BUSINESS PLAN SERIES

Financial Model Summary

Kiri Coffee Roasters: Three-Year Projections (Sample Edition, Fictional Company)

Document type	Financial model summary (companion to client spreadsheet)
Coverage	Assumptions, projections, break-even, use of funds, lender metrics
Audience	Banks, investors, and internal planning
Status	Sample work product for portfolio demonstration

This is a demonstration document built around a fictional company. All figures are illustrative and exist to show the structure and rigor of a full engagement. Client models are delivered with the editable spreadsheet behind every number.

Financial Model Summary: Kiri Coffee Roasters (Sample, Fictional Company)

How to read this sample. This summary mirrors the document a client receives alongside the editable model spreadsheet: assumptions first, projections second, lender and investor metrics last. Every figure is illustrative; the architecture, assumption discipline, and presentation are exactly what a full engagement delivers.

1. Model Architecture

The model is driver-based: revenue is never typed in directly. It is computed from subscriber counts by tier, delivery frequency, and price, so changing one assumption (for example churn) recalculates every downstream figure. Costs split into variable costs tied to delivery volume and fixed costs on a monthly schedule. This structure is what lets a credit officer or investor stress-test the plan live in a meeting.

2. Core Assumptions

Table 1. Key model assumptions (illustrative)

Driver	Assumption	Basis
Launch subscribers	150 at month 1	Pilot cohort plus waitlist conversion
Subscriber growth	12% monthly in year 1, tapering to 5% by year 3	Marketing program capacity plus referral loop
Blended revenue per delivery	$31	Tier mix from Table 2 of the business plan
Monthly churn	6% year 1, improving to 4%	Subscription e-commerce benchmarks, adjusted for freshness differentiation
Gross margin	58% rising to 64%	Equipment-driven packaging and roasting efficiency
Subscriber acquisition cost	$38 target, capped monthly	Performance-gated marketing budget

3. Three-Year Projections

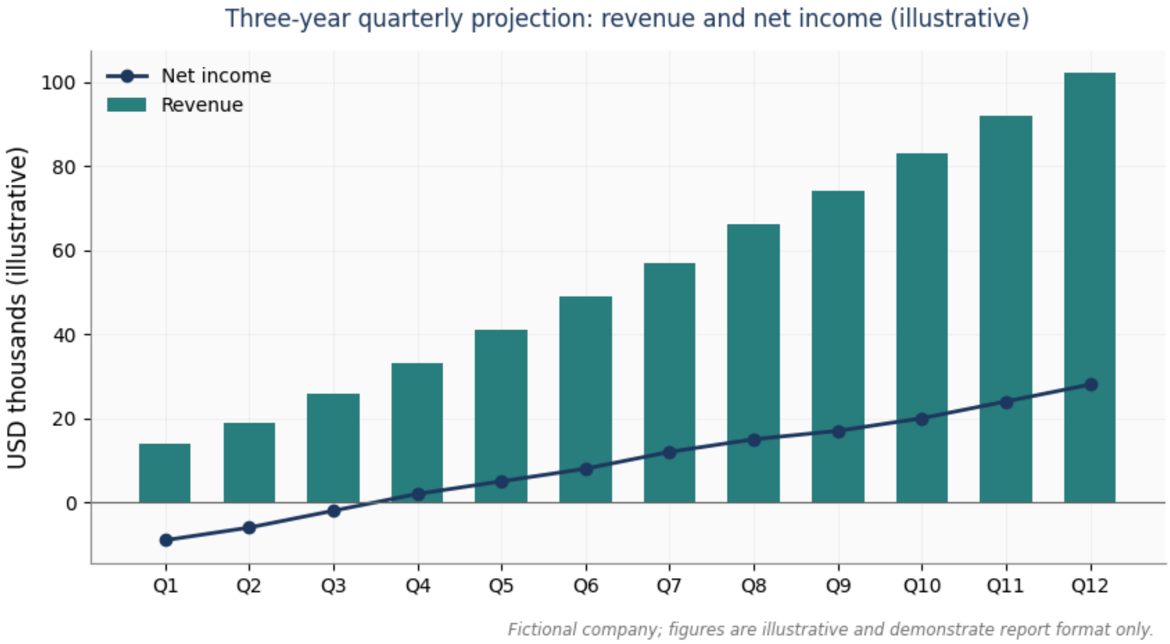

Figure 1. Quarterly revenue and net income trajectory (illustrative)

Table 2. Summary profit and loss, years 1 to 3 (illustrative, USD thousands)

Line	Year 1	Year 2	Year 3
Revenue	206	368	658
Cost of goods sold	86	144	237
Gross profit	120	224	421
Operating expenses	135	184	332
Net income	(15)	40	89

4. Cost Structure

Variable costs dominate, which is deliberate: it keeps the break-even point low and means a slow quarter reduces costs automatically rather than burning cash against fixed commitments.

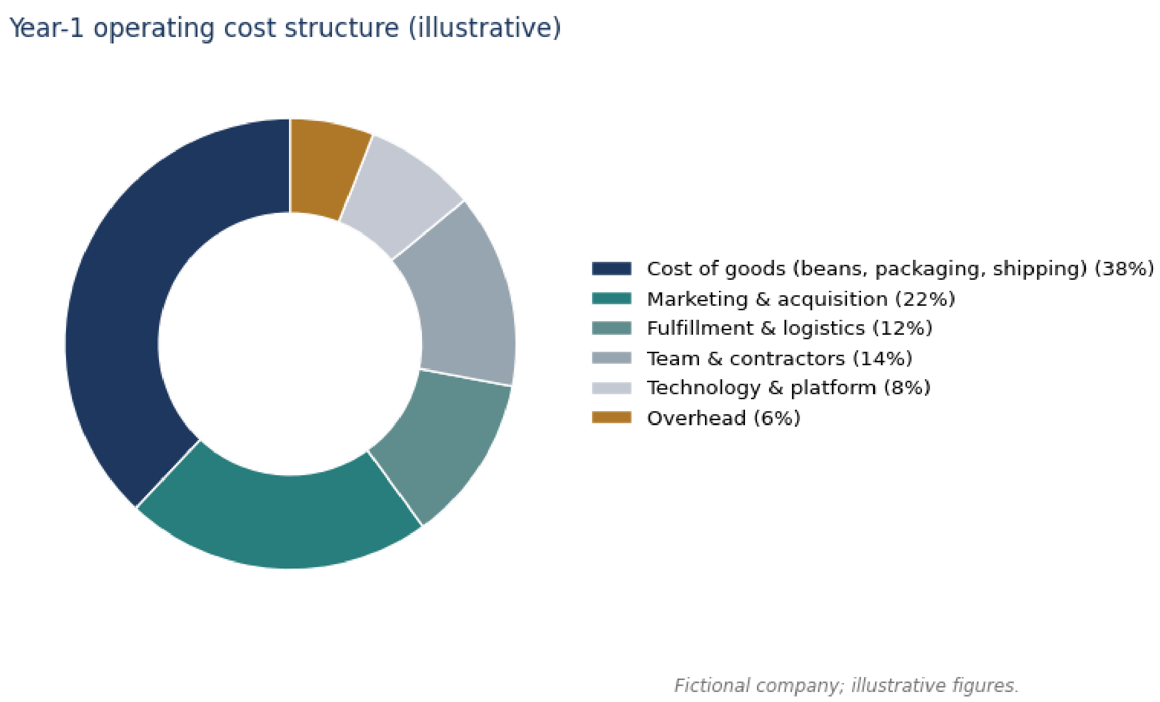

Figure 2. Year-1 operating cost structure (illustrative)

5. Break-Even Analysis

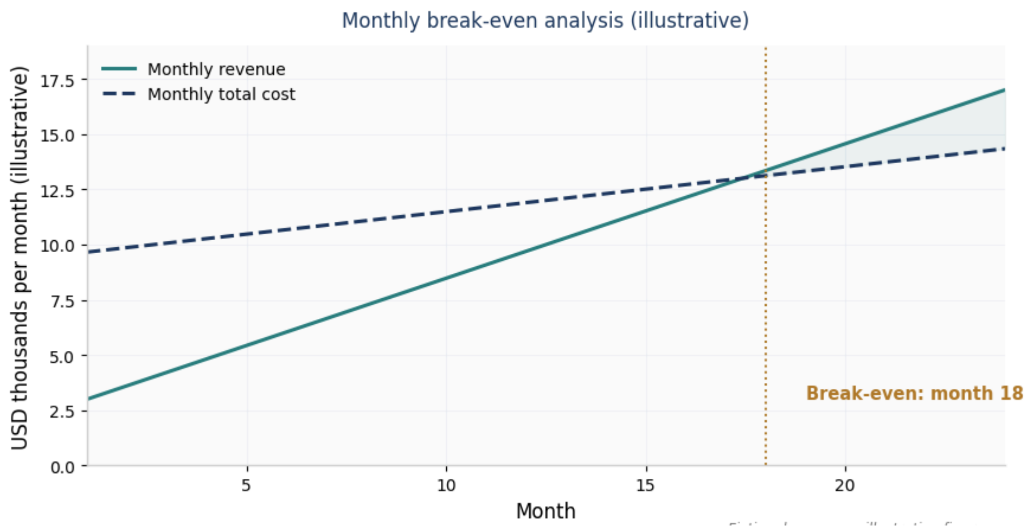

Figure 3. Monthly break-even point, crossing in month 18 (illustrative)

6. Use of Funds

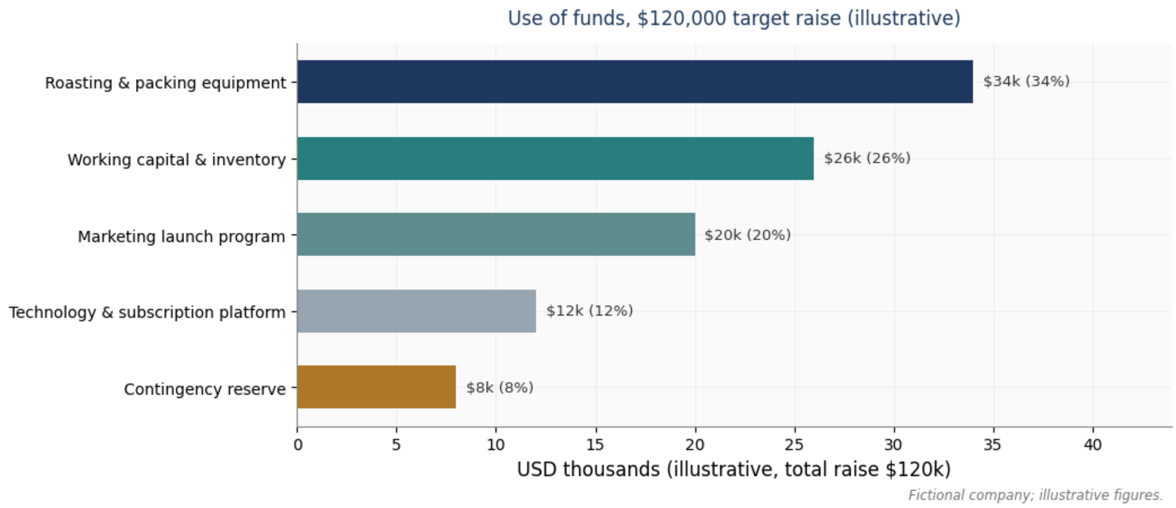

Figure 4. Allocation of the $120,000 raise (illustrative)

7. Lender and Investor Metrics

Table 3. Key metrics by audience (illustrative)

Metric	Value	Why it matters
Debt service coverage ratio (year 2)	1.6x	Above the 1.25x threshold most lenders require; supports the loan structure.
Cash runway post-raise	18 months	Covers the path to break-even with a contingency margin.
LTV to CAC ratio	4.1x	Well above the 3x benchmark investors look for in subscription businesses.
Revenue per subscriber per year	$217	Anchor for valuation and capacity planning.

8. Sensitivity and Downside Case

In a client model, three scenarios are computed in the spreadsheet: base case, downside (subscriber growth halved, churn +2 points), and upside. The summary states plainly what breaks the plan and at what values, because experienced reviewers trust a model more when its failure points are disclosed rather than hidden.

> **Confidentiality.** Client models and plans are never shared, published, or reused. This document was created solely as a portfolio demonstration around a fictional company and contains no client material.