u>
Net Income From Operations (EBIT - Earning Before Interest and Taxes)	35,275	101,748	364,396	507,279	537,185	701,374
EBIT Percentage	6.93%	14.00%	32.88%	38.24%	35.19%	39.96%
Other Revenue						
Interest Revenue	-	2,003	11,489	23,919	38,297	56,159
Gains	-	-	-	-	-	-
	<u>-</u>	<u>2,003</u>	<u>11,489</u>	<u>23,919</u>	<u>38,297</u>	<u>56,159</u>
Other Costs						
Interest Expense	10,708	13,965	23,264	22,383	21,471	20,527
Losses	-	-	-	-	-	-
Taxes	17,000	24,286	37,036	44,321	51,000	58,650
	<u>27,708</u>	<u>38,251</u>	<u>60,300</u>	<u>66,704</u>	<u>72,471</u>	<u>79,177</u>
Net Income	<u>7,567</u>	<u>65,500</u>	<u>315,585</u>	<u>464,493</u>	<u>503,011</u>	<u>678,356</u>
	1.49%	9.01%	28.47%	35.02%	32.96%	38.65%

Cash Flow Statement

Beginning Cash	1,486	40,057	229,777	478,373	765,944	1,123,183
Net Income (+)	7,567	65,500	315,585	464,493	503,011	678,356
New Contributed Capital (+)	50,000	-	-	-	-	-
Owner's Draws (-)	-	-	(50,000)	(100,000)	(150,000)	(200,000)
Depreciation (+)	4,000	8,000	12,000	12,000	12,000	12,000

Principal Repayment (-)	(21,245)	(17,353)	(24,757)	(25,637)	(26,549)	(27,493)
New Loan Proceeds (+)	-	350,000	-	-	-	-
Investment In Fixed Assets (-)	-	(212,500)	-	-	-	-
All Other Adjustments (+/-)	(1,751)	(3,927)	(4,232)	(63,285)	18,777	19,005
Net Cash Adjustments:	38,571	189,720	248,596	287,571	357,239	481,868
Ending Cash	40,057	229,777	478,373	765,944	1,123,183	1,605,052

Balance Sheet For Manufacturing Company

Assets:

Current Assets

Cash	40,057	229,777	478,373	765,944	1,123,183	1,605,052
Accounts Receivable	6,000	8,571	13,071	15,643	18,000	20,700
Inventory	6,000	21,000	36,000	111,000	96,000	81,000
Other Current Assets	7,500	7,500	7,500	7,500	7,500	7,500

Total Current Assets:	59,557	266,849	534,945	900,087	1,244,683	1,714,252
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Property Plant & Equipment

Land	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Equipment	150,360	362,860	362,860	362,860	362,860	362,860
Less Accumulated depreciation	(17,000)	(25,000)	(37,000)	(49,000)	(61,000)	(73,000)

Total Property, Plant & Equipment:	133,360	337,860	325,860	313,860	301,860	289,860
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Total Assets:	192,917	604,709	860,805	1,213,947	1,546,543	2,004,112
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Liabilities & Member Equity

Liabilities

Current Liabilities

Accounts Payable	22,000	31,429	46,357	53,159	58,511	64,362
Interest Payable	-	-	-	-	-	-
Payroll Liabilities	7,500	11,716	12,056	19,540	20,322	21,176
Other Current Liabilities	(5,850)	(5,850)	(5,850)	(5,850)	(5,850)	(5,850)

Total Current Liabilities	23,650	37,295	52,563	66,849	72,983	79,688
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Long Term Liabilities

Long Term Debt	330,000	662,647	637,890	612,253	585,704	558,211
Long Term deposits	-	-	-	-	-	-

Total Long Term Liabilities	330,000	662,647	637,890	612,253	585,704	558,211
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Total Liabilities	353,650	699,942	690,453	679,102	658,687	637,899
Member Equity						
Retained earnings	(147,000)	(139,433)	(73,933)	241,652	706,145	1,209,156
Current Period Net Income/Loss	7,567	65,500	315,585	464,493	503,011	678,356
Member Contributions	53,000	53,000	53,000	53,000	53,000	53,000
Member Draws/Distributions	<u>(74,300)</u>	<u>(74,300)</u>	<u>(124,300)</u>	<u>(224,300)</u>	<u>(374,300)</u>	<u>(574,300)</u>
Total Member Equity	<u>(160,733)</u>	<u>(95,233)</u>	<u>170,352</u>	<u>534,845</u>	<u>887,856</u>	<u>1,366,213</u>
Total Liabilities and Member Equity	<u>192,917</u>	<u>604,709</u>	<u>860,805</u>	<u>1,213,947</u>	<u>1,546,543</u>	<u>2,004,111</u>