

The Heritage Cultural Center

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The Heritage Cultural Center

1.0 Executive Summary

Background

In this "melting pot" we call America, it is not uncommon for those who are born out of their native land to feel lost in a sea of different cultures and backgrounds. The hope at *The Heritage Cultural Center* (HCC) is for community members to participate in classes to educate themselves about their native heritage, and strengthen ties to their own culture. At the same time, the opportunity to learn about other cultures will foster greater understanding of other peoples' customs and beliefs.

Company

The Heritage Cultural Center is a not-for-profit (712110) organization. The *Cultural Center* is being formed to provide unique and meaningful cultural programming for children as well as adults. The *Cultural Center* focuses on educating children and adults on individual heritage backgrounds, while building a lifelong audience for cultural differences.

The plan is to be the corporate center for individual cultural centers that are owned and operated by other individual organizations that provide culture education to a specific culture or heritage. Specific cultural centers will be charged a membership fee to be a member of the family corporation. Ideally, HCC would incorporate all cultural organization under one roof but realize that cannot always be obtainable.

HCC plans to offer dynamic and constantly-evolving programs for both the membership organization as well for the corporate center guests. Although, HCC will incorporate all culture membership organizations into the program, the Organization's focus will be on helping guests learn and become culturally aware of their own culture. Most activities and classes will be open-ended and enjoyed by guests on a walk-in basis. The *Cultural Center* will be staffed by working artist-teachers that can assist individuals with personal heritage knowledge.

The Heritage Cultural Center will be a corporation that has been founded in part by those who felt a need to provide immigrants with knowledge of their heritage. The *Cultural Center* provides young people with authentic learning experiences that engage their minds, hearts, and body. Cultural education helps students learn; it can enhance creativity, self-discipline, and the skills and confidence necessary to meet the challenges encountered during their lives.

Services

The Heritage Cultural Center will offer courses in classical & modern dance, music, art, acting, language, fitness & youth counseling; and the celebration of cultural holidays (religious & non-religious). In addition, after each semester, students will perform in a talent show for their families and friends to show off their progress as dancers, musicians, actors, and artists. The students will also be involved with friendly competitions in music, dance, and acting with other like-minded organizations. Individuals who wish to help will provide high-quality instructors, appropriate equipment, and safe facilities in which to offer these courses.

HCC will offer workshop classes geared to teach those who show an interest in their own culture. Classes will be taught daily and continue instruction for three months or one semester. In addition, HCC will host the First Friday Concert Series, the Second Sunday Family Workshop, Culture Bugs lectures for 18 - 42 month old children, Art and Cultural Colony for 4 -

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6 year old children, the Saturday Film Series, Art and Cultural Encounters outreach program, monthly docent visits led by representatives of New York area galleries and museums, and seasonal special cultural events.

Management

The management team will serve as directors and instructors for all academic classes. Each director's salary will be based on the hours they teach. Classes will be available to students at various prices per month and will be taught in three-month sessions. Each director listed below will retain directors responsibilities as well as teacher instruction. Employee Three will be the only instructor without director responsibilities but will instruct art classes.

Our senior management team will include:

CEO

The founding member and CEO of *The Heritage Cultural Center*.

Employee One - co-founder and vice president.

Employee Two - Acting Director and Teacher.

Employee Three - Dance Director.

Employee Four - Social Director.

Employee Five - Treasury and Communications.

Employee Six - Art Instructor.

Employee Seven - Music Director.

Employee Eight - Fitness Director.

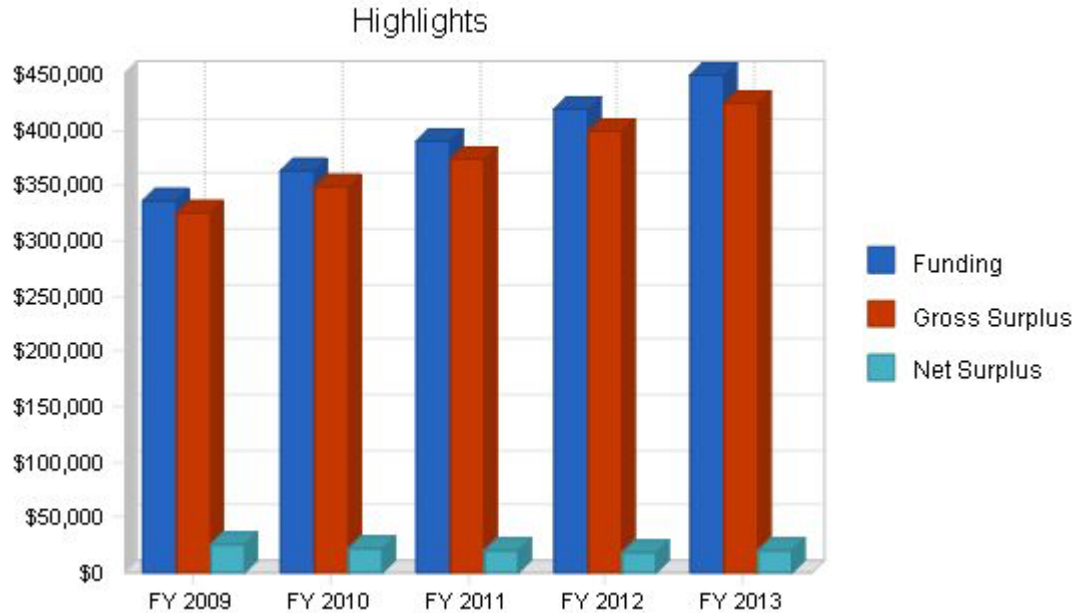
Financial Requirements

Investment

We are seeking funding for initial start-up costs of \$38,000 to be used for rent/lease requirements, leasehold improvements, office and classroom equipment, furniture, starting inventory, and initial cash to handle the first few months of expenses.

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Chart: Highlights



1.1 Objectives

The Heritage Cultural Center objectives during the first year of business are:

- To generate enough revenue from a combination of membership and admission fees, programming, outreach, retail sales, and special events to meet all financial needs
- To raise \$135,000 from new funding sources including foundation grants, government grants, and private and corporate donations
- To have 115 total paid membership
- To have 37 total paid students
- To serve 1,500 children and adults through our outreach education programs

1.2 Mission

The mission of *The Heritage Cultural Center* is seeking to promote cultural awareness by presenting opportunities for the public to learn about each specific culture through its native arts and literature. As the Organization raises cultural awareness through knowledge, HCC will foster greater cooperation and understanding in the community. *The Heritage Cultural Center* strives, through performing arts and education, to create a unique environment in which children and adults of all ages, abilities, and experience can feel free to imagine, create, and learn about their cultural background. *The Heritage Cultural Center* provides a professional work environment that is challenging, rewarding, creative, and respectful of ideas and cultures.

2.0 Organization Summary

The Heritage Cultural Center is a not-for-profit organization formed to provide a place where children and adults of all ages and abilities are encouraged to learn and develop their cultural background through education and performing arts. We plan to offer a dynamic, unique, and constantly evolving learning program for those who wish to understand their heritage. Although

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HCC will incorporate all of the different cultural programs and performing arts into our programs, the focus is on educating children and adults about their heritage. *The Heritage Cultural Center* will offer a learning experience to children and adults that will increase the level of awareness of individual culture and create an audience for cultural awareness.

The facility, proposed location in White Plains, New York, will be placed in the center of an extraordinarily diverse community, reaching out to New York, Connecticut, and New Jersey. Not only will those of Indian heritage be able to learn about their own culture through the employees, but individuals of every background will expand their knowledge through these classes as well.

An employee will offer courses in classical & modern dance, music, art, acting, language, fitness & youth counseling; and the celebration of cultural holidays (religious & non-religious). In addition, after each semester, students will perform in a talent show for their families and friends to show off their progress as dancers, musicians, actors, and artists. The students will also be involved with friendly competitions in music, dance, and acting with other like-minded organizations. Individuals who wish to help will provide high-quality instructors, appropriate equipment, and safe facilities in which to offer these courses.

HCC will offer workshop classes geared to teach those who show an interest in their own culture. Classes will be taught daily and continue instruction for three months or one semester. In addition, the Organization will host the First Friday Concert Series, the Second Sunday Family Workshop, Culture Bugs lectures for 18 - 42 month old children, Art and Cultural Colony for four - six year old children, the Saturday Film Series, Art and Cultural Encounters outreach program, monthly docent visits led by representatives of New York area galleries and museums, and seasonal special cultural events.

The Heritage Cultural Center plans to locate in White Plains, New York. Although preliminary plans are being made to find a location, we will secure space when approximately fifty percent of our start-up funding has been raised.

2.1 Start-up Summary

Start-up expense totals \$38,600 including legal costs, rent and related expenses. Start-up asset requirements include \$35,000 in short-term assets (office equipment, furniture, and stationary supplies) and \$25,000 in initial cash to handle the first few months of expenses. The details are included in the following chart and table.

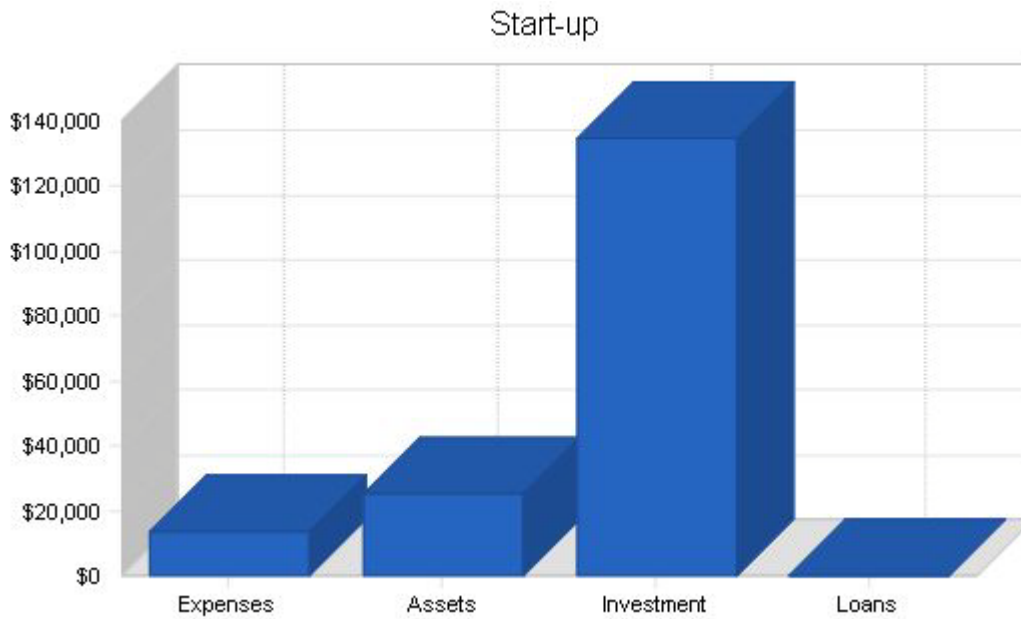
Table: Start-up

<i>Start-up</i>	
Requirements	
Start-up Expenses	
Legal	\$1,500
Insurance	\$1,000
Rent	\$3,500
Computer	\$1,500
Consulting Services	\$1,100
Stationary/Office Supplies	\$800
Advertising/Promotion	\$1,200
Website	\$800
Signage	\$1,400

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Utilities	\$800
Total Start-up Expenses	\$13,600
Start-up Assets	
Cash Required	\$25,000
Other Current Assets	\$0
Long-term Assets	\$0
Total Assets	\$25,000
Total Requirements	\$38,600

Chart: Start-up



3.0 Services

Classes

Open-Cultural Classrooms

The Heritage Cultural Center will house fifteen permanent open-cultural classrooms. These classrooms are the focus of our daily work. The resident teachers will staff the open-cultural classrooms and will provide guidance and instruction during class time. Classroom settings are informal where students are encouraged to ask questions and participate when appropriate. The remainder of class-time will be spent demonstrating their skills and knowledge of classroom assignments. Each classroom provides a unique opportunity for *The Heritage Cultural Center* to further the purpose as an educational and charitable organization. The permanent open-cultural classrooms include:

- Classroom type setting with desks and chairs - The classroom, in general, will each have a cultural theme. The decor of each classroom will be centered around a specific culture. In

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addition, the walls will be decorated with cultural artwork specific for each individual culture. Each classroom will have a cultural center, that will include a lounge with informal cushions and couches available to students who choose to review and read the literature on their own.

Concert Series

The ***First Friday Concert Series*** will begin as a bi-monthly event until *The Heritage Cultural Center* has been in operation for one full year. This programming will then be presented on a monthly basis. The programs will be one hour in length and will feature classical, jazz, and world music, as well as dance, storytelling, and theatre performances presented by some of New York's finest performers.

Family Workshops

The Heritage Cultural Center will sponsor the ***Second Sunday Family Workshop*** that will give all members of families the opportunity to create cultural art together in a positive and fun environment. The senior staff will introduce new and involved cultural processes for a creative, yet challenging experience. This workshop will meet in the Daily Special studio.

Film Series

The ***Saturday Afternoon Film Series*** will emphasize high quality videos appropriate for the viewing of all children and their families. Most films will be about the lives and work of aspiring people, composers, musicians, and dancers of their culture. Most film viewings will last approximately one hour.

Additional Programs

After *The Heritage Cultural Center* has been operating for one full year, the Organization will add additional programming, including quarterly ***Docent Visits*** by representatives of different cultural centers and museums located in the New York area. Docents will be prepared to answer questions about their culture and special exhibits, as well as help participants navigate the gallery or museum with their children.

The Heritage Cultural Center will sponsor quarterly ***Field Trips*** to various cultural destinations throughout New York, including the Art Institute of New York and the New York Symphony Orchestra.

Curiosity Shop

The Heritage Cultural Center plans to open a small ***Curiosity Shop*** that will sell affordable, quality art supplies, logo items, and music books. Most items will be made by artists and sold on a consignment basis.

3.1 Library

The facility will house an extensive non-circulating cultural children's library that will contain high quality books about the various cultures young students show interest. In addition, the Organization will provide a resource library for adults who are interested in furthering their knowledge of their own culture. The resource library will be a collection of reference books,

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museum guides, prints, postcard collections, and brochures that will enable the user to learn more about their culture by a particular artist or style that are most interesting.

Outreach Program (Future Program)

The Heritage Cultural Center is dedicated to fostering the creative spirits of all children and adults. To this end, the Organization will offer an extensive outreach program. *The Heritage Cultural Center* will provide programming that meets the needs of schools, community groups, and private organizations. Most programs will run between one and two hours in length, and most will run during regular center hours, but arrangements will be made to accommodate before and after hours programs. Representative programs include: "Culture Past and Present," "Open-Cultural Table Extravaganza," and "Global Culture." *The Heritage Cultural Center* will provide programs that will be developed and executed by resident teachers.

4.0 Market Analysis Summary

The Heritage Cultural Center will focus on families seeking knowledge about individual cultural heritage through education and performing arts. Initially, HCC will address a segment of the New York market known for its stable, family orientation, and for its willingness to support and patronize local institutions. Once established, HCC will expand focus to include the entire New York, Connecticut, and New Jersey markets.

The Heritage Cultural Center strives, through fine arts and literature, to create a unique environment in which children of all ages, ability, and experience can feel free to imagine, create, and learn their culture and include that knowledge into their lives. This environment will appeal to a broad cross-section of all families, without regard to racial, educational, or economic background.

4.1 Market Segmentation

Using a broad definition of the market, every man, woman or child is a potential consumer of the programs and services offered by *The Heritage Cultural Center*. If the Organization were to temper that broad definition with a geographic boundary of a thirty-mile radius, HCC still has the opportunity to reach a vast market, the entire county of Westchester, the south portion of Connecticut, and northern New Jersey; simply stated, there are literally thousands of households that will meet this market definition. The target market includes all men, women and children who have ancestry in other parts of the world.

HCC feels that in order to establish a foothold within this vast market and create brand awareness for the unique and high-quality programs the Organization is offering, HCC needs to focus the initial marketing efforts on a smaller market segment. The initial marketing effort will extend through the first twelve months of operation and target a market segment within a thirty-mile radius of the location. By any measure, this remains a culturally diverse populated market of approximately 21,576 households, representing 57,311 from White Plains City, New York, 915,916 from the county of Westchester, New York, 8,521,427 from the state of New Jersey and 3,394,751 from the state of Connecticut.

As a result, of scaling the initial efforts in this manner, HCC will be able to leverage strong ties within the local institutions with a broad sweeping outreach program, focused direct mail campaigns, and media placement. Once established, HCC will expand the market reach utilizing the same techniques, but scaled to reach a broader audience.

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Future Programs

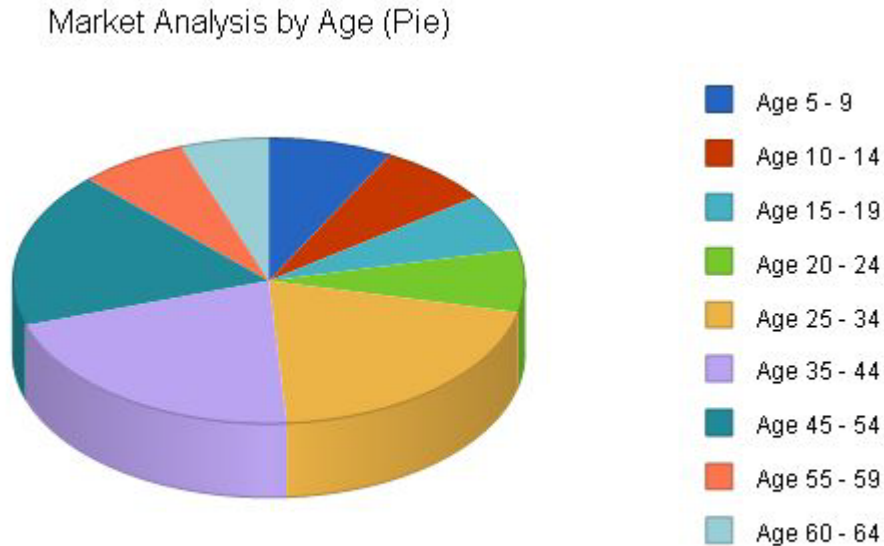
After the Organization become established with the White Plains community, the plan is to offer outreach programs that will focus primarily on serving children and in low to moderate income areas of the city of White Plains and the Westchester County. Programming will be tailored to fit the needs of children in the White Plains Public School system, as well as White Plains-based private and parochial schools. In addition, HCC's programming will extend to those children in suburban public, private, and parochial schools, home schools, and children served by Easter Seals. HCC's outreach will also extend to those children enrolled in daycare and preschool programs, and to those children who are patients at local children's hospitals.

The plan is to develop relationships with New York galleries and arts organizations with the intent of extending our outreach into communities outside the thirty-mile radius of the location. The Organization will combine programming, special events, and gallery and talent shows with these organizations.

4.1.1 Market Analysis by Age

The market analysis is based on information from the US census 2007 information. The demographics are based on age beginning with 5 years old and ending at 64. In addition, there is a growth percent listed along-side each age group. Below is a break out of that age spread.

Chart: Market Analysis by Age (Pie)



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Chart: Market Analysis by Age (Bar)

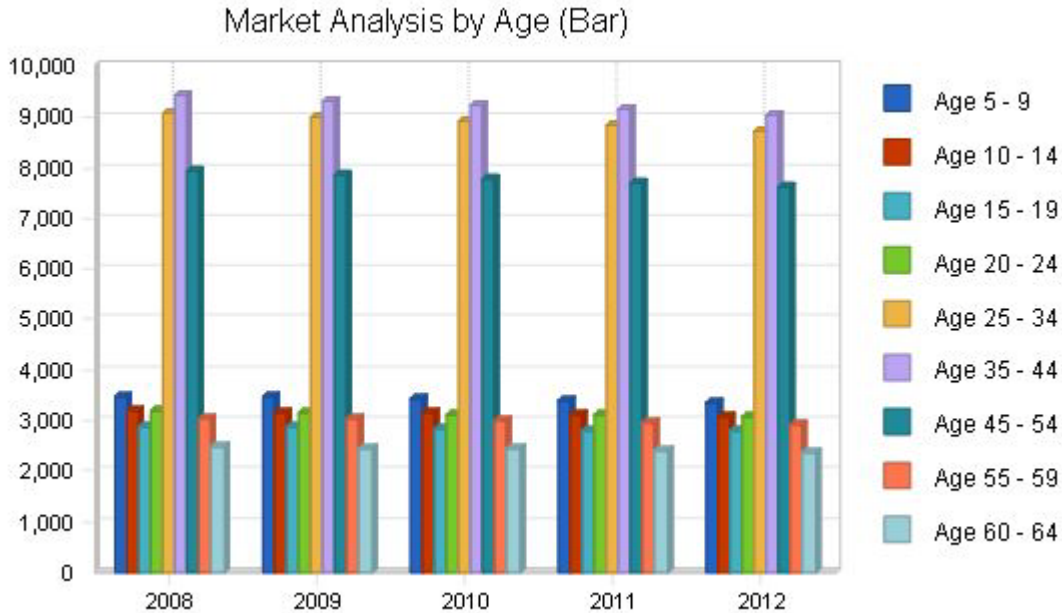


Table: Market Analysis

<i>Market Analysis</i>		2008	2009	2010	2011	2012	
Potential Customers	Growth						CAGR
Age 5 - 9	-1%	3,497	3,462	3,427	3,393	3,359	-1.00%
Age 10 - 14	-1%	3,210	3,178	3,146	3,115	3,084	-1.00%
Age 15 - 19	-1%	2,905	2,876	2,847	2,819	2,791	-1.00%
Age 20 - 24	-1%	3,206	3,174	3,142	3,111	3,080	-1.00%
Age 25 - 34	-1%	9,108	9,017	8,927	8,838	8,750	-1.00%
Age 35 - 44	-1%	9,432	9,338	9,245	9,153	9,061	-1.00%
Age 45 - 54	-1%	7,949	7,870	7,791	7,713	7,636	-1.00%
Age 55 - 59	-1%	3,060	3,029	2,999	2,969	2,939	-1.00%
Age 60 - 64	-1%	2,482	2,457	2,432	2,408	2,384	-1.00%
Total	-1.00%	44,849	44,401	43,956	43,519	43,084	-1.00%

4.1.2 Market Analysis by Race

The market analysis is based on information from the US census 2007 information. The demographics included in this section are based on race. The Organization has segregated the population with growth percentages listed along-side each race. Below is a racial list and percent of each race for the White Plains City, New York.

- White - 76%
- Black or African American - 19%
- American Indian - 0.4%
- Asian Indian - 2.1%
- Chinese - 1.3%
- Filipino - 0.56%
- Japanese - 0.64%

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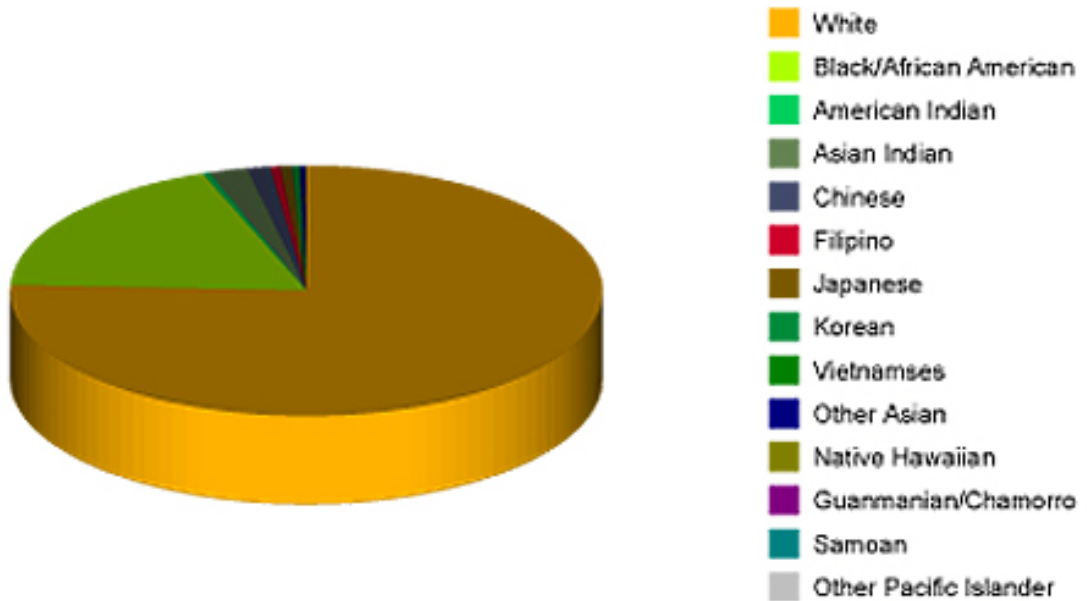
- Korean - 0.41%
- Vietnamese - 0.05%
- Other Asian - 0.22%
- Native Hawaiian - 0.001%
- Guanmanian or Chamorro - 0.01%
- Samoan - 0.01%
- Other Pacific Island - 0.05%

Table: *Market Analysis*

<i>Market Analysis</i>							
	Growth	2007	2008	2009	2010	2011	CAGR
Potential Customers							
White	-1%	34,183	33,841	33,503	33,168	32,836	-1.00%
Black/African American	-1%	8,375	8,291	8,208	8,126	8,045	-1.00%
American Indian	-1%	180	178	176	174	172	-1.13%
Asian Indian	-1%	939	930	921	912	903	-0.97%
Chinese	-1%	571	565	559	553	547	-1.07%
Filipino	-1%	255	252	249	247	245	-1.00%
Japanese	-1%	274	271	268	265	262	-1.11%
Korean	-1%	184	182	180	178	176	-1.11%
Vietnamses	-1%	26	26	26	26	26	0.00%
Other Asian	-1%	120	119	118	117	116	-0.84%
Native Hawaiian	-1%	4	4	4	4	4	0.00%
Guanmanian/Chamorro	-1%	4	4	4	4	4	0.00%
Samoan	-1%	5	5	5	5	5	0.00%
Other Pacific Islander	-1%	24	24	24	24	24	0.00%
Total	-1.00%	45,144	44,692	44,245	43,803	43,365	-1.00%

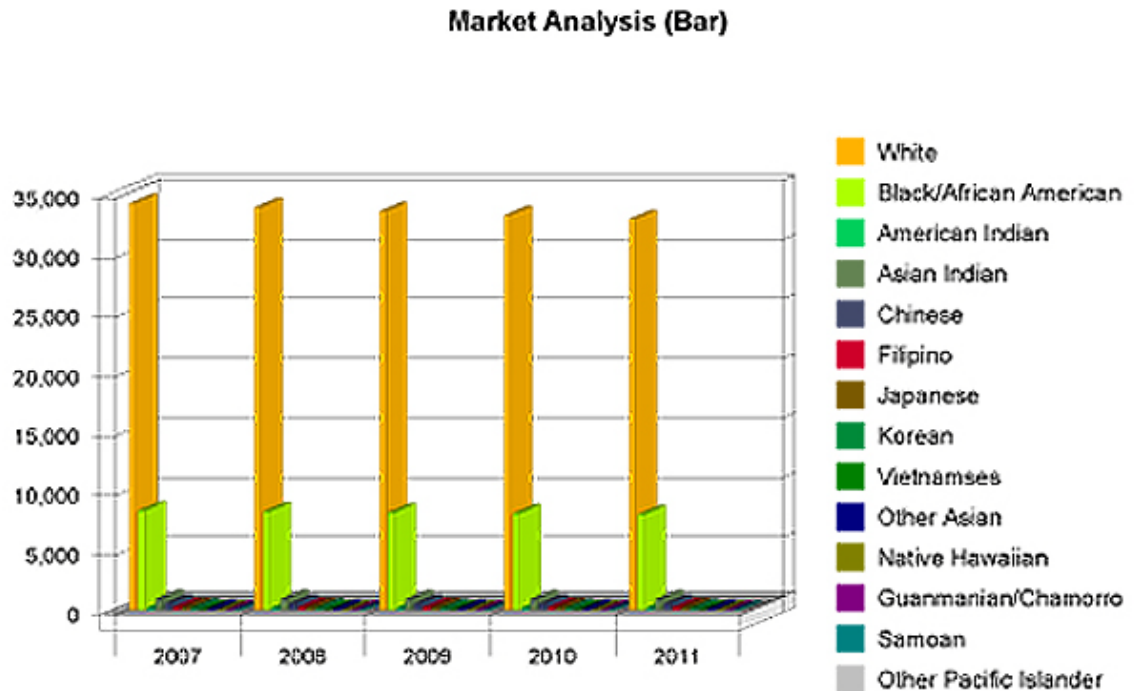
4.1.2.1 Market Analysis by Race (Pie)

Market Analysis (Pie)



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4.1.2.2 Market Analysis by Race (Bar)



4.2 Service Providers Analysis

There is no known organization in the White Plains City area that offers the unique cultural art experience provided by *The Heritage Cultural Center*.

Alternatives come from such Westchester County institutions as the **AC-BAW Center for Arts & Culture Gallery**, **Carroll-Condit Gallery**, **Castle Gallery at the College of New Rochelle**, **Charles Michael Gallery**, **Dafco's Art Gallery**, **Grand Banking Room at the Arts Exchange**, **Hudson River Museum** and **Katonah Museum of Art**. However, these institutions do not focus on the diverse ethnic background as well as will *The World Heritage Cultural Center*.

There are several area organizations where children can register for culture and art classes. Local examples include the **Castle Gallery at the College of New Rochelle** and **Grand Banking Room at the Arts Exchange**. Again, an art class for children and adults is only a part of what these institutions provide. Our facility intends to focus primarily on culture and include art to support cultural learning. We will establish cooperative relationships with these organizations with expectation that increased awareness in these types of programs will result in mutual benefit.

In a much broader sense, our competition is not limited to places offering art and museum classes. There are many external activities in which families may choose to participate. Given free time and disposable income, families may choose among a variety of activities including sports, music classes, dance classes, and park districts programs. We believe that families will recognize the benefit of an organization with a singular focus, as a means of providing knowledge, as an opportunity to enrich children as well as adult's lives, and as a fun place to spend time with their children.

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5.0 Web Plan Summary

The Heritage Cultural Center recognizes that a strong Internet presence is an opportunity to extend the market reach in a manner consistent with our mission. Initially, the direct marketing efforts will be locally focused, but will rely upon a dynamic and informative website to support the efforts, while broadcasting the message to a much larger audience. The goal of the site is to create interest, inform and raise the level of awareness with visitors, facilitate requests for membership, renewal membership and registration of classes. The Organization will direct visitors to the site through consistent references in all of the marketing materials and the strategic placement of links to the site from other related websites and search engines.

5.1 Website Marketing Strategy

The Heritage Cultural Center's website address will be included on a variety of printed HCC materials, including our quarterly newsletter and all flyers. By visiting the site, potential customers may obtain cultural information, review class listings and apply for membership. The Organization will utilize cultural pictures to help with the overall presence of the website. In addition, HCC will make available the physical address, phone number and information describing the organization on the contact page and the "about us" page.

5.2 Development Requirements

The Heritage Cultural Center website has been initially developed but has not been posted. HCC will hire an outside website company to further develop the website to meet the needs of the organization and the needs of the company.

The Heritage Cultural Center will work with this website manager to develop a simple, classy, focused site. HCC's team will work with a graphic artist to come up with the website logo, and the website graphics that represent the cultural center though each page will also include the company logo.

The maintenance of the site will be done by WebDesignMyWay itself, however, responsibility for ensuring that the site remains updated with current menus and other information will be the responsibility of *The Heritage Cultural Center* business manager.

6.0 Marketing and Fundraising Summary

Through our singular focus on culture awareness, we will be positioned as a premier source of cultural education, enrichment and enjoyment for White Plains City and the entire Westchester County. HCC anticipates attracting individuals from neighboring states such as Connecticut and New Jersey. HCC's offerings will include a diverse range of classes on a semester basis. In addition, programs and activities will be available to those who prefer to gain knowledge of their culture without having to pay for semester classes.

A key marketing strategy for *The Heritage Cultural Center* is student fees as a means of drive recurring revenue. In addition, HCC will offer membership benefits as a way to further drive revenue. By extending a value proposition to the target market in the form of comprehensive membership benefits, HCC expects to quickly expand membership. Target advertising and networking throughout a very active community will allow the Organization to focus on continually bringing first-time attendees to the culture center. Once inside, HCC will rely upon the dynamic environment and the staff to spark interest in the programs, workshops and classes. Print Advertising during the first year will be limited. HCC plans to distribute flyers through local community groups and specific art and cultural groups that directly reach the

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initial target market. As HCC expands their presence in the White Plains City and Westchester County, the Organization will scale the advertising strategy accordingly.

On-site marketing for workshops and special events represents an economical and effective way to generate revenue. By reaching attendees, people who have already made the initial step to engage in the experience, producing activities such as workshops and special events.

A strong Internet presence is an opportunity to extend the market reach. Initially, the direct marketing efforts will be locally focused, but will rely upon a dynamic and informative website to support HCC's efforts, while broadcasting the message to a much larger audience.

Building and maintaining a solid database of potential customers will be critical to the success of future programs, such as the outreach program. HCC will be planning direct mail and internet marketing campaigns, and offer general informational on-site for the future outreach program to interested groups.

The Heritage Cultural Center will begin an extensive fundraising campaign to provide the initial start-up costs. HCC's current work includes the development of prospect lists of persons who may be interested in providing a financial donation, the solicitation of support from corporations and the local business community, and the writing of grant proposals soliciting funds from New York foundations.

Approximately 60% of *The Heritage Cultural Center's* annual revenue will be generated by a combination of class and membership fees, programming, retail sales, and related activities. The remainder of our funding will be generated by:

- The writing of proposals to secure grants from foundations
- The solicitation of individuals, corporations, and small businesses
- An annual benefit concert, family benefits, and special events.
- A variety of small-scale fundraising activities.

6.1 SWOT Analysis

The SWOT analysis provides us with an opportunity to examine the internal strengths and weaknesses *The Heritage Cultural Center* must address. It also allows us to examine the opportunities presented to the cultural center as well as potential threats.

The Heritage Cultural Center will have a valuable inventory of **strengths** that will help it succeed. These strengths include:

- A knowledgeable and experienced teaching staff
 - The teachers hold a minimum five years experience in their field of expertise. In addition, teachers will have received Bachelor's or Master's degree in their identical experienced field.
- A service that will exceed cultural expectations
 - The service we will provide will benefit everyone's cultural background.

Strengths are valuable, but it is also important to realize the **weaknesses** *The Heritage Cultural Center* must address. These weaknesses include:

- A new management team

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- Lack of business experience

The Heritage Cultural Center's strengths will help it capitalize on emerging opportunities. These **opportunities** include:

- A growing need for ethnic groups to establish cultural heritage
- A growing need for families to spend quality time with each other

Threats that *The World Heritage Cultural Center* should be aware of include,

- An economic recession
 - Disposable income is what *The Heritage Cultural Center* will thrive on when the economy is doing well, however, most families tend to cut back on expenses if the economy begins to weaken and consumer disposable income decreases.
- A dependence on a changing population
 - Reports have indicated that people move, on an average, once or twice every five years making it difficult to retain consistent membership with the center as well as the classes.

6.2 Competitive Edge

The Heritage Cultural Center will start with a critical competitive edge: There is no competitor that can offer the unique art experience for children provided by *The Heritage Cultural Center*. Through the singular focus on culture awareness, HCC will be positioned as a premier source of cultural education, enrichment and enjoyment for White Plains City and the entire Westchester County. HCC anticipates attracting individuals from neighboring states such as Connecticut and New Jersey. HCC's offerings will include a diverse range of classes on a semester basis. In addition, programs and activities will be available to those who prefer to gain knowledge of their culture without having to pay for semester classes.

6.3 Marketing Strategy

Overall

A key marketing strategy for *The Heritage Cultural Center* is student fees as a means of drive recurring revenue. HCC's class fees will be structured to allow students to pay for only the classes they wish to attend. There will be a variety of classes offered and will be taught from the facility. HCC's teaching staff will be highly experienced and motivated to ensure that all students receive the best level of education. Students may take one or more classes based on their level of interest and classes will be small in size. Books and materials will be included in the class fee paid along with a ten percent discount on future classes. HCC believes that students will benefit from the education by raising the level of awareness of their own culture.

In addition, HCC will offer membership benefits as a way to further drive revenue. By extending a value proposition to the target market in the form of comprehensive membership benefits, HCC expects to quickly expand membership. HCC's membership plan will be structured to allow members to determine the frequency of visits to the culture center and the degree of participation in special programming and events. HCC will offer four levels of membership that include an "Introductory Membership," "Friend," "Frequent Member," and "Sponsor." All members will receive a ten percent discount on retail purchases, on special events and special programming. In addition, HCC will provide a quarterly newsletter that will be available to

The Heritage Cultural Center

members at the facility and on-line at the website. The newsletter will keep members informed and involved. The diverse and calendar of programs and events, coupled with the uniqueness of *The Heritage Cultural Center* experience, will deliver high member retention rates.

Print

Print advertising during the first year will be limited and placed in less expensive local media such as the White Plains Journal News and Westchester County Weekly. HCC plans to distribute flyers through local community groups. The White Plain City/Westchester County area has highly active community groups who provide a proven communication network throughout the area. As HCC expands presence in the New York area, the Organization will scale advertising accordingly: *New York, New Jersey Life, and Connecticut.*

Location

On-site marketing for workshops and special events is an economical and effective way to generate revenue. By reaching potential customers through workshops and special events, HCC can present the culturally diverse classroom programs to those who want more knowledge about their own culture, therefore, generating a high degree of interest and participation in cultural classes.

Internet

The Heritage Cultural Center recognizes that a strong Internet presence is an opportunity to extend market reach in a manner consistent with the mission. Initially, HCC's direct marketing efforts will be locally focused, but will rely upon a dynamic and informative website to support HCC's efforts, while broadcasting the message to a much larger audience. The goal of the site is to create interest, inform and raise the level of awareness with visitors, facilitate requests for membership, renewal membership and registration of classes. HCC will direct visitors to the site through consistent references in all of marketing materials and the strategic placement of links to the site from other related websites and search engines.

Programs

Building and maintaining a solid database of potential customers will be critical to the success of future programs, such as the outreach program. HCC's plan will be to develop a database of contact persons at all local and New York area schools, community colleges, universities, community groups, and private organizations whose programming serves cultural diversity. Example include White Plains Public Library branches, local public, private, and parochial elementary and high schools, local and regional Girl and Boy Scout troops and service units, art supply stores, art galleries, local churches, daycare centers and preschools, sports programs, local civic associations, and pediatric dentist and doctor offices. HCC will be planning direct mail Internet marketing campaigns, and offer general informational on-site outreach to all interested groups. Additionally, HCC will develop a prospect database of persons who may be interested in making a financial contribution and/or giving their time as volunteers.

6.4 Fundraising Strategy

Approximately 60% of *The Heritage Cultural Center's* annual revenue will be generated by a combination of class and membership fees, programming, retail sales, and related activities. HCC estimates that class and membership fees will account for a third of the annual revenue. Below includes the funding forecast table and the funding monthly chart.

- The writing of grant proposals to secure grants from New York foundations
- The solicitation of members of the Board of Directors and other individuals for financial contributions

The Heritage Cultural Center

- The solicitation of corporations and small business for financial support
- The pursuit of large-scale in-kind donations from major retailers that provide the materials and supplies that we will need. They include [Barnes & Noble Booksellers](#), [Kaplan Educational Center](#), [Sylvan Learning Center](#), and [Huntington Learning Center](#) among others. We will offer a sponsorship agreement that will provide exclusive sponsorship in their industry or market, the option to decorate the chosen sponsorship area with suitable company materials, positive PR in all printed materials and special programming, and pride in their participation in a project that is educational, charitable, and enjoyable.
- An annual benefit concert featuring a top name performer
- Family benefits and special events
- A variety of small-scale fundraising activities including Shop and Share Days at local supermarkets, bookstores and other retail outlets in which a percentage of retail sales for the day are donated to our organization, raffles of donated items, large tag sales, and movie benefits, among others.

6.4.1 Funding Forecast

Revenue will be generated by a variety of sources.

Funding resources primarily come from school district revenues for teaching. A part time instructor teaching for three hours a day, four days a week in an afternoon class shift of five to eight students would provide revenues of approximately \$600/month. In January of 2007, HCC plans to receive funding from various grants that is in the process of applying for now. HCC have been successful in applying for grants in the past and are very optimistic about receiving this type of funding in the future. Revenues brought in for the current daytime culinary arts curriculum instruction are not included in this calculation as they will continue to be taught with or without the launch of Catering For Kids. Below is a list of the classes offered and the fees will be captured in table below.

The Heritage Cultural Center

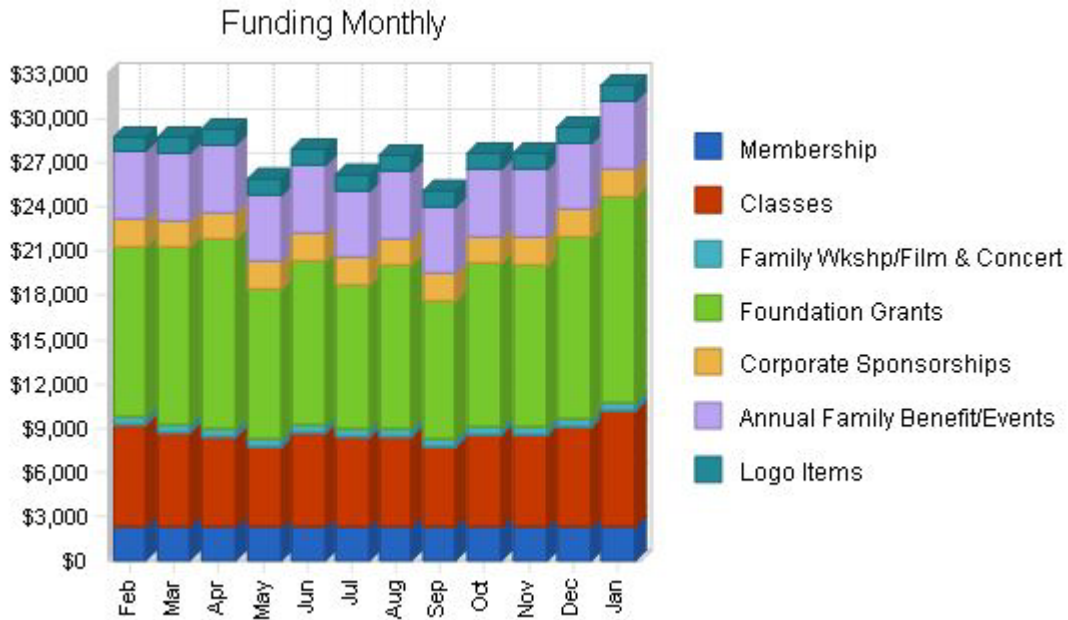
<i>The World Heritage Cultural Center</i>	Monthly Cost (\$/Month)
Dance	
Bharat Natyam	\$300.00
Khatak	\$300.00
World Latin Dances	
Hip Hop/Funk*	\$280.00
Belly Dancing*	\$280.00
Ballroom Tango*	\$280.00
Jazz*	\$280.00
Ballet*	\$280.00
* more than one class	\$400.00
Music	
Sitar	\$280.00
Tabla	\$280.00
Piano	\$300.00
Violin	\$240.00
Guitar	\$280.00
Flute	\$200.00
Drums	\$240.00
Acting	\$280.00
Art	
Painting	\$280.00
Henna Art	\$240.00
Pottery	\$400.00
Language	
English	\$200.00
Hindi	\$200.00
Spanish	\$200.00

The Heritage Cultural Center

Table: Funding Forecast

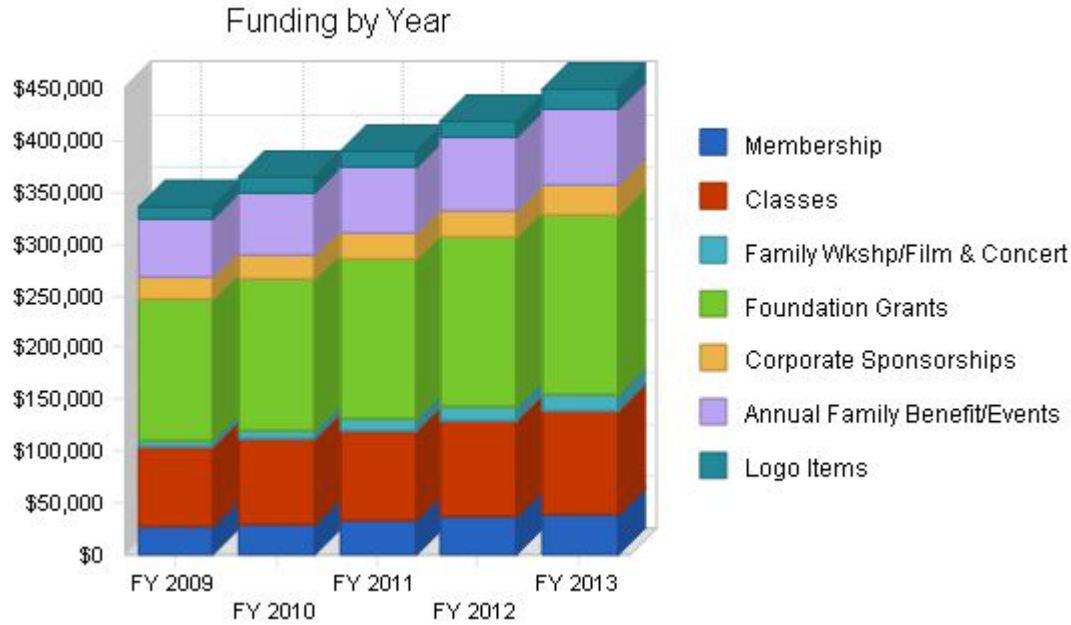
<i>Funding Forecast</i>	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Funding					
Membership	\$27,000	\$29,700	\$32,670	\$35,800	\$39,100
Classes	\$76,916	\$82,746	\$87,880	\$93,399	\$99,264
Family Wkshp/Film & Concert	\$6,260	\$8,100	\$10,250	\$13,050	\$15,550
Foundation Grants	\$136,920	\$145,519	\$154,658	\$164,370	\$174,692
Corporate Sponsorships	\$22,000	\$23,500	\$25,100	\$26,500	\$27,800
Annual Family Benefit/Events	\$55,000	\$60,000	\$65,000	\$70,000	\$75,000
Logo Items	\$12,900	\$14,500	\$15,200	\$16,800	\$18,100
Total Funding	\$336,996	\$364,065	\$390,758	\$419,919	\$449,506
Direct Cost of Funding	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Membership	\$1,130	\$1,243	\$1,367	\$1,485	\$1,593
Classes	\$2,251	\$2,415	\$2,585	\$2,631	\$2,805
Family Wkshp/Film & Concert	\$1,800	\$3,300	\$4,300	\$5,500	\$6,200
Foundation Grants	\$180	\$198	\$218	\$248	\$288
Corporate Sponsorships	\$120	\$132	\$145	\$157	\$172
Annual Family Benefit/Events	\$3,500	\$3,800	\$4,100	\$5,560	\$6,710
Logo Items	\$2,130	\$3,350	\$4,560	\$5,710	\$6,245
Subtotal Cost of Funding	\$11,111	\$14,438	\$17,275	\$21,291	\$24,013

Chart: Funding Monthly



The Heritage Cultural Center

Chart: Funding by Year



6.5 Milestones

The accompanying table lists important program milestones, with dates, responsible parties, and budgets for each. The milestone schedule indicates the emphasis on planning for implementation.

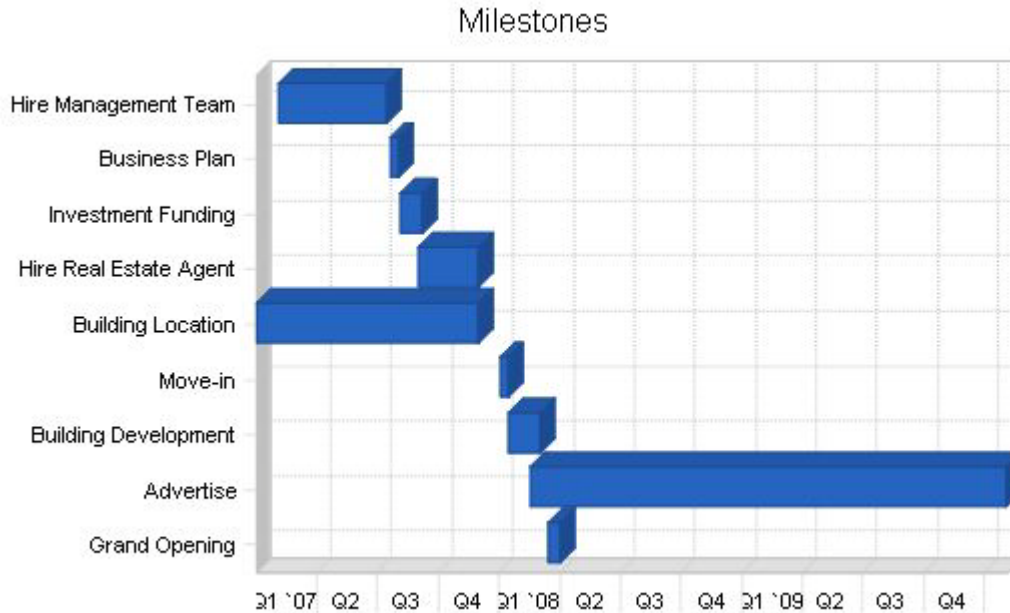
What the table does not show is the commitment behind it. This business plan includes complete provisions for plan-vs.-actual analysis, and HCC will hold follow-up meetings every month to discuss the variance and course corrections.

Table: Milestones

<i>Milestones</i>						
Milestone	Start Date	End Date	Budget	Manager	Department	
Hire Management Team	2/1/2007	7/15/2007	\$0	SP	Department	
Business Plan	7/20/2007	8/1/2007	\$0	SP	Department	
Investment Funding	8/6/2007	9/6/2007	\$0	SP	Department	
Hire Real Estate Agent	9/1/2007	12/1/2007	\$0	SP	Department	
Building Location	12/1/2007	1/1/2007	\$0	SP	Department	
Move-in	1/1/2008	1/15/2008	\$0	SP	Department	
Building Development	1/15/2008	3/1/2008	\$0	SP	Department	
Advertise	2/15/2008	2/1/2010	\$0	SP	Department	
Grand Opening	3/15/2008	4/1/2008	\$0	SP	Department	
Totals			\$0			

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Chart: Milestones



7.0 Management Summary

The management team will serve as our directors and instructors for all academic classes. Each director's salary will be based on the hours that they teach. Classes will be available to students at various prices per month and will be taught in three-month sessions. Each director listed below will retain directors responsibilities as well as teacher instruction. Employee three will be the only instructor without director responsibilities but will instruct the art classes.

The founding member of *The Heritage Cultural Center*, CEO, is uniquely qualified to bring this project to fruition. The CEO's qualifications to succeed as president and CEO of *The Heritage Cultural Center* are have been applied to her career as well as her personal life. After two years into her accounting career at IBM, the CEO graduated with a screen-play writing degree from The New York Film Academy. In addition to being an assistant director for an independent film in NY, she successfully completed two feature length scripts, and a novel in the works, just to name a few. The CEO embraces her love for the Arts. With a diverse background, of Indian descent, born in Guyana, brought up in Suriname, she has always been exposed to a wealth of different cultures. Envisioning a new and exciting way to promote Cultural Awareness, "The World Heritage Cultural Center" (WHCC) was created in 2007.

Employee One

CEO's co-founder and vice president, Employee One, graduated from the University of New York in 2002 with a Bachelors degree in communication. She has a strong passion, dedication, and unique sense for creativity and with his excellent communications skills and leadership qualities, he brings the right tools to the table as Vice President, Sports director and youth counselor of WHCC. Employee One is currently work as a business owner and part-time actor.

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Employee Two

Employee Two, Acting Director/Teacher, holds a Bachelors degree in Communications from the University of New York in 2001. He brings a wealth of talent to the WHCC by sharing his entertainment skills. He has acted in a variety of films, television specials and stage productions that have brought exceptional success to his entertainment career. A few of his Films/TV includes "Blair Witch Project," "Altered," "Law and Order," "Without A Trace," among his other talented performances. "Employee Two is a great friend, incredible teacher, and one of the most passionate actors I know. He brings to the institution many years of experience in acting and love for the Arts, the HCC is honored to have Employee Two on board as a valued member of the Acting Department."

Employee Four

Employee Four, Dance Director, received a Bachelor's degree in Fine Arts from the University of New York in 2003. Her passion and love for the arts is what brings her to HCC. A few of her accomplishments include live performances with artists like Snoop Dogg, Ultra Nate, British pop sensation Rouge, and work with several independent artists, including Chris Classic. Her choreography for Asian artist Yali Ruan, was internationally noted when the singer won 2006 Asia Top Idol. She was signed for the Chrysler/ Dodge 2006 campaign, and can be seen several in house and overseas commercials. Employee Four's latest credits include the recently released international/hollywood film, a Ra Rum Pum, 2007. Presently, she is a professional dancer and part-time actress.

Employee Five

Employee Five, Social Director, received a Bachelor's degree in Art Management from the University of New York in 2002. She brings to the HCC a broad array of talents and be a nice fit with the organization. She has taught tap, ballet, jazz, lyrical, and musical theatre to students of all ages for the past six years. Her pieces have received national recognition, as she is the recipient of numerous Platinum and Choreography awards. Employee Five has performed for over six years with "Tapping" professional rhythm tap company, with whom credits include A Tribute to Gregory Hines with Mya and the Washington, DC Tap Festival. In addition to her teaching and performance experience, Deborah works as a professional dancer and part-time teacher for our local elementary school system.

Employee Six

Employee Six, Treasury and Communications, received Bachelor's degree in History, and a Master's degree in South Asian History from the University of New York in 1998 and 2002, respectively. He has been a promising elementary school teacher for the past five years in New York. His extensive knowledge (MA in South Asian History) and his passion for teaching will bring a world of possibilities to the HCC as Treasure and Communications director for the organization. Employee Six is presently a teacher for the local elementary school system.

Employee Seven

Employee Seven, art Instructor, received his Bachelor's degree in Art Management from the University of New York in 2002. At the present time, he is a project manager/Illustrator for IBM and has enjoyed his work with IBM for the past five-years. he says, "Since I can remember I was drawing or painting. Probably from the point when I could pick up a pencil to hold. It is my passion, the thing that brings me the most joy (well aside from my children). The only way to

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describe Art for me, is that I simply lose myself in the moment." He will bring balance to the organization with his strong experience and knowledge of the art industry.

Employee Eight

Employee Eight, Music Director, holds a Bachelor's degree in Art Management from the University of New York in 2002. He brings with him a lustrous music career beginning from the time he was very young. He has creatively created music from pots and pans before training with the famous Kinnarseen in New York. His training experience allowed him to record and release several records making him one of the most distinguished musicians in New York. In addition to his recordings, Employee Eight had the opportunity to perform live an many different musical events. Presently, he is a professional singer and part-time training pilot.

Employee Nine

Employee Nine, Fitness Director, received a fitness training certificate from our local fitness institute in 2004. He is dedicated to a lifetime of helping people attain their goals in leading a healthy fit life as a professional personal fitness trainer, He contributes to a positive and disciplined environment at the HCC for the members. Currently, Employee Nine is a financial banker and part-time professional trainer.

7.1 Personnel Plan

The initial management team consists of all members within the organization.

Table: Personnel

<i>Personnel Plan</i>	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Owner/CEO	\$45,000	\$47,826	\$50,829	\$54,021	\$57,413
Vice President	\$35,000	\$37,198	\$39,534	\$42,017	\$44,656
Directors	\$46,400	\$50,011	\$54,311	\$58,612	\$62,741
Coordinators	\$6,480	\$8,022	\$11,842	\$15,332	\$17,231
Part-time Teachers	\$16,320	\$20,714	\$24,952	\$28,357	\$32,414
Total People	15	15	15	15	15
Total Payroll	\$149,201	\$163,771	\$181,468	\$198,339	\$214,455

8.0 Financial Plan

The basis for the financial planning has been looking forward with conservative estimates for revenue and expenses. HCC will be committed to consistent growth of the cash balances through prudent management of the expenses. The focus will be on maintaining a surplus of funds from year to year, while also building adequate cash reserves.

8.2 Start-up Funding

The Heritage Cultural Center's start-up funds are summarized in the following table:

- \$56,600 Required funding
- \$101,400 Total assets

The Heritage Cultural Center

- \$80,000 Liabilities
- \$35,000 Investor Investment

The additional capital is needed to fund salaries, school supplies and other costs during the first months of the business year.

Table: Start-up Funding

<i>Start-up Funding</i>	
Start-up Expenses to Fund	\$13,600
Start-up Assets to Fund	\$25,000
Total Funding Required	\$38,600
Assets	
Non-cash Assets from Start-up	\$0
Cash Requirements from Start-up	\$25,000
Additional Cash Raised	\$96,400
Cash Balance on Starting Date	\$121,400
Total Assets	\$121,400
Liabilities and Capital	
Liabilities	
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
Total Liabilities	\$0
Capital	
Planned Investment	
Owner	\$0
Investor	\$135,000
Additional Investment Requirement	\$0
Total Planned Investment	\$135,000
Loss at Start-up (Start-up Expenses)	(\$13,600)
Total Capital	\$121,400
Total Capital and Liabilities	\$121,400
Total Funding	\$135,000

8.3 Projected Surplus or Deficit

The projected annual surplus or deficit is shown on the following table. The detailed monthly projections are included in the appendices.

The Heritage Cultural Center

Chart: Surplus Yearly

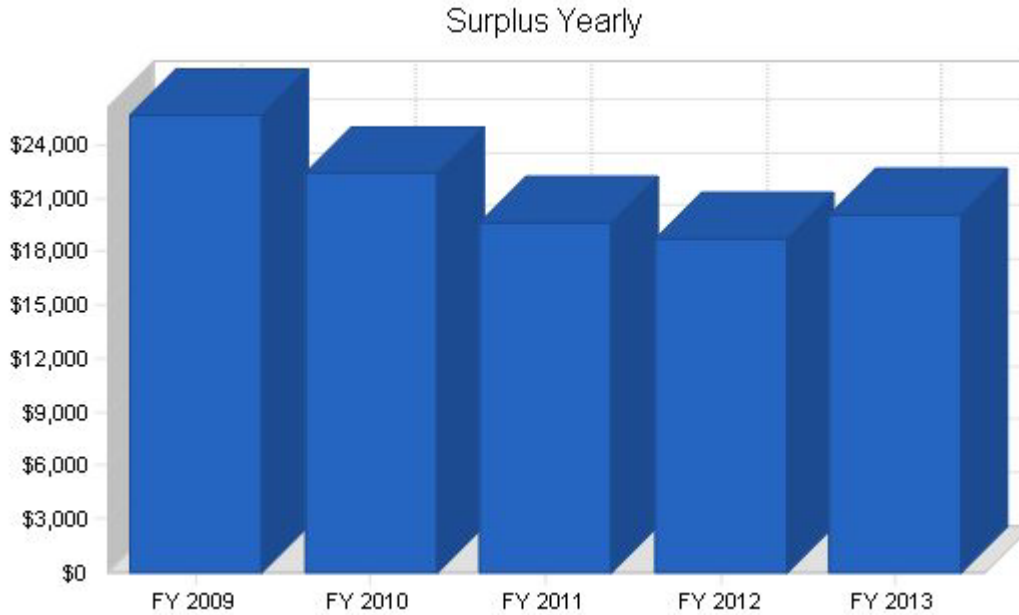


Chart: Gross Surplus Monthly



The Heritage Cultural Center

Chart: Gross Surplus Yearly

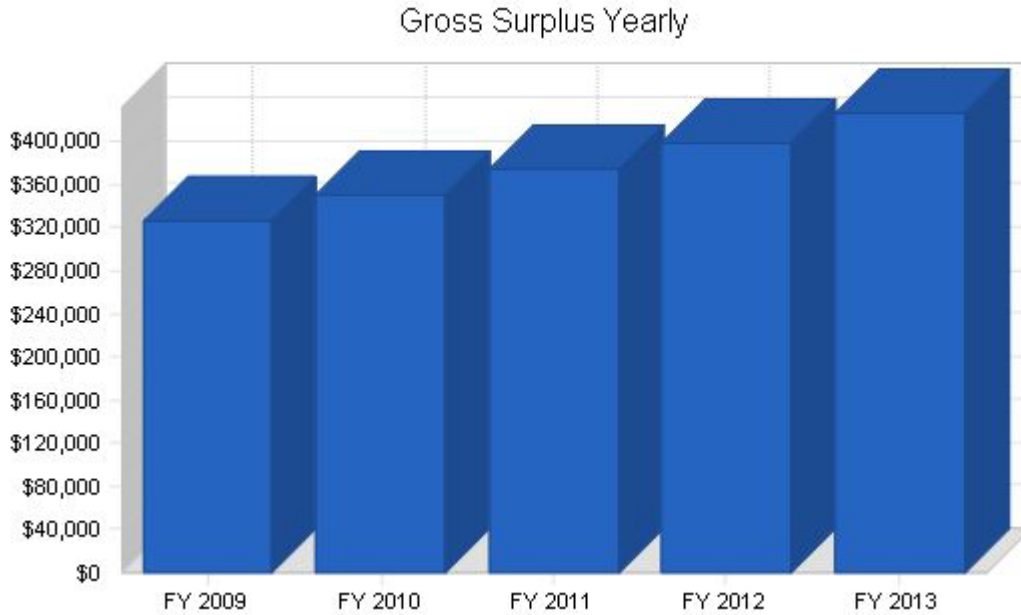
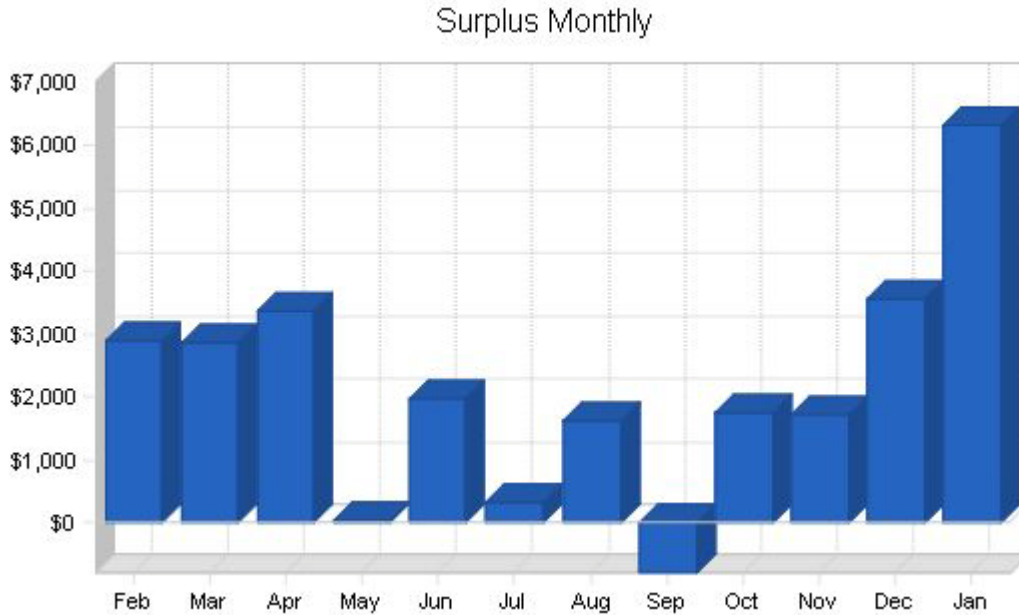


Table: Surplus and Deficit

<i>Surplus and Deficit</i>	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Funding	\$336,996	\$364,065	\$390,758	\$419,919	\$449,506
Direct Cost	\$11,111	\$14,438	\$17,275	\$21,291	\$24,013
Other Costs of Funding	\$0	\$0	\$0	\$0	\$0
Total Direct Cost	\$11,111	\$14,438	\$17,275	\$21,291	\$24,013
Gross Surplus	\$325,885	\$349,627	\$373,483	\$398,628	\$425,493
Gross Surplus %	96.70%	96.03%	95.58%	94.93%	94.66%
Expenses					
Payroll	\$149,201	\$163,771	\$181,468	\$198,339	\$214,455
Marketing/Promotion	\$7,651	\$13,211	\$15,141	\$16,414	\$18,012
Depreciation	\$0	\$0	\$0	\$0	\$0
Rent	\$50,400	\$50,400	\$50,400	\$50,400	\$50,400
Utilities	\$18,400	\$20,200	\$21,850	\$23,010	\$24,500
Insurance	\$6,228	\$6,758	\$7,405	\$7,955	\$8,412
Payroll Taxes	\$62,400	\$66,319	\$70,484	\$74,940	\$79,644
Classroom Supplies	\$3,500	\$3,800	\$4,211	\$5,445	\$6,276
Office Supplies	\$1,875	\$2,120	\$2,355	\$2,865	\$3,110
Leased Equipment	\$600	\$600	\$600	\$600	\$600
Total Operating Expenses	\$300,254	\$327,179	\$353,914	\$379,968	\$405,409
Surplus Before Interest and Taxes	\$25,631	\$22,448	\$19,569	\$18,660	\$20,084
EBITDA	\$25,631	\$22,448	\$19,569	\$18,660	\$20,084
Interest Expense	\$0	\$0	\$0	\$0	\$0
Taxes Incurred	\$0	\$0	\$0	\$0	\$0
Net Surplus	\$25,631	\$22,448	\$19,569	\$18,660	\$20,084
Net Surplus/Funding	7.61%	6.17%	5.01%	4.44%	4.47%

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Chart: Surplus Monthly



8.4 Break-even Analysis

The break-even analysis is based on the ongoing costs that are incurred to keep *The Heritage Cultural Center* operating. Fixed costs including the overhead for use of the building facility (\$3,500/mo.), utilities/contract services (\$800/mo.), payroll (\$12,400/mo.), and marketing costs are an estimated \$638 per month (\$7,651/1st year). Marketing expenses will be kept to a minimum for the first year of operation, primarily employing word-of-mouth, mailer and other inexpensive means.

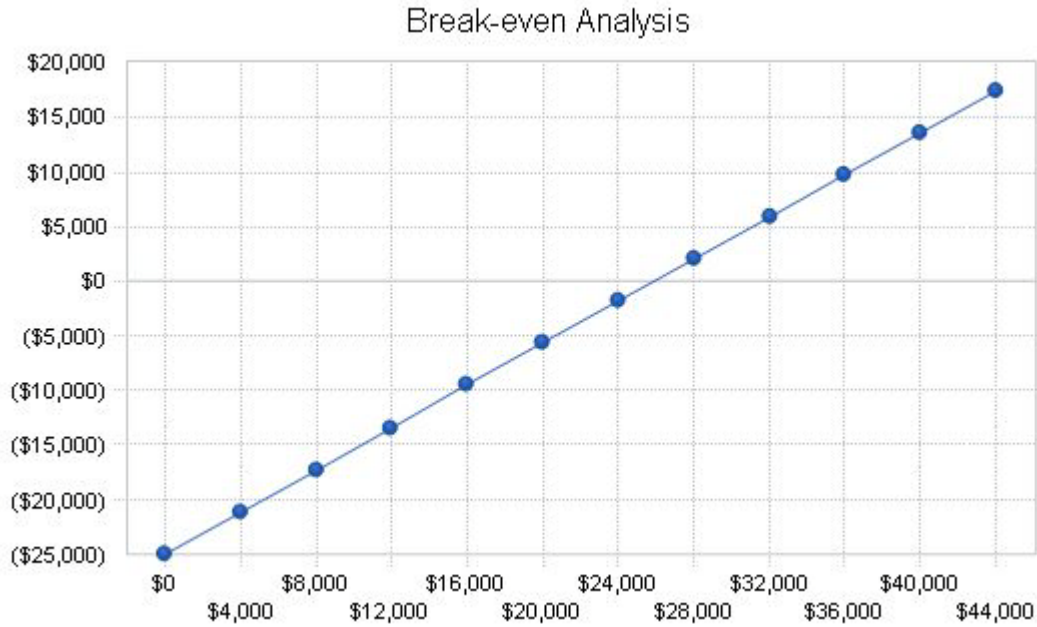
The assumptions on the average unit revenue are based on the price that will be charged for cultural classes, however this is not the only product that will be offered by *The Heritage Cultural Center*. In addition to the classes, HCC will also receive income through admission to the facility, special events, cultural concerts and miscellaneous logo items. The result of this analysis offers general insight regarding the number of classes, events, and items that must sell in order to maintain uninterrupted operation of the culture center each month.

Table: Break-even Analysis

<i>Break-even Analysis</i>	
Monthly Revenue Break-even	\$25,874
Assumptions:	
Average Percent Variable Cost	3%
Estimated Monthly Fixed Cost	\$25,021

The Heritage Cultural Center

Chart: Break-even Analysis



8.5 Projected Cash Flow

Management of cash flow is critical to success. The monthly cash flow is shown in the illustration, with the yellow bar representing the cash flow per month, and the green bar the monthly balance. The annual cash flow figures are included here and the more important detailed monthly numbers are included in the appendices. Should the monthly cash flow fail to meet expectations, directors salaries will not be paid. If further action is required, we will utilize revolving credit facilities.

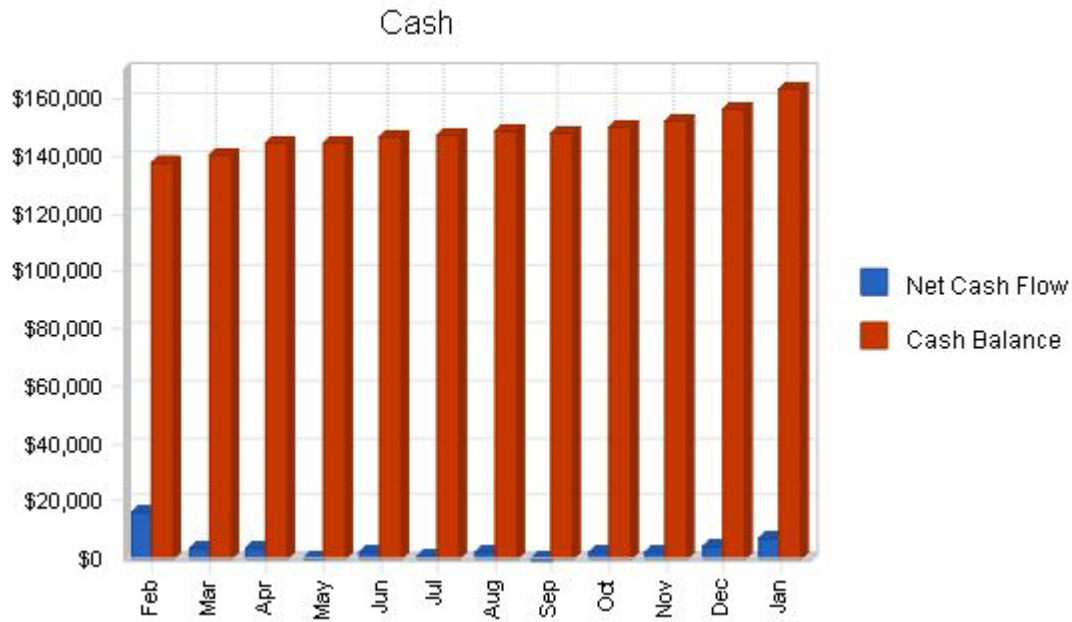
Table: Cash Flow

<i>Pro Forma Cash Flow</i>	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Cash Received					
Cash from Operations					
Cash Funding	\$336,996	\$364,065	\$390,758	\$419,919	\$449,506
Subtotal Cash from Operations	\$336,996	\$364,065	\$390,758	\$419,919	\$449,506
Additional Cash Received					
Sales Tax, VAT, HST/GST Received	\$26,555	\$28,688	\$30,792	\$33,090	\$35,421
New Current Borrowing	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$363,551	\$392,753	\$421,550	\$453,009	\$484,927
Expenditures	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013

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Expenditures from Operations					
Cash Spending	\$149,201	\$163,771	\$181,468	\$198,339	\$214,455
Bill Payments	\$149,101	\$176,292	\$188,745	\$201,835	\$213,977
Subtotal Spent on Operations	\$298,301	\$340,063	\$370,213	\$400,174	\$428,432
Additional Cash Spent					
Sales Tax, VAT, HST/GST Paid Out	\$23,208	\$23,208	\$23,208	\$23,208	\$23,208
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$321,509	\$363,271	\$393,421	\$423,382	\$451,640
Net Cash Flow	\$42,042	\$29,483	\$28,129	\$29,626	\$33,287
Cash Balance	\$163,442	\$192,924	\$221,053	\$250,680	\$283,967

Chart: Cash



The Heritage Cultural Center

8.6 Projected Balance Sheet

The following balance sheet shows our projected financial position during the next five years. The monthly estimates are included in the appendices.

Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Assets					
Current Assets					
Cash	\$163,442	\$192,924	\$221,053	\$250,680	\$283,967
Other Current Assets	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$163,442	\$192,924	\$221,053	\$250,680	\$283,967
Long-term Assets					
Long-term Assets	\$0	\$0	\$0	\$0	\$0
Total Long-term Assets	\$0	\$0	\$0	\$0	\$0
Total Assets	\$163,442	\$192,924	\$221,053	\$250,680	\$283,967
Liabilities and Capital	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Current Liabilities					
Accounts Payable	\$13,063	\$14,617	\$15,594	\$16,678	\$17,669
Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$3,347	\$8,828	\$16,411	\$26,293	\$38,506
Subtotal Current Liabilities	\$16,410	\$23,445	\$32,005	\$42,971	\$56,175
Long-term Liabilities	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$16,410	\$23,445	\$32,005	\$42,971	\$56,175
Paid-in Capital	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000
Accumulated Surplus/Deficit	(\$13,600)	\$12,031	\$34,479	\$54,048	\$72,708
Surplus/Deficit	\$25,631	\$22,448	\$19,569	\$18,660	\$20,084
Total Capital	\$147,031	\$169,479	\$189,048	\$207,708	\$227,792
Total Liabilities and Capital	\$163,442	\$192,924	\$221,053	\$250,680	\$283,967
Net Worth	\$147,031	\$169,479	\$189,048	\$207,708	\$227,792

The Heritage Cultural Center

8.7 Standard Ratios

The projected business ratios for the first five years of this plan are shown below, along with ratios for an industry profile, based on the Standard Industry Classification (SIC) Index, 8412, for Museums, Cultural Centers and Art Galleries.

Table: Ratios

<i>Ratio Analysis</i>	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Industry Profile
Funding Growth	n.a.	8.03%	7.33%	7.46%	7.05%	6.26%
Percent of Total Assets						
Other Current Assets	0.00%	0.00%	0.00%	0.00%	0.00%	43.88%
Total Current Assets	100.00%	100.00%	100.00%	100.00%	100.00%	67.72%
Long-term Assets	0.00%	0.00%	0.00%	0.00%	0.00%	32.28%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Current Liabilities						
Current Liabilities	10.04%	12.15%	14.48%	17.14%	19.78%	27.53%
Long-term Liabilities	0.00%	0.00%	0.00%	0.00%	0.00%	26.20%
Total Liabilities	10.04%	12.15%	14.48%	17.14%	19.78%	53.73%
Net Worth	89.96%	87.85%	85.52%	82.86%	80.22%	46.27%
Percent of Funding						
Funding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Gross Surplus	96.70%	96.03%	95.58%	94.93%	94.66%	100.00%
Selling, General & Administrative Expenses	89.10%	89.87%	90.57%	90.49%	90.19%	75.35%
Advertising Expenses	0.00%	0.00%	0.00%	0.00%	0.00%	1.02%
Surplus Before Interest and Taxes	7.61%	6.17%	5.01%	4.44%	4.47%	1.62%
Main Ratios						
Current	9.96	8.23	6.91	5.83	5.06	1.66
Quick	9.96	8.23	6.91	5.83	5.06	1.42
Total Debt to Total Assets	10.04%	12.15%	14.48%	17.14%	19.78%	63.23%
Pre-tax Return on Net Worth	17.43%	13.25%	10.35%	8.98%	8.82%	2.04%
Pre-tax Return on Assets	15.68%	11.64%	8.85%	7.44%	7.07%	5.54%
Additional Ratios						
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	
Net Surplus Margin	7.61%	6.17%	5.01%	4.44%	4.47%	n.a
Return on Equity	17.43%	13.25%	10.35%	8.98%	8.82%	n.a
Activity Ratios						
Accounts Payable Turnover	12.41	12.17	12.17	12.17	12.17	n.a
Payment Days	27	28	29	29	29	n.a
Total Asset Turnover	2.06	1.89	1.77	1.68	1.58	n.a
Debt Ratios						
Debt to Net Worth	0.11	0.14	0.17	0.21	0.25	n.a
Current Liab. to Liab.	1.00	1.00	1.00	1.00	1.00	n.a
Liquidity Ratios						
Net Working Capital	\$147,031	\$169,479	\$189,048	\$207,708	\$227,792	n.a
Interest Coverage	0.00	0.00	0.00	0.00	0.00	n.a
Additional Ratios						
Assets to Funding	0.48	0.53	0.57	0.60	0.63	n.a
Current Debt/Total Assets	10%	12%	14%	17%	20%	n.a
Acid Test	9.96	8.23	6.91	5.83	5.06	n.a
Funding/Net Worth	2.29	2.15	2.07	2.02	1.97	n.a
Dividend Payout	0.00	0.00	0.00	0.00	0.00	n.a

Appendix

Table: Funding Forecast

<i>Funding Forecast</i>		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Funding													
Membership	0%	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250	\$2,250
Classes	0%	\$6,944	\$6,416	\$6,218	\$5,530	\$6,490	\$6,152	\$6,152	\$5,530	\$6,284	\$6,350	\$6,878	\$7,972
Family Wkshp/Film & Concert	0%	\$522	\$522	\$522	\$522	\$522	\$522	\$522	\$522	\$522	\$522	\$522	\$522
Foundation Grants	0%	\$11,640	\$12,120	\$12,840	\$10,200	\$11,160	\$9,840	\$11,160	\$9,360	\$11,160	\$11,040	\$12,360	\$14,040
Corporate Sponsorships	0%	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833	\$1,833
Annual Family Benefit/Events	0%	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583
Logo Items	0%	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075	\$1,075
Total Funding		\$28,847	\$28,799	\$29,321	\$25,993	\$27,913	\$26,255	\$27,575	\$25,153	\$27,707	\$27,653	\$29,501	\$32,275
Direct Cost of Funding													
Membership		\$94	\$94	\$94	\$94	\$94	\$94	\$94	\$94	\$94	\$94	\$94	\$94
Classes		\$188	\$188	\$188	\$188	\$188	\$188	\$188	\$188	\$188	\$188	\$188	\$188
Family Wkshp/Film & Concert		\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Foundation Grants		\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Corporate Sponsorships		\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
Annual Family Benefit/Events		\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292
Logo Items		\$178	\$178	\$178	\$178	\$178	\$178	\$178	\$178	\$178	\$178	\$178	\$178
Subtotal Cost of Funding		\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926

Appendix

Table: Personnel

<i>Personnel Plan</i>		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Owner/CEO	0%	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750
Vice President	0%	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917
Directors	0%	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867	\$3,867
Coordinators	0%	\$540	\$540	\$540	\$540	\$540	\$540	\$540	\$540	\$540	\$540	\$540	\$540
Part-time Teachers	0%	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360
Total People		15	15	15	15	15	15	15	15	15	15	15	15
Total Payroll		\$12,434	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433

Appendix

Table: Surplus and Deficit

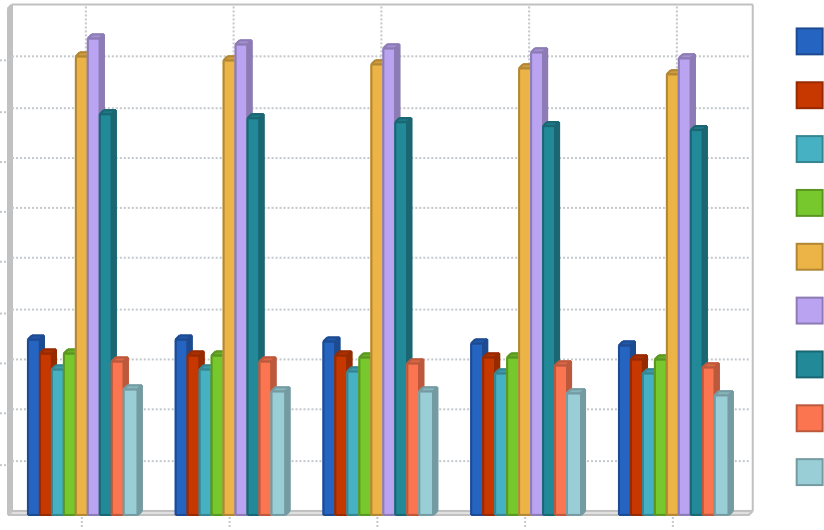
<i>Surplus and Deficit</i>		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Funding		\$28,847	\$28,799	\$29,321	\$25,993	\$27,913	\$26,255	\$27,575	\$25,153	\$27,707	\$27,653	\$29,501	\$32,275
Direct Cost		\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926
Other Costs of Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Direct Cost		\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926
Gross Surplus		\$27,921	\$27,873	\$28,395	\$25,067	\$26,987	\$25,329	\$26,649	\$24,227	\$26,781	\$26,727	\$28,575	\$31,349
Gross Surplus %		96.79%	96.79%	96.84%	96.44%	96.68%	96.47%	96.64%	96.32%	96.66%	96.65%	96.86%	97.13%
Expenses													
Payroll		\$12,434	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433
Marketing/Promotion		\$638	\$638	\$638	\$638	\$638	\$638	\$638	\$638	\$638	\$638	\$638	\$638
Depreciation		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent		\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200
Utilities		\$1,533	\$1,533	\$1,533	\$1,533	\$1,533	\$1,533	\$1,533	\$1,533	\$1,533	\$1,533	\$1,533	\$1,533
Insurance		\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519
Payroll Taxes	15%	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200
Classroom Supplies		\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292
Office Supplies	15%	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156	\$156
Leased Equipment		\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Total Operating Expenses		\$25,022	\$25,021	\$25,021	\$25,021	\$25,021	\$25,021	\$25,021	\$25,021	\$25,021	\$25,021	\$25,021	\$25,021
Surplus Before Interest and Taxes		\$2,899	\$2,852	\$3,374	\$46	\$1,966	\$308	\$1,628	(\$794)	\$1,760	\$1,706	\$3,554	\$6,328
EBITDA		\$2,899	\$2,852	\$3,374	\$46	\$1,966	\$308	\$1,628	(\$794)	\$1,760	\$1,706	\$3,554	\$6,328
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 Surplus		\$2,899	\$2,852	\$3,374	\$46	\$1,966	\$308	\$1,628	(\$794)	\$1,760	\$1,706	\$3,554	\$6,328
Net Surplus/Funding		10.05%	9.90%	11.51%	0.18%	7.04%	1.17%	5.91%	-3.15%	6.35%	6.17%	12.05%	19.61%

Appendix

Table: Cash Flow

<i>Pro Forma Cash Flow</i>		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Cash Received													
Cash from Operations													
Cash Funding		\$28,847	\$28,799	\$29,321	\$25,993	\$27,913	\$26,255	\$27,575	\$25,153	\$27,707	\$27,653	\$29,501	\$32,275
Subtotal Cash from Operations		\$28,847	\$28,799	\$29,321	\$25,993	\$27,913	\$26,255	\$27,575	\$25,153	\$27,707	\$27,653	\$29,501	\$32,275
Additional Cash Received													
Sales Tax, VAT, HST/GST Received	7.88%	\$2,273	\$2,269	\$2,311	\$2,048	\$2,200	\$2,069	\$2,173	\$1,982	\$2,183	\$2,179	\$2,325	\$2,543
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		\$31,120	\$31,069	\$31,632	\$28,042	\$30,113	\$28,324	\$29,748	\$27,135	\$29,891	\$29,832	\$31,826	\$34,819
Expenditures		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Expenditures from Operations													
Cash Spending		\$12,434	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433	\$12,433
Bill Payments		\$450	\$13,514	\$13,514	\$13,514	\$13,514	\$13,514	\$13,514	\$13,514	\$13,514	\$13,514	\$13,514	\$13,514
Subtotal Spent on Operations		\$12,884	\$25,948	\$25,947	\$25,947	\$25,947	\$25,947	\$25,947	\$25,947	\$25,947	\$25,947	\$25,947	\$25,947
Additional Cash Spent													
Sales Tax, VAT, HST/GST Paid Out		\$1,934	\$1,934	\$1,934	\$1,934	\$1,934	\$1,934	\$1,934	\$1,934	\$1,934	\$1,934	\$1,934	\$1,934
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		\$14,818	\$27,882	\$27,881	\$27,881	\$27,881	\$27,881	\$27,881	\$27,881	\$27,881	\$27,881	\$27,881	\$27,881
Net Cash Flow		\$16,302	\$3,187	\$3,751	\$161	\$2,232	\$443	\$1,867	(\$746)	\$2,010	\$1,951	\$3,945	\$6,938
Cash Balance		\$137,702	\$140,889	\$144,640	\$144,800	\$147,032	\$147,476	\$149,343	\$148,598	\$150,607	\$152,559	\$156,504	\$163,442

Chart: Market Analysis by Age (Bar)

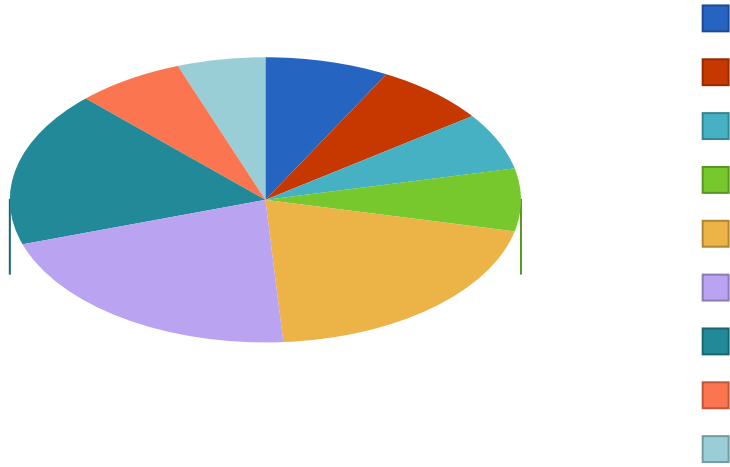


Appendix

Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>													
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
Assets	Starting Balances												
Current Assets													
Cash	\$121,400	\$137,702	\$140,889	\$144,640	\$144,800	\$147,032	\$147,476	\$149,343	\$148,598	\$150,607	\$152,559	\$156,504	\$163,442
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$121,400	\$137,702	\$140,889	\$144,640	\$144,800	\$147,032	\$147,476	\$149,343	\$148,598	\$150,607	\$152,559	\$156,504	\$163,442
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	\$121,400	\$137,702	\$140,889	\$144,640	\$144,800	\$147,032	\$147,476	\$149,343	\$148,598	\$150,607	\$152,559	\$156,504	\$163,442
Liabilities and Capital	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
Current Liabilities													
Accounts Payable	\$0	\$13,064	\$13,063	\$13,063	\$13,063	\$13,063	\$13,063	\$13,063	\$13,063	\$13,063	\$13,063	\$13,063	\$13,063
Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$339	\$675	\$1,051	\$1,165	\$1,431	\$1,566	\$1,805	\$1,853	\$2,102	\$2,347	\$2,738	\$3,347
Subtotal Current Liabilities	\$0	\$13,403	\$13,738	\$14,114	\$14,228	\$14,494	\$14,629	\$14,868	\$14,916	\$15,165	\$15,410	\$15,801	\$16,410
Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$0	\$13,403	\$13,738	\$14,114	\$14,228	\$14,494	\$14,629	\$14,868	\$14,916	\$15,165	\$15,410	\$15,801	\$16,410
Paid-in Capital	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000	\$135,000
Accumulated Surplus/Deficit	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)	(\$13,600)
Surplus/Deficit	\$0	\$2,899	\$5,751	\$9,125	\$9,172	\$11,138	\$11,447	\$13,075	\$12,282	\$14,042	\$15,748	\$19,303	\$25,631
Total Capital	\$121,400	\$124,299	\$127,151	\$130,525	\$130,572	\$132,538	\$132,847	\$134,475	\$133,682	\$135,442	\$137,148	\$140,703	\$147,031
Total Liabilities and Capital	\$121,400	\$137,702	\$140,889	\$144,640	\$144,800	\$147,032	\$147,476	\$149,343	\$148,598	\$150,607	\$152,559	\$156,504	\$163,442
Net Worth	\$121,400	\$124,299	\$127,151	\$130,526	\$130,572	\$132,538	\$132,847	\$134,475	\$133,682	\$135,442	\$137,148	\$140,703	\$147,031

Chart: Market Analysis by Age (Pie)



Appendix

Market Analysis by Race (Pie)



Appendix

Market Analysis by Race (BAR)

