

C O N F I D E N T I A L

SAMPLE FINANCIAL PLAN BY GAVI BUSINESS CONSULTS

B U S I N E S S P L A N

P R E P A R E D M A R C H 2 0 2 0

C o n t a c t I n f o r m a t i o n

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Sample Financial Plan

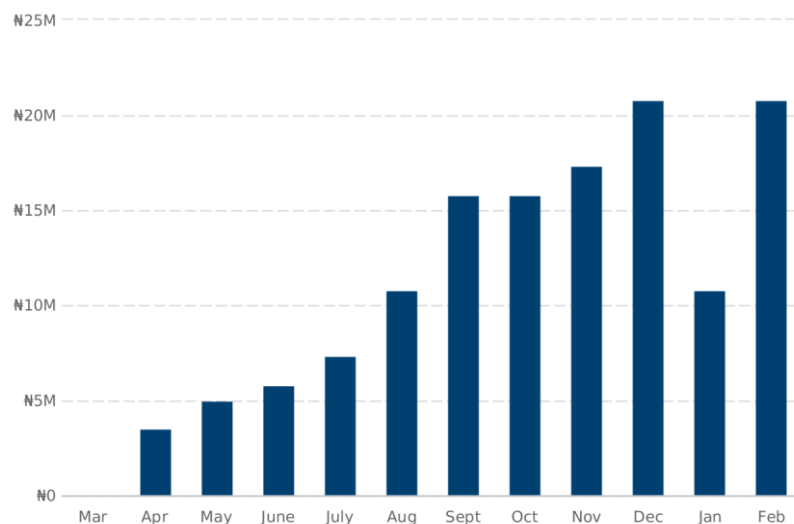
Forecast

Sample Key assumptions for a Commodity Trade Company

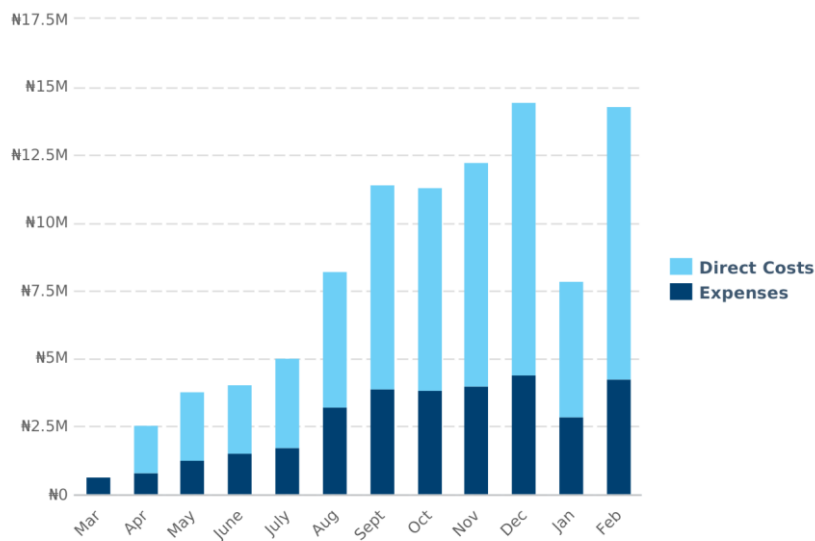
Here, we'll describe how you came up with the values in your financial forecast. Did you project your revenue based on past results, market research, your best guess at how many people who visit your store and what percentage of them might buy, or some other method? What kind of growth are you assuming? What are your key hires and notable expenses? What level of profit do you expect to generate?

Since your readers can see the full forecast detail in your plan. We'll use this space to craft the story behind the numbers. How do your financial projections reinforce your sense that this is a strong business opportunity and one worthy of your time and investment?

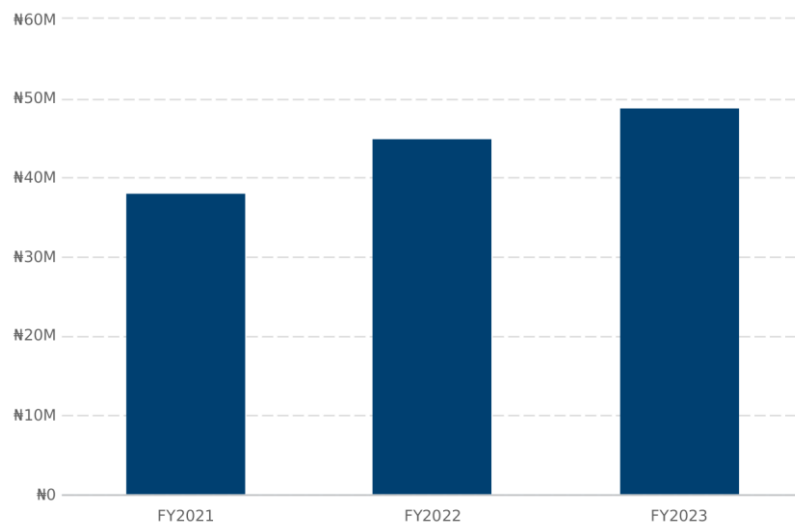
Revenue by Month



Expenses by Month



Net Profit (or Loss) by Year



Financing

Use of funds

If your forecast includes loans, investments, or other financing, we'll use this space to explain what you plan do with that money. Will it help to cover operating costs as your new

business scales up? Will it finance capital expenditures, such as the purchase of expensive equipment? Will it enable you to add personnel or expand your marketing to increase revenue? Give your reader a clear picture of why these funds are needed and how they will pay off.

If you are not seeking financing, we can just remove this topic from your plan.

Sources of Funds

We estimate to get a bank loan of 80 million naira

Statements

Projected Profit and Loss

	FY2021	FY2022	FY2023
Revenue	¥133,999,998	¥142,000,000	¥150,000,000
Direct Costs	¥63,250,000	¥66,000,000	¥70,000,000
Gross Margin	¥70,749,998	¥76,000,000	¥80,000,000
Gross Margin %	53%	54%	53%
Operating Expenses			
Salaries & Wages	¥4,485,000	¥5,019,000	¥5,386,950
Employee Related Expenses	¥897,000	¥1,003,800	¥1,077,390
Rent	¥500,000	¥500,000	¥500,000
Daily Running Expenses	¥1,800,000	¥1,800,000	¥1,800,000
Utilities	¥180,000	¥180,000	¥180,000
Office Supplies	¥360,000	¥360,000	¥360,000
Marketing	¥480,000	¥480,000	¥480,000
Transportation Cost	¥240,000	¥240,000	¥240,000
Web Subscription and Maintenance	¥60,000	¥60,000	¥60,000
Total Operating Expenses	¥9,002,000	¥9,642,800	¥10,084,340
Operating Income	¥61,747,998	¥66,357,200	¥69,915,660
Interest Incurred	¥7,146,153	¥1,782,973	
Depreciation and Amortization	¥184,167	¥190,000	¥190,000
Gain or Loss from Sale of Assets			
Income Taxes	¥16,325,303	¥19,315,269	¥20,917,698
Total Expenses	¥95,907,623	¥96,931,042	¥101,192,038
Net Profit	¥38,092,375	¥45,068,958	¥48,807,962
Net Profit / Sales	28%	32%	33%

Projected Balance Sheet

	FY2021	FY2022	FY2023
Cash	¥95,247,678	¥108,500,769	¥159,501,160
Accounts Receivable	¥0	¥0	¥0
Inventory			
Other Current Assets			
Total Current Assets	¥95,247,678	¥108,500,769	¥159,501,160
Long-Term Assets	¥950,000	¥950,000	¥950,000
Accumulated Depreciation	(¥184,167)	(¥374,167)	(¥564,167)
Total Long-Term Assets	¥765,833	¥575,833	¥385,833
Total Assets	¥96,013,511	¥109,076,602	¥159,886,993
Accounts Payable	¥0	¥0	¥0
Income Taxes Payable	¥16,325,303	¥19,315,269	¥20,917,698
Sales Taxes Payable	¥6,325,000	¥6,600,000	¥7,000,000
Short-Term Debt	¥35,270,833		
Prepaid Revenue			
Total Current Liabilities	¥57,921,136	¥25,915,269	¥27,917,698
Long-Term Debt	¥0	¥0	¥0
Long-Term Liabilities	¥0	¥0	¥0
Total Liabilities	¥57,921,136	¥25,915,269	¥27,917,698
Paid-In Capital			
Retained Earnings		¥38,092,375	¥83,161,333
Earnings	¥38,092,375	¥45,068,958	¥48,807,962
Total Owner's Equity	¥38,092,375	¥83,161,333	¥131,969,295
Total Liabilities & Equity	¥96,013,511	¥109,076,602	¥159,886,993

Projected Cash Flow Statement

	FY2021	FY2022	FY2023
Net Cash Flow from Operations			
Net Profit	¥38,092,375	¥45,068,958	¥48,807,962
Depreciation & Amortization	¥184,167	¥190,000	¥190,000
Change in Accounts Receivable	¥0	¥0	¥0
Change in Inventory			
Change in Accounts Payable	¥0	¥0	¥0
Change in Income Tax Payable	¥16,325,303	¥2,989,966	¥1,602,429
Change in Sales Tax Payable	¥6,325,000	¥275,000	¥400,000
Change in Prepaid Revenue			
Net Cash Flow from Operations	¥60,926,845	¥48,523,924	¥51,000,391
Investing & Financing			
Assets Purchased or Sold	(¥950,000)		
Net Cash from Investing	(¥950,000)		
Investments Received			
Dividends & Distributions			
Change in Short-Term Debt	¥35,270,833	(¥35,270,833)	
Change in Long-Term Debt	¥0	¥0	¥0
Net Cash from Financing	¥35,270,833	(¥35,270,833)	¥0
Cash at Beginning of Period	¥0	¥95,247,678	¥108,500,769
Net Change in Cash	¥95,247,678	¥13,253,091	¥51,000,391
Cash at End of Period	¥95,247,678	¥108,500,769	¥159,501,160

Appendix

Profit and Loss Statement (With monthly detail)

FY2021	Mar '20	Apr '20	May '20	June '20	July '20	Aug '20	Sept '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21
Revenue												
Commodities	₦0	₦3,500,000	₦5,000,000	₦5,000,000	₦6,500,000	₦10,000,000	₦15,000,000	₦15,000,000	₦16,500,000	₦20,000,000	₦10,000,000	₦20,000,000
Business grant				₦833,333	₦833,333	₦833,333	₦833,333	₦833,333	₦833,333	₦833,333	₦833,333	₦833,334
Total Revenue	₦0	₦3,500,000	₦5,000,000	₦5,833,333	₦7,333,333	₦10,833,333	₦15,833,333	₦15,833,333	₦17,333,333	₦20,833,333	₦10,833,333	₦20,833,334
Direct Costs												
Expenses by month	₦0	₦1,750,000	₦2,500,000	₦2,500,000	₦3,250,000	₦5,000,000	₦7,500,000	₦7,500,000	₦8,250,000	₦10,000,000	₦5,000,000	₦10,000,000
Total Direct Costs	₦0	₦1,750,000	₦2,500,000	₦2,500,000	₦3,250,000	₦5,000,000	₦7,500,000	₦7,500,000	₦8,250,000	₦10,000,000	₦5,000,000	₦10,000,000
Gross Margin	₦0	₦1,750,000	₦2,500,000	₦3,333,333	₦4,083,333	₦5,833,333	₦8,333,333	₦8,333,333	₦9,083,333	₦10,833,333	₦5,833,333	₦10,833,334
Gross Margin %	0%	50%	50%	57%	56%	54%	53%	53%	52%	52%	54%	52%
Operating Expenses												
Salaries and Wages												
Managing Director	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000	₦200,000
Dispatch Rider	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000
Supply Manager (0.94)			₦85,000	₦85,000	₦85,000	₦85,000	₦85,000	₦85,000	₦85,000	₦85,000	₦85,000	₦85,000
Customer care personnel	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000	₦50,000
Office Assistant (0.97)		₦25,000	₦25,000	₦25,000	₦25,000	₦25,000	₦25,000	₦25,000	₦25,000	₦25,000	₦25,000	₦25,000

Total Salaries & Wages	₦280,000	₦305,000	₦390,000	₦390,000	₦390,000	₦390,000	₦390,000	₦390,000	₦390,000	₦390,000	₦390,000	₦390,000
Employee Related Expenses	₦56,000	₦61,000	₦78,000	₦78,000	₦78,000	₦78,000	₦78,000	₦78,000	₦78,000	₦78,000	₦78,000	₦78,000
Rent	₦41,666	₦41,666	₦41,666	₦41,666	₦41,667	₦41,667	₦41,667	₦41,667	₦41,667	₦41,667	₦41,667	₦41,667
Daily Running Expenses	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000	₦150,000
Utilities	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000	₦15,000
Office Supplies	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000	₦30,000
Marketing	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000	₦40,000
Transportation Cost	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000	₦20,000
Web Subscription and Maintenance	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000	₦5,000
Total Operating Expenses	₦637,666	₦667,666	₦769,666	₦769,666	₦769,667	₦769,667	₦769,667	₦769,667	₦769,667	₦769,667	₦769,667	₦769,667
Operating Income	(₦637,666)	₦1,082,334	₦1,730,334	₦2,563,667	₦3,313,666	₦5,063,666	₦7,563,666	₦7,563,666	₦8,313,666	₦10,063,666	₦5,063,666	₦10,063,667
Interest Incurred						₦1,333,333	₦1,232,043	₦1,129,064	₦1,024,370	₦917,929	₦809,716	₦699,698
Depreciation and Amortization	₦10,000	₦15,833	₦15,834	₦15,833	₦15,833	₦15,834	₦15,833	₦15,833	₦15,834	₦15,833	₦15,833	₦15,834
Gain or Loss from Sale of Assets												
Income Taxes	₦0	₦125,650	₦514,351	₦764,350	₦989,350	₦1,114,349	₦1,894,737	₦1,925,631	₦2,182,039	₦2,738,971	₦1,271,435	₦2,804,440
Total Expenses	₦647,666	₦2,559,149	₦3,799,851	₦4,049,849	₦5,024,850	₦8,233,183	₦11,412,280	₦11,340,196	₦12,241,909	₦14,442,400	₦7,866,651	₦14,289,639
Net Profit	(₦647,666)	₦940,851	₦1,200,149	₦1,783,484	₦2,308,483	₦2,600,150	₦4,421,053	₦4,493,137	₦5,091,424	₦6,390,933	₦2,966,682	₦6,543,695
Net Profit / Sales		27%	24%	31%	31%	24%	28%	28%	29%	31%	27%	31%

	FY2021	FY2022	FY2023
Revenue			
Commodities	₦126,500,000	₦132,000,000	₦140,000,000
Business grant	₦7,499,998	₦10,000,000	₦10,000,000
Total Revenue	₦133,999,998	₦142,000,000	₦150,000,000
Direct Costs			
Expenses by month	₦63,250,000	₦66,000,000	₦70,000,000
Total Direct Costs	₦63,250,000	₦66,000,000	₦70,000,000
Gross Margin	₦70,749,998	₦76,000,000	₦80,000,000
Gross Margin %	53%	54%	53%
Operating Expenses			
Salaries and Wages			
Managing Director	₦2,400,000	₦2,640,000	₦2,904,000
Dispatch Rider	₦360,000	₦378,000	₦396,900
Supply Manager (0.94)	₦850,000	₦1,071,000	₦1,124,550
Customer care personnel	₦600,000	₦630,000	₦661,500
Office Assistant (0.97)	₦275,000	₦300,000	₦300,000
Total Salaries & Wages	₦4,485,000	₦5,019,000	₦5,386,950
Employee Related Expenses	₦897,000	₦1,003,800	₦1,077,390
Rent	₦500,000	₦500,000	₦500,000
Daily Running Expenses	₦1,800,000	₦1,800,000	₦1,800,000
Utilities	₦180,000	₦180,000	₦180,000
Office Supplies	₦360,000	₦360,000	₦360,000
Marketing	₦480,000	₦480,000	₦480,000
Transportation Cost	₦240,000	₦240,000	₦240,000
Web Subscription and Maintenance	₦60,000	₦60,000	₦60,000
Total Operating Expenses	₦9,002,000	₦9,642,800	₦10,084,340
Operating Income	₦61,747,998	₦66,357,200	₦69,915,660

Interest Incurred	₦7,146,153	₦1,782,973	
Depreciation and Amortization	₦184,167	₦190,000	₦190,000
Gain or Loss from Sale of Assets			
Income Taxes	₦16,325,303	₦19,315,269	₦20,917,698
Total Expenses	₦95,907,623	₦96,931,042	₦101,192,038
Net Profit	₦38,092,375	₦45,068,958	₦48,807,962
Net Profit / Sales	28%	32%	33%

Balance Sheet (With Monthly Detail)

FY2021	Mar '20	Apr '20	May '20	June '20	July '20	Aug '20	Sept '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21
Cash	(N1,237,666)	(N330,332)	N1,650,002	N4,463,669	N88,102,335	N86,255,241	N87,158,147	N88,061,053	N89,788,959	N93,441,865	N91,594,771	N95,247,678
Accounts Receivable	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0
Inventory												
Other Current Assets												
Total Current Assets	(N1,237,666)	(N330,332)	N1,650,002	N4,463,669	N88,102,335	N86,255,241	N87,158,147	N88,061,053	N89,788,959	N93,441,865	N91,594,771	N95,247,678
Long-Term Assets	N600,000	N950,000	N950,000	N950,000	N950,000	N950,000	N950,000	N950,000	N950,000	N950,000	N950,000	N950,000
Accumulated Depreciation	(N10,000)	(N25,833)	(N41,667)	(N57,500)	(N73,333)	(N89,167)	(N105,000)	(N120,833)	(N136,667)	(N152,500)	(N168,333)	(N184,167)
Total Long-Term Assets	N590,000	N924,167	N908,333	N892,500	N876,667	N860,833	N845,000	N829,167	N813,333	N797,500	N781,667	N765,833
Total Assets	(N647,666)	N593,835	N2,558,335	N5,356,169	N88,979,002	N87,116,074	N88,003,147	N88,890,220	N90,602,292	N94,239,365	N92,376,438	N96,013,511
Accounts Payable	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0
Income Taxes Payable	N0	N125,650	N640,001	N1,404,351	N2,393,701	N3,508,050	N5,402,787	N7,328,418	N9,510,457	N12,249,428	N13,520,863	N16,325,303
Sales Taxes Payable	N0	N175,000	N425,000	N675,000	N1,000,000	N1,500,000	N2,250,000	N3,000,000	N3,825,000	N4,825,000	N5,325,000	N6,325,000
Short-Term Debt					N80,000,000	N73,922,573	N67,743,856	N61,462,160	N55,075,770	N48,582,939	N41,981,895	N35,270,833
Prepaid Revenue												
Total Current Liabilities	N0	N300,650	N1,065,001	N2,079,351	N83,393,701	N78,930,623	N75,396,643	N71,790,578	N68,411,227	N65,657,367	N60,827,758	N57,921,136
Long-Term Debt					N0	N0	N0	N0	N0	N0	N0	N0
Long-Term Liabilities					N0	N0	N0	N0	N0	N0	N0	N0
Total Liabilities	N0	N300,650	N1,065,001	N2,079,351	N83,393,701	N78,930,623	N75,396,643	N71,790,578	N68,411,227	N65,657,367	N60,827,758	N57,921,136

Paid-In Capital												
Retained Earnings												
Earnings	(N647,666)	N293,185	N1,493,334	N3,276,818	N5,585,301	N8,185,451	N12,606,504	N17,099,641	N22,191,065	N28,581,998	N31,548,680	N38,092,375
Total Owner's Equity	(N647,666)	N293,185	N1,493,334	N3,276,818	N5,585,301	N8,185,451	N12,606,504	N17,099,641	N22,191,065	N28,581,998	N31,548,680	N38,092,375
Total Liabilities & Equity	(N647,666)	N593,835	N2,558,335	N5,356,169	N88,979,002	N87,116,074	N88,003,147	N88,890,220	N90,602,292	N94,239,365	N92,376,438	N96,013,511

	FY2021	FY2022	FY2023
Cash	₦95,247,678	₦108,500,769	₦159,501,160
Accounts Receivable	₦0	₦0	₦0
Inventory			
Other Current Assets			
Total Current Assets	₦95,247,678	₦108,500,769	₦159,501,160
Long-Term Assets	₦950,000	₦950,000	₦950,000
Accumulated Depreciation	(₦184,167)	(₦374,167)	(₦564,167)
Total Long-Term Assets	₦765,833	₦575,833	₦385,833
Total Assets	₦96,013,511	₦109,076,602	₦159,886,993
Accounts Payable	₦0	₦0	₦0
Income Taxes Payable	₦16,325,303	₦19,315,269	₦20,917,698
Sales Taxes Payable	₦6,325,000	₦6,600,000	₦7,000,000
Short-Term Debt	₦35,270,833		
Prepaid Revenue			
Total Current Liabilities	₦57,921,136	₦25,915,269	₦27,917,698
Long-Term Debt	₦0	₦0	₦0
Long-Term Liabilities	₦0	₦0	₦0
Total Liabilities	₦57,921,136	₦25,915,269	₦27,917,698
Paid-In Capital			
Retained Earnings		₦38,092,375	₦83,161,333
Earnings	₦38,092,375	₦45,068,958	₦48,807,962
Total Owner's Equity	₦38,092,375	₦83,161,333	₦131,969,295
Total Liabilities & Equity	₦96,013,511	₦109,076,602	₦159,886,993

Cash Flow Statement (With Monthly Detail)

FY2021	Mar '20	Apr '20	May '20	June '20	July '20	Aug '20	Sept '20	Oct '20	Nov '20	Dec '20	Jan '21	Feb '21
Net Cash Flow from Operations												
Net Profit	(N647,666)	N940,851	N1,200,149	N1,783,484	N2,308,483	N2,600,150	N4,421,053	N4,493,137	N5,091,424	N6,390,933	N2,966,682	N6,543,695
Depreciation & Amortization	N10,000	N15,833	N15,833	N15,833	N15,833	N15,833	N15,833	N15,833	N15,833	N15,833	N15,833	N15,833
Change in Accounts Receivable	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0
Change in Inventory												
Change in Accounts Payable	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0	N0
Change in Income Tax Payable	N0	N125,650	N514,351	N764,350	N989,350	N1,114,349	N1,894,737	N1,925,631	N2,182,039	N2,738,971	N1,271,435	N2,804,440
Change in Sales Tax Payable	N0	N175,000	N250,000	N250,000	N325,000	N500,000	N750,000	N750,000	N825,000	N1,000,000	N500,000	N1,000,000
Change in Prepaid Revenue												
Net Cash Flow from Operations	(N637,666)	N1,257,334	N1,980,334	N2,813,667	N3,638,666	N4,230,333	N7,081,623	N7,184,602	N8,114,297	N10,145,737	N4,753,950	N10,363,969
Investing & Financing												
Assets Purchased or Sold	(N600,000)	(N350,000)										
Net Cash from Investing	(N600,000)	(N350,000)										
Investments Received												
Dividends & Distributions												
Change in Short-Term Debt					N80,000,000	(N6,077,427)	(N6,178,717)	(N6,281,696)	(N6,386,391)	(N6,492,831)	(N6,601,044)	(N6,711,062)
Change in Long-Term Debt					N0	N0	N0	N0	N0	N0	N0	N0

Net Cash from Financing					₦80,000,000	(₦6,077,427)	(₦6,178,717)	(₦6,281,696)	(₦6,386,391)	(₦6,492,831)	(₦6,601,044)	(₦6,711,062)
Cash at Beginning of Period	₦0	(₦1,237,666)	(₦330,332)	₦1,650,002	₦4,463,669	₦88,102,335	₦86,255,241	₦87,158,147	₦88,061,053	₦89,788,959	₦93,441,865	₦91,594,771
Net Change in Cash	(₦1,237,666)	₦907,334	₦1,980,334	₦2,813,667	₦83,638,666	(₦1,847,094)	₦902,906	₦902,906	₦1,727,906	₦3,652,906	(₦1,847,094)	₦3,652,907
Cash at End of Period	(₦1,237,666)	(₦330,332)	₦1,650,002	₦4,463,669	₦88,102,335	₦86,255,241	₦87,158,147	₦88,061,053	₦89,788,959	₦93,441,865	₦91,594,771	₦95,247,678

	FY2021	FY2022	FY2023
Net Cash Flow from Operations			
Net Profit	₺38,092,375	₺45,068,958	₺48,807,962
Depreciation & Amortization	₺184,167	₺190,000	₺190,000
Change in Accounts Receivable	₺0	₺0	₺0
Change in Inventory			
Change in Accounts Payable	₺0	₺0	₺0
Change in Income Tax Payable	₺16,325,303	₺2,989,966	₺1,602,429
Change in Sales Tax Payable	₺6,325,000	₺275,000	₺400,000
Change in Prepaid Revenue			
Net Cash Flow from Operations	₺60,926,845	₺48,523,924	₺51,000,391
Investing & Financing			
Assets Purchased or Sold	(₺950,000)		
Net Cash from Investing	(₺950,000)		
Investments Received			
Dividends & Distributions			
Change in Short-Term Debt	₺35,270,833	(₺35,270,833)	
Change in Long-Term Debt	₺0	₺0	₺0
Net Cash from Financing	₺35,270,833	(₺35,270,833)	₺0
Cash at Beginning of Period	₺0	₺95,247,678	₺108,500,769
Net Change in Cash	₺95,247,678	₺13,253,091	₺51,000,391
Cash at End of Period	₺95,247,678	₺108,500,769	₺159,501,160