

WESTCOAST TREASURES CDROM

YEAR 2021 FINANCIAL ASSUMPTIONS

Production Assumptions

Assume a major purchaser will ask for their name or logo on the CD disk, and they will be purchasing a volume of 50,000 units early in the second year.

Assume we will sell a second year volume of 12,000 units of standard label CD's, split between resellers and end-users.

Assume we will be able to arrange a volume purchase price from the CD mastering company, and can arrange split payments.

Produce a total run of 62,000 units at an average F.O.B. Vancouver cost of \$2.40 per unit = \$148,800.00

Our original brochure run will be adequate for our requirements to the end of the second year.

SALES ASSUMPTIONS

We are assuming yearly total of 62,000 units. 50,000 of these units will be delivered to the major purchaser in the spring of 2021.

The balance of 12,000 units is assumed to be sold at a steady proportionate rate during the twelve months.

EXPENSE ASSUMPTIONS

An additional loan of \$50,000.00 will be required to cover the cost of producing 62,000 units. The assumption is that volume production will produce significant per-unit cost saving.

All investor loans should be repaid when payment is received from our major purchaser. This will reduce our expenses considerably for the balance of the year, and will allow WestCoast Treasures to be self-supporting. It will also have the funds available to finance expansion.