

FINANCIALS

ADDITIONAL FINANCIALS CAN BE PROVIDED UPON REQUEST

STARTUP EXPENSES	TOTALS
LEASEHOLD IMPROVEMENTS	\$1,500.00
CAPITAL EQUIPMENT	\$5,938.00
LOCATION/ADMINISTRATION EXPENSES	\$3,500.00
OPENING INVENTORY	\$8,030.00
ADVERTISING/PROMOTIONAL EXPENSES	\$11,500.00
ALCOHOL LICENSE	\$1,820.00
CONTINGENCY FUND	\$5,000.00
WORKING CAPITAL	\$75,000.00



Start-up Summary

The start-up expenses include:

- Legal expenses for obtaining licenses and permits as well as the accounting services totaling \$2,800.
- Marketing promotion expenses for the grand opening in the amount of \$1,500.
- Insurance (general liability, workers' compensation and property casualty) coverage at a total premium of \$2,400.
- Deposit and Pre-paid rent expenses for one month in the total amount of \$1,566.66.
- Premises remodeling in the amount of \$15,000.
- Other start-up expenses including office supplies and phone and utility deposits \$2,500.

The required start-up assets of \$37,050 which include:

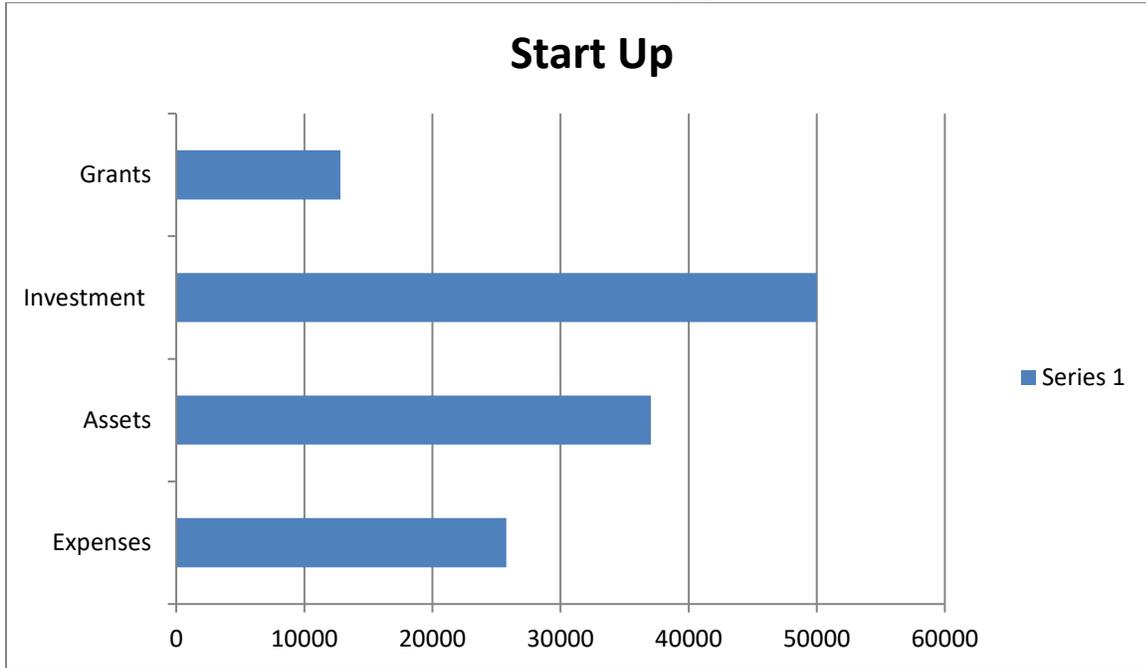
- Operating capital in the total amount of \$19,800, which includes employees and owner's salaries of \$4,800 for the first two months and cash reserves for the first three months of operation (approximately \$5,000 per month).
- Start-up inventory of \$5,000, which includes:
 - Coffee beans (12 regular brands and five decaffeinated brands) - \$1,500
 - Coffee filters, baked goods, salads, sandwiches, tea, beverages, etc. - \$1,800
 - Retail supplies (napkins, coffee bags, cleaning, etc.) - \$1,500
 - Office supplies - \$200
- Equipment for the total amount of \$12,250
 - Espresso machine - \$300
 - Coffee maker - \$300
 - Coffee grinder - \$150
 - Food service equipment (microwave, toasters, dishwasher, refrigerator, blender, etc.) - \$5,000
 - Storage hardware (bins, utensil rack, shelves, food case) - \$1,500
 - Counter area equipment (counter top, sink, ice machine, etc.) - \$1,500
 - Serving area equipment (plates, glasses, flatware) - \$1,000
 - Store equipment (cash register, security, signage) - \$1,000
 - Office equipment (PC, fax/printer, phone, furniture, file cabinets) - \$1,000
 - Other miscellaneous expenses - \$500



Funding for the company comes from two major sources--owners' investments and investors. Two major owners, Christopher Redding and Serena Spates, have contributed \$20,000. All other investors have contributed \$30,000, which brings the total investments to \$50,000. The remaining \$12,816.66 needed to cover the start-up expenses and assets will come from grant funding.

Table: Start-up

<i>Start-up</i>	
Requirements	
Start-up Expenses	
Legal	\$2,800
Marketing	\$1,500
Insurance	\$2,400
Deposit/Rent	\$1,566.66
Remodeling	\$15,000
Other	\$2,500
Total Start-up Expenses	\$25,766.66
Start-up Assets	
Cash Required	\$19,800
Start-up Inventory	\$5,000
Other Current Assets	\$0
Long-term Assets	\$12,250
Total Assets	\$37,050
Total Requirements	\$62,816.66



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Cash Flow Statement

For the Year Ending 12/31/2022

Dates are estimates depending on when we obtain CO

Cash at Beginning of Year

Operations

Cash receipts from	
Customers	<input type="text" value="175,000"/>
Other Operations	<input type="text"/>
Cash paid for	
Inventory purchases	<input type="text" value="(22,500)"/>
General operating and administrative expenses	<input type="text" value="(22,500)"/>
Wage expenses	<input type="text" value="(21,600)"/>
Interest	<input type="text" value="-"/>
Income taxes	<input type="text" value="(6,000)"/>
Net Cash Flow from Operations	<input type="text" value="102,400"/>

Investing Activities

Cash receipts from	
Sale of property and equipment	<input type="text" value="-"/>
Collection of principal on loans	<input type="text"/>
Sale of investment securities	<input type="text"/>
Cash paid for	
Purchase of property and equipment	<input type="text" value="-"/>
Making loans to other entities	<input type="text"/>
Purchase of investment securities	<input type="text"/>
Net Cash Flow from Investing Activities	<input type="text" value="0"/>

Financing Activities

Cash receipts from	
Issuance of stock	<input type="text"/>
Borrowing	<input type="text"/>
Cash paid for	
Repurchase of stock (treasury stock)	<input type="text"/>
Repayment of loans	<input type="text"/>
Dividends	<input type="text"/>
Net Cash Flow from Financing Activities	<input type="text" value="0"/>

Net Increase in Cash **102,400**

Cash at End of Year

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3-Year Cash Flow

For the Year Ending	12/21/2023	12/31/2024	12/31/2025
Cash at Beginning of Year	121,480	110,500	221,375
Cash at End of Year	110,500	221,375	333,138

Operations	2023	2024	2025
Cash receipts from			
Customers	192,500	221,375	254,581
Other operations			
Cash paid for			
Inventory purchases	(33,000)	(36,300)	(39,930)
General operating and administrative expenses	(15,000)	(20,000)	(20,000)
Wage expenses	(28,000)	(43,200)	(43,200)
Interest	-	-	
Income taxes	(6,000)	(11,000)	(39,688)
Net Cash Flow from Operations	110,500	110,875	111,763
Investing Activities			
Cash receipts from			
Sale of property and equipment	-	-	-
Collection of principal on loans			
Sale of investment securities			
Cash paid for			
Purchase of property and equipment	-	-	-
Making loans to other entities			
Purchase of investment securities			
Net Cash Flow from Investing Activities	0	0	0
Financing Activities			
Cash receipts from			
Issuance of stock			
Borrowing			
Cash paid for			
Repurchase of stock (treasury stock)			
Repayment of loans	-	-	-
Dividends	-	-	-
Net Cash Flow from Financing Activities	0	0	0
Net Cash Flow	110,500	110,875	111,763

