

Q & Z, Inc.

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1.0 Letter

March 26, 2008  
Tom Culpepper, Department of Transportation and Environmental Services  
c/o Alexandria Hack Office  
133 S. Quaker Lane  
Alexandria, VA

Dear Mr. Culpepper,

We are proud to submit the attached application from Alexandria Silver Cab Co. Inc. for a certificate of public necessity and convenience to operate a taxicab company in the City of Alexandria. We will be able to better serve consumers in the City of Alexandria.

We look forward to working with you to further explain our application concerning the application.

- 1) We are submitting our approvals from the SCC.
- 2) Under financing there are \$40,000. Self- financing for a portion of the start-up capital.
- 3) Upon approval of our application we intend to share space and dispatch system.
- 4) With V.I.P cab co. at 85 S. Bragg St, suite 502 Alex, VA 22312. We will keep you informed if there is any changes to our plan.

Thank you in advance for you consideration of our request.

Sincerely,  


President, Abdul Q. Nassir



Application for Certificate of Public Convenience and Necessity

\$4,000.00  
Validation Number: 264156

Finance Dept Use Only

**Applicant**

Name: A & Z, Inc.

Business Address: 85 S Bragg St # 502  
Alexandria, VA 22312

Type of Business Organization (corporation, cooperative, etc.): corporation

Proposed Trade Name: Alexandria Silver Cab Co.

Phone Number: 703-333-6120 Facsimile Number: 703-333-5880

**Registered Agent or Legal Representative**

Name: Abdul Q. Nassir

Business Address: 85 S Bragg St # 502  
Alexandria, VA 22312

Phone Number: 703-333-6120 Facsimile Number: 703-333-5880

**Submission Requirements**

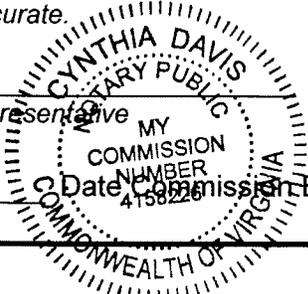
Applications must be submitted on or before May 1 of each year for certificate to be approved and applicant to be eligible to participate in the annual review of taxicab industry and the associated owner affiliation transfer process specified in the Code of the City of Alexandria, Section 9-12-30

- Submit \$<sup>4,000</sup>~~2,500~~ application fee to City of Alexandria Finance Department.
- Submit fingerprints of applicant, president and officers of corporation or initial directors of cooperative board, as appropriate, to Hack Inspector's Office.
- Submit application with required attachments (see back of sheet) to Hack Inspector's Office.

*It is unlawful for any person to make a false or misleading statement in connection with this application and the making of any false or misleading statement shall be grounds for denial of the application or subsequent revocation of a certificate, and for criminal prosecution.*

*The undersigned hereby requests approval of the requested certificate and certifies that the information provided in support of this application is true and accurate.*

Abdul Q. Nassir  
Signature of applicant or designated representative



4/02/08  
Date

Notary Public Cynthia J. Davis  
Alexandria, Virginia

**Application Review Process**

Applications will be reviewed in accordance with the Code of the City of Alexandria, Section 9-12-25. Applicant will be notified of any incomplete application materials within two weeks of submission. The completed application will be posted for public review and comment, and reviewed by city staff. Applicant will be notified of any clarifications and/or additional information that may be required during this review. Not less than 30 days after receipt of completed application, the application and associated staff recommendation will be presented to the Traffic and Parking Board for public hearing and consideration of its recommendation to the City Manager. Applicant will be notified in advance of the time and place of the Board hearing, and will be subsequently informed of the City Manager's final decision.

## **Application for Certificate of Public Convenience and Necessity**

*The following attachments are required as part of an application for a certificate of public convenience and necessity. Applicant will be notified of any additional information that may be required by the city manager based on the specific circumstances of this application and consideration thereof.*

### **Attachment 1: Statement of Justification.**

Applicant's statement of the public convenience and necessity requiring operation of the proposed new taxicab company and issuance of any additional taxicab authorizations that are requested.

### **Attachment 2: Applicant Information**

Provide the following information regarding the applicant:

- A. Description of applicant's business organization and certified copies of applicable certificates of registration and related documents.
- B. Disclosure of any ownership or financial interests in any taxicab business holding a certificate of public convenience and necessity issued by the City of Alexandria or similar authorization by any other regulating jurisdiction. Absent any such interests, provide statement so certifying.
- C. Description of the applicant's specific experience in the transportation of passengers for hire and the management of a business engaged therein.
- D. Disclosure and brief description of any conviction, plea of guilty or nolo contendere of (1) the applicant, or (2) if the applicant is a corporation, any officer of the corporation, or (3) if the applicant is a cooperative, any of the initial directors or founding members of the cooperative, arising out of any violation of a federal, state or municipal law. Absent any such convictions or pleas, provide statement so certifying.

### **Attachment 3: Taxicab Service Plan**

A description of the taxicab services that will be provided in the City of Alexandria by the proposed new taxicab company. This description must at minimum include the following:

- A. The maximum number and source (new authorizations and/or owner transfers) of taxicabs to be initially affiliated with the company and the ownership of the taxicab vehicles.
- B. The proposed taxicab company's color scheme, insignia and cruising light design,
- C. Description of the communications and dispatch systems to be used with specific reference to the applicant's plan to provide adequate dispatch service to the public.
- D. Description of the type(s) of service to be provided, including the geographic area in the city to be served.

### **Attachment 4: Business Plan**

Evidence of the financial status, qualifications and responsibility of the applicant, and the probable permanence and quality of the proposed taxicab service. Include at minimum the following:

- A. Estimate of initial capitalization costs and source(s) of initial capital, including written evidence of any debt arrangements or other external sources of initial capital.
- B. Three-year cash flow projection and sources of working capital, including written evidence of commitments by any external sources.

### **Attachment 5: Additional Information**

Any additional information the applicant wishes to provide in support of this application.

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**Attachment 1**

**Statement of Justification  
Q & Z, Inc.**

Q & Z, Inc (Alexandria Silver Cab Company) requests a certificate of public necessity and Convenience in order to operate a new taxicab company in Alexandria

A new co is needed because,

Some of the cab co. will be closed for not meeting the city requirements. We are going to recruit their drivers.

A new company promotes competition to the industry and the result provides better service to the public.

Some of the companies don't follow the taxi ordinance, and as a result have a poor system of dispatch service for their drivers and customers.

We are going to use the latest technology to provide outstanding dispatch service e to the residents and business based in Alexandria.

We are going to request at least 40 cabs to comply with the taxi code. Forty is the smallest size company permitted to operate in the city. If we wait for the open movement time it is going to prevent us to operate in timely manner and affects our financing.

In order to provide a high quality; competitive alternative to the current companies we need to start with at least 60 cabs. By having 60 cabs we project our stand dues to be competitive with the smaller companies that provide limited dispatch service.

Sixty cabs when distributed evenly over the course of a year, there will be enough cabs available each hour to ensure providing a high quality of service.

**Attachment 2B**

**Disclosure of Ownership of Taxicab Business**

I have no ownership in taxicab business in Alexandria or any other regulating jurisdiction.

I am a taxicab owner- operator currently affiliated with a company authorized to operate in Alexandria.

## **Attachment 2C**

### **Statement of Specific Experience**

The applicant has over 20 years of experience operating cab in the City of Alexandria and Washington metropolitan area.

The applicant has assisted with management in Taxicab Company operated in Alexandria. He also has experience in business ownership by operating and managing his own business in the past. In addition he knows different languages and worked as accountant for five years in the past.

To Whom It May Concern:

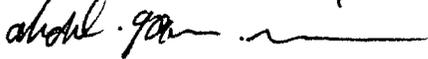
March 24, 2008

This is to say that I, Abdul Nassir am the President of Q&Z Inc. we will be doing business as Alexandria Silver Cab Company in Alexandria, Va. My wife and I are the only shareholders of this company.

We will be sharing the dispatch office with Alexandria VIP Cab Company at their location at 85 S. Bragg Street Suite 502 Alexandria, VA. 22312. Alexandria Silver Cab will also be sharing VIP Radio system. Alexandria VIP and its owners and the shareholders have no interest or ownership to our company and Alexandria Silver Cab Company.

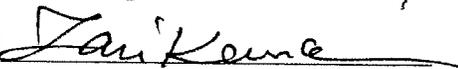
Sincerely,

Abdul Nassir



Sworn Before me this 24th day of March  
My Commission expires on 4/30/2008 in Alexandria, Virginia.

Signed



(Notary Public)

**Attachment 2D**

**Explanation of Convictions**

Other than traffic violations, there are no convictions to report.

**Attachment 3**  
**Taxicab Service Plan**

A) In its first year, Silver Cab Company will have 60 to 80 cabs. This will come from the total of new authorizations and owner transfers. Since there are few companies who are not meeting the requirements of the city are at risk of closing. As a result, our corporation is seeking newly authorizations and anticipating more owner transfers. Many owner-operators in Alexandria show interest to join the corporation.

If Silver Cab Co. recruits more than required number of taxicabs, it will work together with the City to find out a solution on how to return the new authorizations back to the City.

B) The color of the entire taxicabs for Alexandria Silver Cab Company will be silver with black lettering. The dome light will be white with black lettering as well. The meter will be Centrodyne.

C) Communication and dispatch system will be as followed:

- Order taking
- 2-way radio dispatch
- full reports on all activities
- GPS system
- Credit card machines
- Next-day funding for credit card processing
- Motorola phones

D) Silver Cab Company will provide transportation to the entire City of Alexandria as well as Reagan National Airport .The main service of the business will be providing transportation to the public, including those who are physically impaired, seniors, students, and businesses. Specialized pick-up and drop-off services will be provided by the business if requested. Because the City of Alexandria attracts visitors for its historical region, we will provide two-way transportation for the visitor from the National Harbor.

# Commonwealth of Virginia



## STATE CORPORATION COMMISSION

*Richmond, March 14, 2008*

*This is to certify that the certificate of incorporation of*

**Q & Z, Inc.**

*was this day issued and admitted to record in this office and that the said corporation is authorized to transact its business subject to all Virginia laws applicable to the corporation and its business. Effective date: March 14, 2008*



*State Corporation Commission*

*Attest:*

*Joel H. Beck*  
Clerk of the Commission

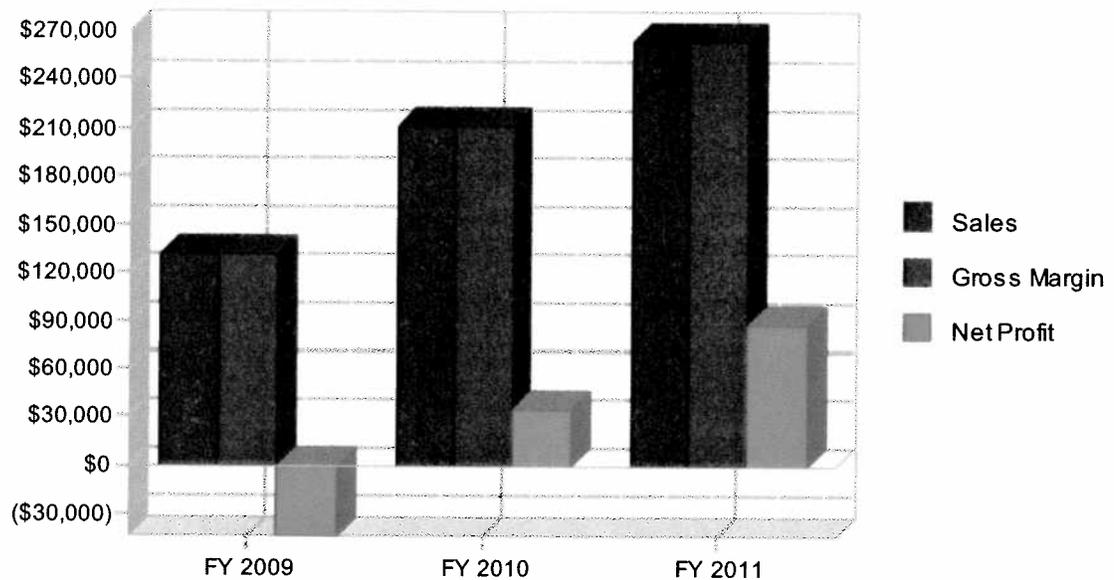
## Q & Z, Inc.

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### 5.0 Executive Summary

Q & Z, Inc. is a taxi cab company providing transportation service for local residents of Alexandria, Virginia serving with top quality transportation services using late model taxi cabs. The company has been formed as a Virginia corporation with Abdul Q. Nassir as the sole owner. In order for the company to be successful, the business must fully leverage the experience and insight of their management team of Abdul Q. Nassir. Abdul is a twenty year veteran of the transportation industry.

#### Highlights



### 5.1 Objectives

The company's goal in the next year is to pursue an aggressive marketing campaign and from that, penetrate at least 65% of the market share. The company's goal in the next two to five years is to be the top rated ground transportation company in Alexandria, Virginia by continuously monitoring, evaluating, and following up on customer call-ins. Key components of Q & Z, Inc.'s initial strategy can be summarized as follows, the company is currently working to establish and develop a working relationship with Q & Z, Inc. This will enable Q & Z, Inc. to lock into the many services that they offer including, but not limited to:

- Managerial
- Call center and customer service efficiency
- Management consulting
- Technology consulting
- Product management
- Continuous improvement

## Q & Z, Inc.

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### 5.2 Mission

The mission of Q & Z, Inc. is to provide reliable, timely, and safe cab services by using complete state of the art equipment along with computer aided dispatch.

### 5.3 Keys to Success

The keys to success in achieving our goals are:

- Managing finances to carry through profitability within the first years of operation
- Controlling costs at all times without exception
- Instituting management controls to ensure proper functioning of daily operations

### 6.0 Company Summary

Q & Z, Inc. is a start-up business located in Alexandria, Virginia providing the upmost service in transportation to the residents of Alexandria, Virginia. Abdul Q. Nassir will be managing and operating Q & Z, Inc. Alexandria Silver Cab Company will be apart of Q & Z, Inc. with a unique exterior color. Alexandria Silver Cab Company will provide customers silver cabs with the state of the art equipment.

### 6.1 Company Ownership

Abdul Q. Nassir is the sole owner of Q & Z, Inc. in the state of Virginia.

#### 6.1.1 Start-up Summary

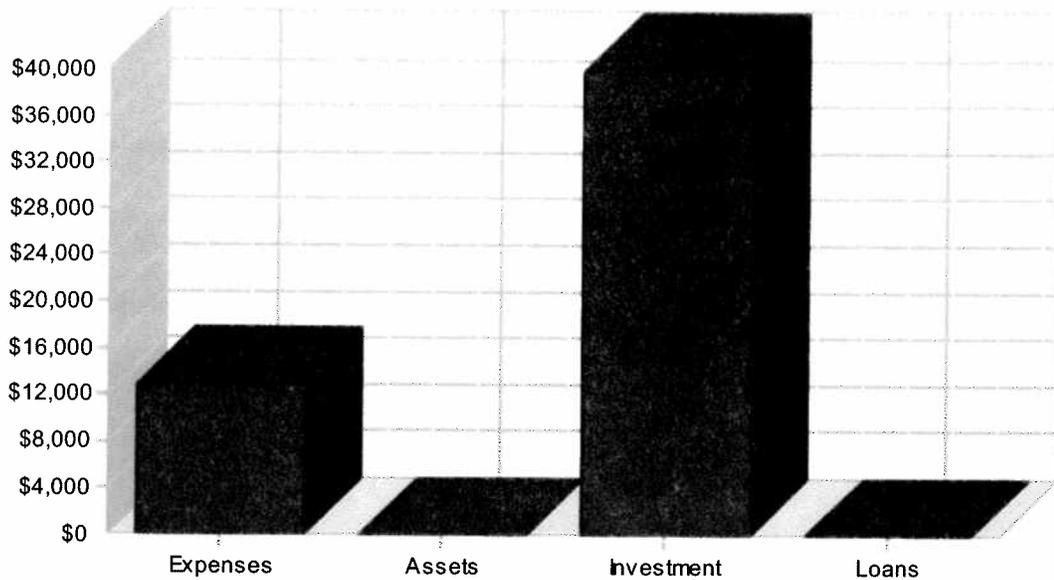
The following table and chart show the start-up costs for Q & Z Inc.

Table: Start-up

Start-up	
Requirements	
<b>Start-up Expenses</b>	
Payroll	\$6,000
Rent	\$1,500
Utilities	\$500
Other	\$5,000
<b>Total Start-up Expenses</b>	<b>\$13,000</b>
<b>Start-up Assets</b>	
Cash Required	\$0
Other Current Assets	\$0
Long-term Assets	\$0
<b>Total Assets</b>	<b>\$0</b>
<b>Total Requirements</b>	<b>\$13,000</b>

## Q & Z, Inc.

### Start-up



### 7.0 Services

Q & Z, Inc. provides taxi services, utilizing computer dispatch to assist with timely pick up and quality customer care. The software and hardware systems used by Q & Z, Inc. provides customers convenience by allowing them to use credit and debit cards for the services we provide.

### 8.0 Market Analysis Summary

Q & Z, Inc. will provide transportation of passengers include seniors, students and physically challenged people in Alexandria, Virginia. In addition, we will also provide a messenger and other specialized pick up and drop off services as the demand increases.

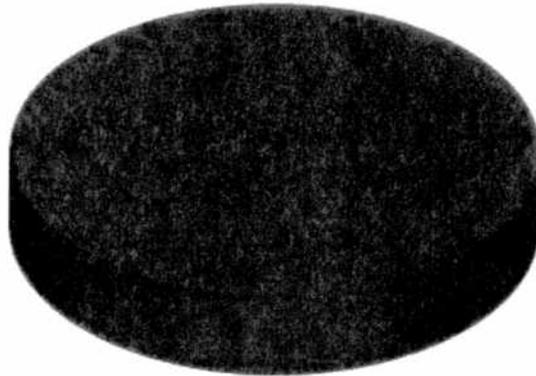
### 8.1 Market Segmentation

The market segmentation data is presented in the chart and table below for Q & Z, Inc.

**Table: Market Analysis**

Market Analysis							
Potential Customers	Growth	2008	2009	2010	2011	2012	CAGR
Residents of Alexandria City, Virginia	2%	136,974	139,713	142,507	145,357	148,264	2.00%
Reagan National Airport	0%	1	1	1	1	1	0.00%
<b>Total</b>	<b>2.00%</b>	<b>136,975</b>	<b>139,714</b>	<b>142,508</b>	<b>145,358</b>	<b>148,265</b>	<b>2.00%</b>

Market Analysis (Pie)



- Residents of Alexandria City, Vir
- Reagan National Airport

## 8.2 Target Market Segment Strategy

The target market for Q & Z, Inc. are the residents of Alexandria, Virginia. Referral marketing is the key type of marketing strategy utilized. Maintaining and further enhancing its reputation in the community is crucial to gaining additional market share of this target market.

### 8.3 Service Business Analysis

In 1990, U.S. consumers spent an estimated \$3.17 billion on taxis. That year, approximately 32,600 were employed in the industry as owners, managers, drivers, dispatchers, or mechanics. Since the mid- 1970's, when a trend toward independent contracting among drivers developed, three out of every four drivers became independent contractors licensed through, and renting their vehicles from, the taxi companies. Overall, the U.S. taxi industry consisted of 205,300 vehicles in 1993. Of these, 170,800 were licensed taxis and 16,600 were hired cars, also referred to as executive sedans or liveries. The remainder was minibuses or vans, many of which were wheelchair-accessible for transporting the elderly and disabled.

#### ***Organization and Structure***

Most taxi companies followed a similar organizational pattern. Managers, sometimes the company owners' ran the business, hired drivers, and performed other administrative duties. Dispatchers took calls and assigned cabs to passenger locations. The position of dispatcher once represented a promotion awarded to experienced cab drivers, whose familiarity with the city best qualified them for the job. However, the increase in computer-based dispatching in the early 1990's prompted cab companies to favor computer skills over specialized knowledge of local geography when filling the dispatcher position. Regulation of the U.S. taxi industry varied from city to city. While almost all cities had some form of licensing requirements, larger urban areas had the strictest regulations. San Francisco regulations focused on fares charged to customers, with rates assigned to designated zones of the city.

#### ***Current Conditions***

In 1998, 6,342 taxi fleets, consisting of 144,000 cars, were operating in the United States. On a national level, in the early 1990's, taxi's made approximately 2 billion passenger trips a year. Most taxi fleets were small, family-owned businesses or individual partnerships; only 5% were corporations. Almost all operated within a single municipality, and more than half of all taxi companies had fewer than 10 vehicles. In rural areas, companies tended to be extremely small, with 1 to 3 cars available for customers. In cities of 100,000 people, the average fleet size was 20 cars. In urban centers of 200,000 or more people, cab companies retained hundreds of cars and carried more passengers than the multitude of smaller companies combined.

#### ***Research and Technology***

Although the taxi cab industry was not regarded as demanding in a high degree of technology, several innovations have changed the way businesses operate. Computerized dispatching--in which cabs were tracked by computer and dispatch instructions appeared only to the cab assigned to a call--allowed more efficient assignment of cabs to passengers. Computerization also helped remedy the problem of "fare stealing," in which one driver intercepts a message meant for another and picks up the first driver's fare. Another development likely to change the industry's focus involved its use of certain radio frequencies. In the late 1980's and early 1990's, with investment in cellular and digital communications skyrocketing, taxi cab companies found themselves in possession of a valuable asset in the form of the broadcast frequencies granted them by the Federal Communications Commission. During this time, the FCC, allowing them only two frequencies in any one area, heavily restricted the cellular telephone industry's use of the airwaves. By the mid-1990's, some cab-related services, such as New Jersey's dispatcher Fleet Call, were in a strong position to become players in the burgeoning telecommunications industry.

#### ***Industry Leaders***

## Q & Z, Inc.

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Due to increasing decentralization in the industry, few national taxi corporations were in operation in the early 1990's. A few companies, however, many of which were owned by larger holding corporations, had operations that reached beyond the local. Figure 1 shows the industry leaders in the San Francisco area and their share of the market.

### 8.3.1 Competition and Buying Patterns

Q & Z, Inc. requests CPNC due to competition, better service for the general public and accommodate cab drivers. Therefore, some cab companies will be closed for not meeting the city requirements. Furthermore, Q & Z strives on using the latest technology to provide outstanding dispatch service to the residents and businesses based in Alexandria.

In addition, Q & Z, Inc. has requested 40 cabs to comply with the taxi code and we intend to recruit some drivers from other companies.

## 9.0 Strategy and Implementation Summary

The sales and marketing strategy is to move as quickly as possible into the three designated market segments (Seniors, Students, and physically challenged people) that represent excellent growth potential. It has been shown that these market areas are presently not being actively pursued by the competition.

The marketing thrust will consist of direct contact to the responsible person at selected private establishments, and the creation and distribution of color brochures to Inns, Bed and Breakfasts, Assisted Living and Retirement Communities, and direct mailing to new high worth individuals using the resources of a list company.

### 9.1 Competitive Edge

The major competitive edge that Q & Z, Inc. will emphasize is the high quality of customer service. The company will differentiate itself through the courteousness and excellent people skills of the dispatchers and drivers, on time pickups and drop off's, and drivers who are highly knowledgeable of the local area. These efforts will generate good word of mouth among the targeted customer group. As the company grows, special efforts will be devoted to the customer service training of the new employees.

## 9.2 Marketing Strategy

Our marketing strategy is the key to our success:

- Emphasize our name and unique services and environment through radio advertisements in our local area.
- Focus on the convenience of our location.
- Build community relationships through unique and quality service.
- Distributing flyers near college campuses and near-by businesses.
- Word-of-mouth.

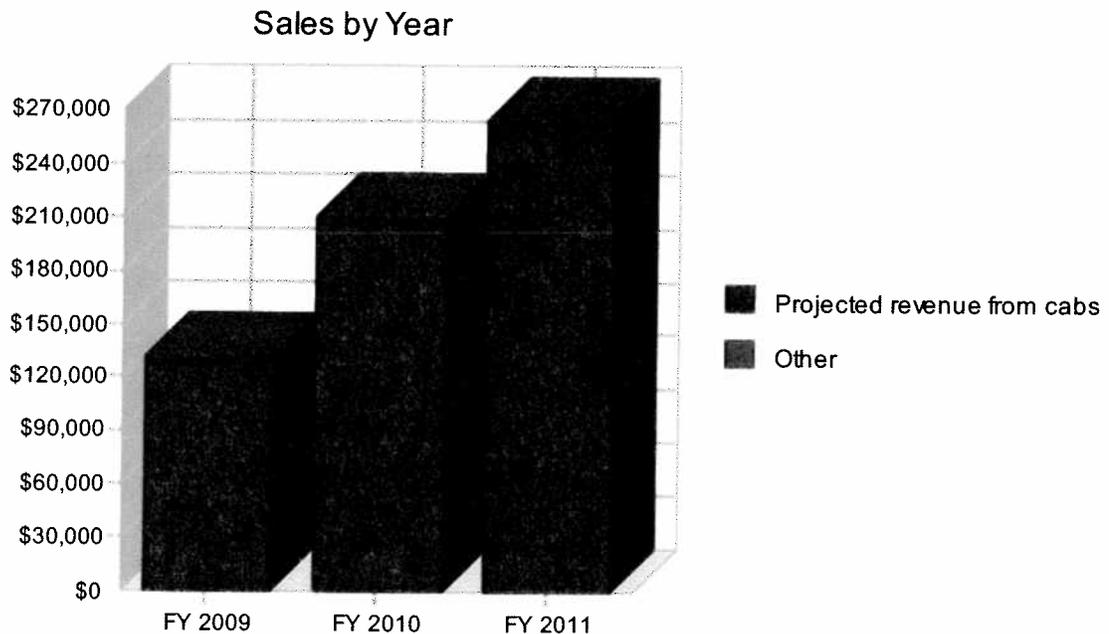
Q & Z, Inc. markets its products and services as solutions to transportation needs in the city of Alexandria. Other target markets include customers in the low to mid income range. Direct mailings and television advertising will be the company's main marketing channels. These channels ensure that target customers are reached repeatedly and effectively. The company will monitor its market position through constant tracking by Value Pack and TCI Media, Inc.

## 9.3 Sales Strategy

Q & Z, Inc. will make a significant profit through the excellent customer service. Furthermore, the company will see profit within the first year due to beneficial word-of-mouth advertising. The company expects to double it's clientele every six months, for the first 18 months.

### 9.3.1 Sales Forecast

The following information presents the sales forecast for Q & Z, Inc.

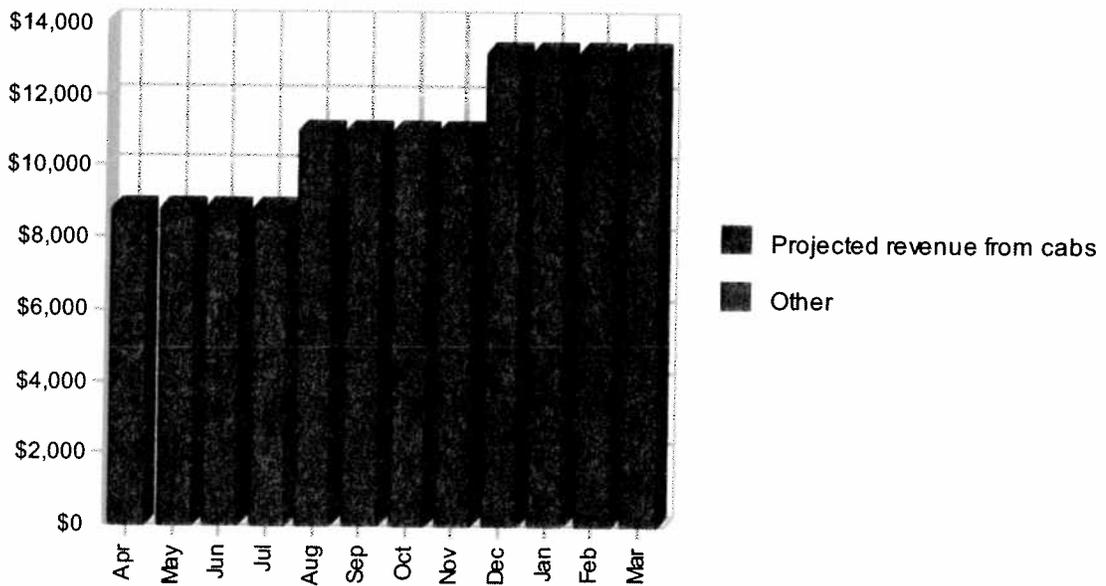


## Q & Z, Inc.

**Table: Sales Forecast**

Sales Forecast			
	FY 2009	FY 2010	FY 2011
<b>Unit Sales</b>			
Projected revenue from cabs	600	960	1,200
Other	0	0	0
<b>Total Unit Sales</b>	<b>600</b>	<b>960</b>	<b>1,200</b>
<b>Unit Prices</b>			
Projected revenue from cabs	\$220.00	\$220.00	\$220.00
Other	\$0.00	\$0.00	\$0.00
<b>Sales</b>			
Projected revenue from cabs	\$132,000	\$211,200	\$264,000
Other	\$0	\$0	\$0
<b>Total Sales</b>	<b>\$132,000</b>	<b>\$211,200</b>	<b>\$264,000</b>
<b>Direct Unit Costs</b>			
Projected revenue from cabs	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
<b>Direct Cost of Sales</b>			
Projected revenue from cabs	\$0	\$0	\$0
Other	\$0	\$0	\$0
<b>Subtotal Direct Cost of Sales</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Sales Monthly**



## Q & Z, Inc.

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### 10.0 Management Summary

The company's management philosophy is based on responsibility and mutual respect. Q & Z, Inc. has an environment and structure that encourages productivity and respect for customers and fellow employees.

Abdul Q. Nassir will be managing and operating Q & Z, Inc. from previous knowledge in this specific industry. Abdul Q. Nassir has been a taxi driver for almost 20 years and has operated taxi cabs in the Washington Metropolitan area.

In addition, all personnel employed by Q & Z Inc. do not have any convictions or any criminal background.

### 10.1 Personnel Plan

The following is a breakdown of all the personnel at Q & Z, Inc.

Table: Personnel

Personnel Plan	FY 2009	FY 2010	FY 2011
Employee 1	\$18,000	\$18,000	\$18,000
Employee 2	\$18,000	\$18,000	\$18,000
Employee 3	\$18,000	\$18,000	\$18,000
Employee 4	\$18,000	\$18,000	\$18,000
Total People	1500	1500	1500
Total Payroll	\$72,000	\$72,000	\$72,000

### 11.0 Financial Plan

The business of Taxi Cab Company does not require substantial outlays for inventory and virtually all sales are on a cash basis, so increases in sales will not be accompanied by initial cash-flow deficits.

### 11.1 Start-up Funding

Q & Z, Inc. start-up costs are detailed above, in the Start-up Table. The following table shows how these start-up costs will be funded by owner and investor capital.

## Q & Z, Inc.

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### Table: Start-up Funding

<u>Start-up Funding</u>	
Start-up Expenses to Fund	\$13,000
Start-up Assets to Fund	\$0
<u>Total Funding Required</u>	<u>\$13,000</u>
<u>Assets</u>	
Non-cash Assets from Start-up	\$0
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$27,000
Cash Balance on Starting Date	\$27,000
<u>Total Assets</u>	<u>\$27,000</u>
<u>Liabilities and Capital</u>	
<u>Liabilities</u>	
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
<u>Total Liabilities</u>	<u>\$0</u>
<u>Capital</u>	
<u>Planned Investment</u>	
Owner	\$40,000
Investor	\$0
Additional Investment Requirement	\$0
<u>Total Planned Investment</u>	<u>\$40,000</u>
Loss at Start-up (Start-up Expenses)	(\$13,000)
<u>Total Capital</u>	<u>\$27,000</u>
<u>Total Capital and Liabilities</u>	<u>\$27,000</u>
<u>Total Funding</u>	<u>\$40,000</u>

### 11.2 Projected Balance Sheet

The balance sheet is quite solid. We do not project any real trouble meeting our debt obligations--as long as we can achieve our specific objectives.

## Q & Z, Inc.

**Table: Balance Sheet**

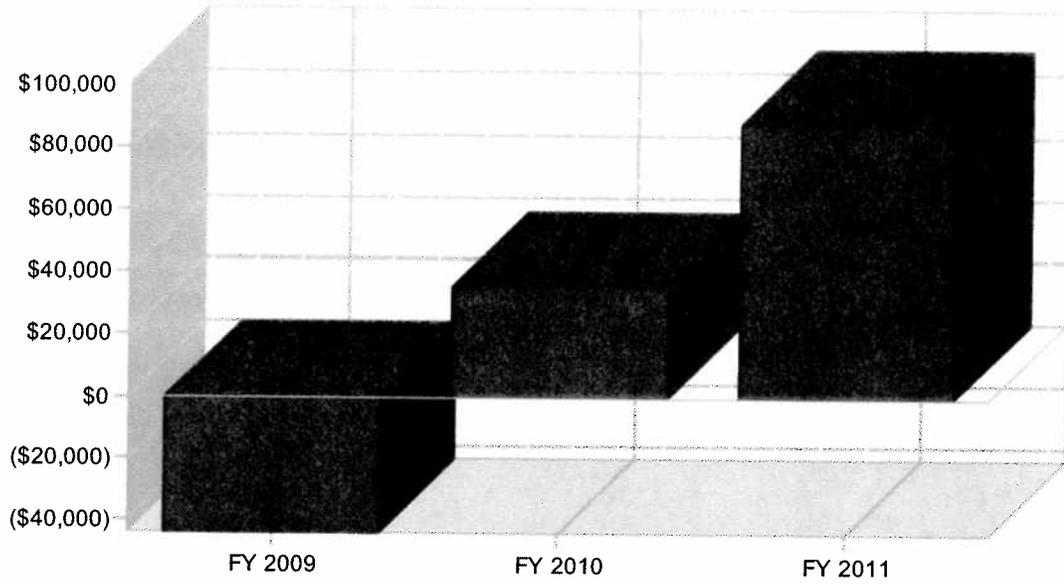
Pro Forma Balance Sheet			
	FY 2009	FY 2010	FY 2011
<b>Assets</b>			
<b>Current Assets</b>			
Cash	(\$8,365)	\$27,285	\$115,565
Other Current Assets	\$0	\$0	\$0
<b>Total Current Assets</b>	<b>(\$8,365)</b>	<b>\$27,285</b>	<b>\$115,565</b>
<b>Long-term Assets</b>			
Long-term Assets	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0
<b>Total Long-term Assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Assets</b>	<b>(\$8,365)</b>	<b>\$27,285</b>	<b>\$115,565</b>
<b>Liabilities and Capital</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$8,355	\$8,525	\$8,525
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
<b>Subtotal Current Liabilities</b>	<b>\$8,355</b>	<b>\$8,525</b>	<b>\$8,525</b>
<b>Long-term Liabilities</b>			
<b>Total Liabilities</b>	<b>\$8,355</b>	<b>\$8,525</b>	<b>\$8,525</b>
<b>Capital</b>			
Paid-in Capital	\$40,000	\$40,000	\$40,000
Retained Earnings	(\$13,000)	(\$56,720)	(\$21,240)
Earnings	(\$43,720)	\$35,480	\$88,280
<b>Total Capital</b>	<b>(\$16,720)</b>	<b>\$18,760</b>	<b>\$107,040</b>
<b>Total Liabilities and Capital</b>	<b>(\$8,365)</b>	<b>\$27,285</b>	<b>\$115,565</b>
<b>Net Worth</b>	<b>(\$16,720)</b>	<b>\$18,760</b>	<b>\$107,040</b>

### 11.2.1 Projected Profit and Loss

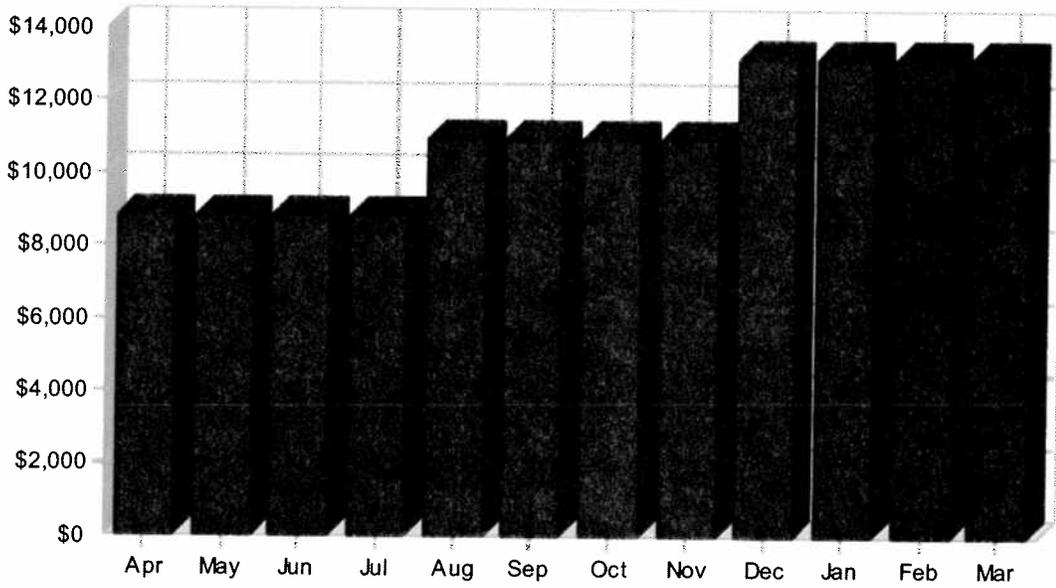
As the Profit and Loss table shows, the company expects to continue its steady growth in profitability over the next three years of operations.

# Q & Z, Inc.

## Profit Yearly



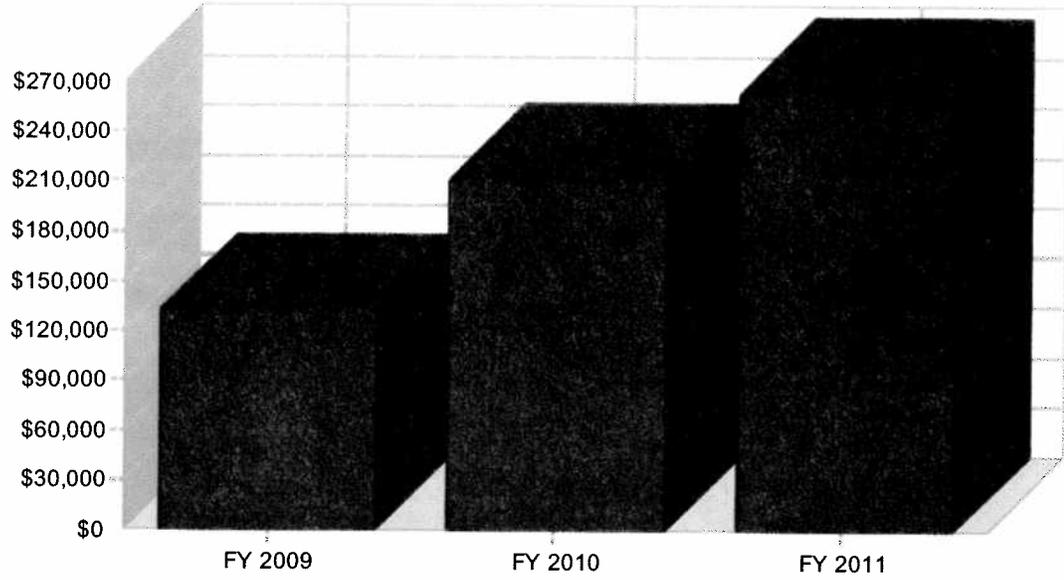
## Gross Margin Monthly



Q & Z, Inc.

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Gross Margin Yearly



11.2.1.1 Projected Cash Flow

The mission of Q & Z, Inc. is to provide reliable, timely, and safe cab services by using complete state of the art equipment along with computer aided dispatch.

# Appendix

**Table: Personnel**

Personnel Plan		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Employee 1	0%	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Employee 2	0%	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Employee 3	0%	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Employee 4	0%	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
<b>Total People</b>		1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500
<b>Total Payroll</b>		\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000

# Appendix

**Table: Balance Sheet**

Pro Forma Balance Sheet		Starting Balances											
Assets		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Current Assets													
Cash	\$27,000	\$29,512	\$23,669	\$17,825	\$11,982	\$8,339	\$4,695	\$1,052	(\$2,591)	(\$4,035)	(\$5,478)	(\$6,921)	(\$8,365)
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$27,000	\$29,512	\$23,669	\$17,825	\$11,982	\$8,339	\$4,695	\$1,052	(\$2,591)	(\$4,035)	(\$5,478)	(\$6,921)	(\$8,365)
Long-term Assets													
Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Assets	\$27,000	\$29,512	\$23,669	\$17,825	\$11,982	\$8,339	\$4,695	\$1,052	(\$2,591)	(\$4,035)	(\$5,478)	(\$6,921)	(\$8,365)
Liabilities and Capital													
Current Liabilities													
Accounts Payable	\$0	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355
Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Current Liabilities	\$0	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355
Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$0	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355	\$8,355
Paid-in Capital	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Retained Earnings	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)	(\$13,000)
Earnings	\$0	(\$5,843)	(\$11,687)	(\$17,530)	(\$23,373)	(\$27,017)	(\$30,660)	(\$34,303)	(\$37,947)	(\$39,390)	(\$40,833)	(\$42,277)	(\$43,720)
Total Capital	\$27,000	\$21,157	\$15,313	\$9,470	\$3,627	(\$17)	(\$3,660)	(\$7,303)	(\$10,947)	(\$12,390)	(\$13,833)	(\$15,277)	(\$16,720)
Total Liabilities and Capital	\$27,000	\$29,512	\$23,669	\$17,825	\$11,982	\$8,339	\$4,695	\$1,052	(\$2,591)	(\$4,035)	(\$5,478)	(\$6,921)	(\$8,365)
Net Worth	\$27,000	\$21,157	\$15,313	\$9,470	\$3,627	(\$17)	(\$3,660)	(\$7,303)	(\$10,947)	(\$12,390)	(\$13,833)	(\$15,277)	(\$16,720)

Start-up Summary

Appendix

The following table and chart show the start-up costs for Q & Z Inc.

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## Appendix

### Sales Forecast

The following information presents the sales forecast for Q & Z, Inc.

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## Appendix

### Projected Profit and Loss

As the Profit and Loss table shows, the company expects to continue its steady growth in profitability over the next three years of operations.

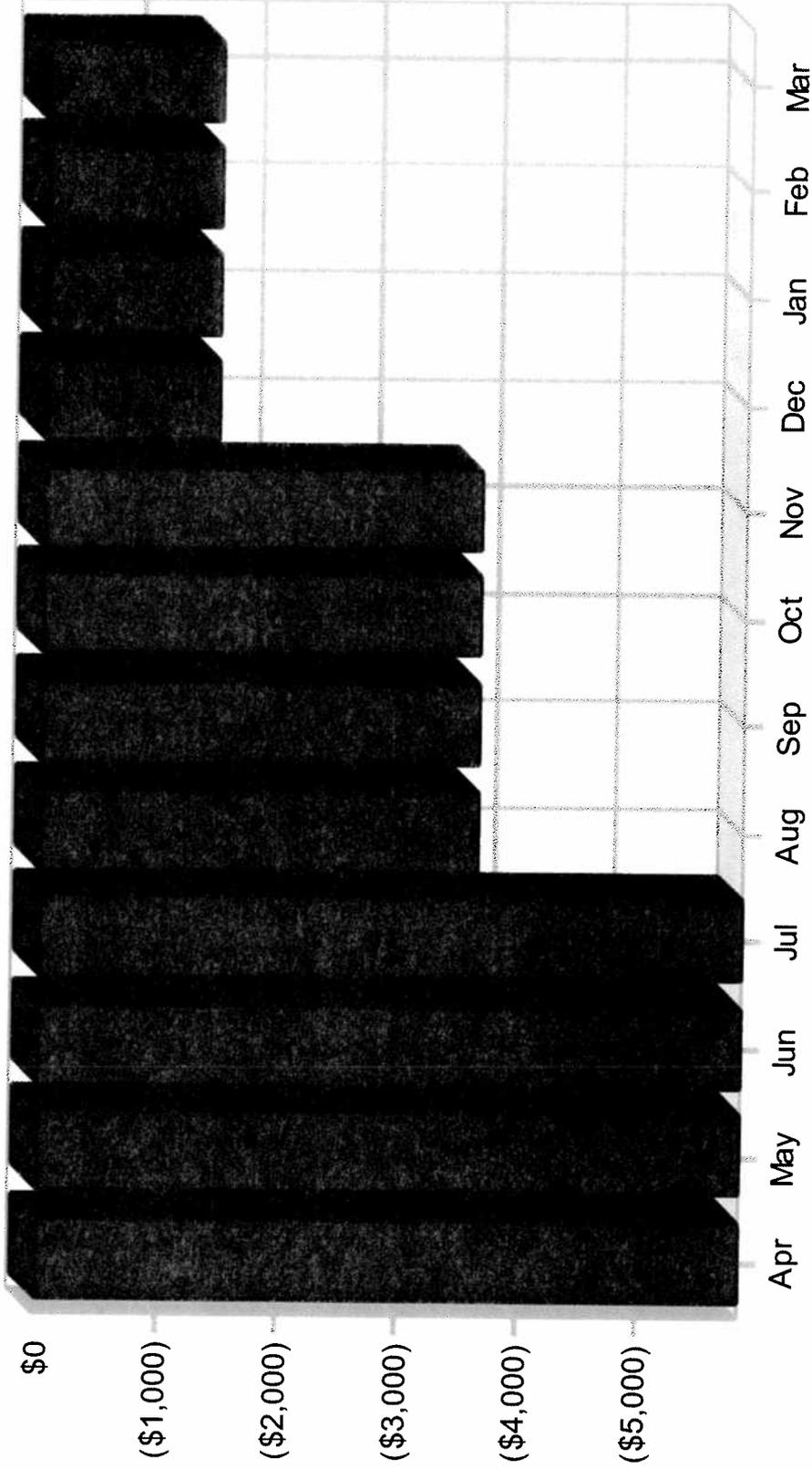
## Appendix

**Table: Profit and Loss**

Pro Forma Profit and Loss												
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Sales	\$8,800	\$8,800	\$8,800	\$8,800	\$11,000	\$11,000	\$11,000	\$11,000	\$13,200	\$13,200	\$13,200	\$13,200
Direct Cost of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Costs of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Margin	\$8,800	\$8,800	\$8,800	\$8,800	\$11,000	\$11,000	\$11,000	\$11,000	\$13,200	\$13,200	\$13,200	\$13,200
Gross Margin %	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<b>Expenses</b>												
Payroll	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Marketing/Advertising	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583	\$583
Rent	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Utilities	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Other	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Dispatchers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll Taxes	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060	\$3,060
Office Manager	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Total Operating Expenses	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643
Profit Before Interest and Taxes	(\$5,843)	(\$5,843)	(\$5,843)	(\$5,843)	(\$3,643)	(\$3,643)	(\$3,643)	(\$3,643)	(\$1,443)	(\$1,443)	(\$1,443)	(\$1,443)
EBITDA	(\$5,843)	(\$5,843)	(\$5,843)	(\$5,843)	(\$3,643)	(\$3,643)	(\$3,643)	(\$3,643)	(\$1,443)	(\$1,443)	(\$1,443)	(\$1,443)
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	(\$5,843)	(\$5,843)	(\$5,843)	(\$5,843)	(\$3,643)	(\$3,643)	(\$3,643)	(\$3,643)	(\$1,443)	(\$1,443)	(\$1,443)	(\$1,443)
Net Profit/Sales	-66.40%	-66.40%	-66.40%	-66.40%	-33.12%	-33.12%	-33.12%	-33.12%	-10.93%	-10.93%	-10.93%	-10.93%

Appendix

Profit Monthly



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## Appendix

### Projected Cash Flow

The mission of Q & Z, Inc. is to provide reliable, timely, and safe cab services by using complete state of the art equipment along with computer aided dispatch.

## Appendix

**Table: Cash Flow**

Pro Forma Cash Flow		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>Cash Received</b>													
Cash from Operations		\$8,800	\$8,800	\$8,800	\$8,800	\$11,000	\$11,000	\$11,000	\$11,000	\$13,200	\$13,200	\$13,200	\$13,200
Cash Sales		\$8,800	\$8,800	\$8,800	\$8,800	\$11,000	\$11,000	\$11,000	\$11,000	\$13,200	\$13,200	\$13,200	\$13,200
Subtotal Cash from Operations		\$8,800	\$8,800	\$8,800	\$8,800	\$11,000	\$11,000	\$11,000	\$11,000	\$13,200	\$13,200	\$13,200	\$13,200
<b>Additional Cash Received</b>													
Sales Tax, VAT, HST/GST Received	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Investment Received		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received		\$8,800	\$8,800	\$8,800	\$8,800	\$11,000	\$11,000	\$11,000	\$11,000	\$13,200	\$13,200	\$13,200	\$13,200
<b>Expenditures</b>													
Expenditures from Operations		\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Cash Spending		\$288	\$8,643	\$8,643	\$8,643	\$8,643	\$8,643	\$8,643	\$8,643	\$8,643	\$8,643	\$8,643	\$8,643
Bill Payments		\$6,288	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643
Subtotal Spent on Operations		\$6,288	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643
<b>Additional Cash Spent</b>													
Sales Tax, VAT, HST/GST Paid Out		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent		\$6,288	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643	\$14,643
<b>Net Cash Flow</b>		<b>\$2,512</b>	<b>(\$5,843)</b>	<b>(\$5,843)</b>	<b>(\$5,843)</b>	<b>(\$3,643)</b>	<b>(\$3,643)</b>	<b>(\$3,643)</b>	<b>(\$3,643)</b>	<b>(\$1,443)</b>	<b>(\$1,443)</b>	<b>(\$1,443)</b>	<b>(\$1,443)</b>
<b>Cash Balance</b>		<b>\$29,512</b>	<b>\$23,669</b>	<b>\$17,825</b>	<b>\$11,982</b>	<b>\$8,339</b>	<b>\$4,695</b>	<b>\$1,052</b>	<b>(\$2,591)</b>	<b>(\$4,035)</b>	<b>(\$5,478)</b>	<b>(\$6,921)</b>	<b>(\$8,365)</b>

Appendix

# Cash

