

Appendix A:

The Grange is allowed to use the Grange logo on products sold.

Projected retail sales numbers on an annual basis:

10,000 lbs grain@ 1.75/pound =	\$17,500 net profit
Refill silos @ . 75/pound =	-\$7,500
%10 inventory loss =	-\$750
Transportation cost =	-500
Insurance cost =	-\$300
Net profit after costs =	\$8,450

Projected bucket sales on an annual basis:

	1 bucket	60 buckets
bucket cost	\$3.15	\$189.00
lid cost	\$5.13	\$307.8
bucket and lid cost	\$8.28	\$496.8
Shipping	\$3.33	\$200.00
Total cost each set	\$11.61	\$1004.60
sell each set @	\$20.00	
Net profit after costs =	\$8.39	\$503.4

Projected business sales on an annual basis:

26,000 lbs grain @ \$1.75/ pound =	\$39,000 net profit
Refill silos @ .75/pound =	-\$19,500
%10 assumed inventory loss =	-\$1,950
Transportation costs =	-\$780
Commission costs=	-\$6,500
Insurance costs =	-\$400
Licenses =	-\$40
Promotional material	-\$400
Delivery costs =	-\$1,664
Accounting 1 hour/week @ \$20/hour =	-\$1,040
Net profit after costs =	\$6,726

Past financial history

**Financial Information
2009**

Cash In:

FFCs	10,000
Farmer's Market sales	320
Buckets & lids	2,464
Total cash in	12,784

Cash Out:

startup costs:		
other (bags, dolly, etc.)	667	
flour mill	2,000	
Scale	500	
total startup costs:	3,167	
printing & maintenance	100	
buckets & lids	3,145	
product:		
brown rice (6000lbs)	3,900	assumption: all 3 shipments @\$.65/lb
white rice (2000 lbs)	1,300	
triticale (2000 lbs)	600	
pinto beans (2000 lbs)	1,300	
black beans (2000 lbs)	1,400	
Transportation	420	
Farmers' market fees	265	
Total cash out	15,597	
Net Cash	(2,813)	

inventory:	\$	Lbs
brown rice	1,274	1,960
damaged brown rice	140	558 valued @\$.25/lb
white rice	355	546
Triticale	255	849
black beans	220	314
total product	2,243	4,227
inventory buckets & lids	681	difference between purchases and sold
flour mill	1,333	assumption: 3-year life
Dolly	150	assumption: 5-year life
Scale	333	assumption: 3-year life
total inventory	4,741	

Liabilities:

FFCs outstanding	2,390	difference between credits made and redeemed
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Net Assets (Liabilities) 2,351

Net Loss (net cash plus net assets) (462)

For Informational Purposes (amounts are included in net loss above):

Inventory Shrinkage:	\$	Lbs
brown rice lost	98	150
white rice lost	98	150
triticale lost	45	150
pinto beans lost	95	146
black beans lost	105	150
total grains lost	440	746
brown rice insect damage written down to market	223	558