



中国黄金
China Gold

BUSINESS PROPOSAL

- products and services
- company snapshot
- financial services





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BY ACCEPTANCE OF THIS DOCUMENT, THE RECIPIENT AGREES TO BE BOUND BY THE AFOREMENTIONED STATEMENT.





Executive Summary

Dear Sir/Madam,

Re: Immigration Business Plan for Ms. Jackie Smith, for the Gouvernement du Québec

I am pleased to inform you that I am interested in bringing my business and extensive expertise to the City of Montréal in Québec, Canada, where I hope to be a contributing member of your society through my extensive entrepreneurial skills and business acumen. My new jewellery business will be modeled on my successful Chinese company, providing customers with a range of mid to high range inventory that will attract a large span of the population. Our high-quality and contemporary jewellery products are highly desirable, made from the finest quality materials, and will appeal to the greater Canadian market. Our staff will come from the local community, providing new job opportunities with the potential for growth, and our sales and profitability will contribute to the greater Canadian economy.



I, Ms. Jackie Smith, am a skilled business professional with over 30 years of management and executive experience in the retail and wholesale industry. More specifically, I have over 15 years of direct experience, supervising and managing jewellery companies and franchise stores. My excellent leadership skills, attention to detail, and comprehensive skillset, will allow me to successfully transfer my thorough understanding of this business model to a Canadian context, where I hop to establish my new jewellery business

that will build on the consummate success of my Chinese model and counterpart. I am a confident industry professional with the skills and knowledgebase to effectively establish and run this company.



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My diverse and extensive skillset will ensure that I am able to deliver excellent customer service, while my love and passion for quality jewelry products will allow my new retail endeavour to stock quality goods that will be in-demand for local consumers. I have the necessary financial resources to carry out this new business, which will be of benefit to the greater Québec society living in the census metropolitan region of Any City, where we plan on operating this new business endeavour. I have carried out a market exploration trip that demonstrates the viability of this business venture, and this project will benefit the region with the creation of new jobs, as well as our sales contributing to the overall Canadian GDP and economy. This business plan will outline the basic elements of my new jewellery business and its placement in the Canadian economy, my market exploration, the feasibility of this project, and my financial resources. I am confident that I and my new business endeavour will be an asset to your society, and I look forward to liaising with the *Gouvernement du Québec* regarding my future business plans.

I appreciate your consideration in reviewing my business needs, and hope it will lead to the development of a long-term business relationship with the *Gouvernement du Québec*.



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Management Profile

Ms. Jackie Smith is an experienced business professional with over 30 years of experience working in managerial and executive positions for a variety of retail and wholesale stores. More specifically, for the last 15 years she has developed extensive experience working in the jewellery store industry, working in a supervisory and management position for various companies. Her expertise involves directing jewellery parent companies and their branches, associates, and affiliate companies. Within this role, she manages the daily activities and operations of these jewellery store and companies, which includes planning out work assignments, scheduling employees, assigning specific duties to these employees, and conducting employee performance reviews. In addition, from an on-site managerial perspective, she directed company and store personnel to promote and make hard-sells on specific merchandise lines, ensuring the success and profitability of these companies. This also included multi-level promotion and advertising campaigns, that targeted both larger companies, individual stores and specific merchandise, including jewellery and related produces – these campaigns were tracked for efficiency and profit margins.



At a higher level, she oversaw the directors and managers, having them perform inventory checks at store and company levels, counting stock, reconciling cash with sales receipts, and maintaining appropriate records, with necessary stock ordering when necessary. She also developed policies and monitored mid-level directors and managers in order to ensure that company and store personnel complied with necessary security restrictions, sales procedures, and record-keeping, in order to ensure the stability of stock and lessen risk at the sales level. This was complimented by exemplary customer service, addressing inquiries and concerns in a professional and positive manner. In particular, Ms. Smith was particularly skilled at liaising with VIP clients and upper level management, ensuring the utmost satisfaction of these customers. She is adept at communicating with all levels of customers and staff, utilizing excellent interpersonal skills to effectively interact with others. In addition, her excellent leadership skills have been an asset in honing management and advertising procedures, leading to increased sales and profit margins, while decreasing loss.



Current Business Profile

ABC Ltd. company structure:

- Chairman of the Board – Ms. Jackie Smith, funding 2.55 million Yuan (51% share)
- General Manager – Mr. John Smith funding 2.20 million Yuan (44% share)
- Board of Directors – Mr. John Green funding 250 thousand Yuan (5% share)
- 94 employees working on a full-time and part-time basis

Website: <http://www.anycompany.com>

Ms. Jackie Smith is the current Chairman of the Board for *1234567 China Corp Ltd., Ltd.* in China, with 51% of the company's shares. This limited liability company was established on December 31, 2008, with a total registered capital of 500 million Yuan. This wholesale and retail business specializes in gold, jewelry, and other jewelry products, specifically concentrating on Chinese gold and silver brands certified by the *London Bullion Market*. Our company sells a variety of products including fashion boutique jewellery, diamond jewellery, and high-grade jewellery lines. Our business model includes the retail, wholesale, repurchase, investment and other elements of the jewellery business. Our success is linked to being the exclusive agent of *China Gold Series Products* in Nanjing, as well as authorization from *China Gold Nanjing Regional Brand Service Center*, responsible for the management and planning of China's gold products in the area of business activities. For five consecutive years, we have been ranked first in operating performance amongst China's top gold dealers and retail sellers. In addition to Nanjing, we have more than 60 stores and cooperatives under our company model.



1234567 China Corp Ltd., Ltd. has established a sound management system based on abundant funds, modern management, a barcode-based management center, marketing information center, commodity distribution center, and clearance center. The value of gold and our quality products has lead to



our rapid expansion, new store openings, and partnerships with upper-class customers, facilitating our developmental needs. The increased market has resulted in excellent sales performance, leading to our holding a leadership role in the industry, including: being the first to open an exclusive China Gold store in Nanjing, the first to open an exclusive China Gold boutique store in the KFC Building in Nanjing, and the first single store that exceeded 200 million Yuan in sales. Since the initial establishment of our country, our yearly sales were 5000 million Yuan and current sales have increased to 1.3 billion Yuan a year.

Our company has won a variety of awards, including: China Gold Group 2010 Sales Model, 2011 Best Cooperation Award, Annual Gold Sales in China Top Ten, Annual Standard Operating Excellent Stores, Annual Sales Contribution Award, 99999 High Purity Gold Contribution Award, Best Cooperation in 2012 Award, Most Good Retail Team Award, and Most Sales Scale Award. In addition, our branches in *Nanjing Central Shopping Center*, *Nanjing Commercial Building*, and *Taiping South Road*, won the Best Cooperation Award and the Best Store Award. Furthermore, our company won the Most Satisfaction Window Company of the Provincial Federation of Industry and Commerce Chamber of Commerce award.





Quick Facts

Business Name: China Gold Corp. Investment Co., Ltd.

Business Owner(s): Ms. Jackie Smith and Mr. John Smith

Business Type: Corporation (Ms. Jackie Smith – 75% share and
Mr. John Smith –25% share)

Registered Mailing Address: To Be Determined – West Island of Downtown area of
Montréal, Any Province, Canada

Phone Number: To Be Determined

E-mail: info@gmail.com

Current Company Website : <http://www.anycompany.com>



Mission Statement

Ms. Jackie Smith will be incorporating a new company and opening a new, modern jewellery company and store in Montréal, Quebec, in the Country of Canada. Our goal is to offer a large range of high-quality and contemporary jewellery, at affordable and competitive pricing. Our pieces will appeal to a range of customers, with a variety of styles and finishes that will appeal to a wide span of the local population, as well as tourists and online customers. Our quality products are made to our highest and most discerning standards, such that they will please and inspire our customers, ensuring their loyalty, repeat business, and personal recommendations.



Description of Business

Ms. Jackie Smith is proposing the opening of a new jewellery company and store in the Montréal area of the Province of Québec, in the Country of Canada. We will seek a location of approximately 1,500 – 2,000 square feet space from which to conduct operations. The space will include extensive display cases for the showcasing our high-quality pieces, an office space, and a secure location for storing pieces and for when the business is closed. This storefront and business model will be based on high-class, successful jewellery store and companies in China, for which Ms. Smith has worked for extensively over the last 15 years. The investment budget for running the business will be between \$300,000 to \$500,000, depending on the venue, leasehold improvements required, employee salaries, and other such expenses. Our goal will be to utilize successful retail models and online promotional tools to promote and market our products in both the local and greater community. We will recruit at least one sales assistance, one security guard and one online shopping coordinator during the first 1 to 2 years of operations, providing excellent job opportunities in the local community. Once we have established ourselves, we will hire additional staff, including: one network administrator, two delivery workers, and a marketing manager. The business is structured as a corporation owned by Ms. Jackie Smith (75% share) and Mr. John Smith (25% share), who bring a strong combined skillset to this new jewellery store business, as well as a passion for quality business practices and high-class merchandise.

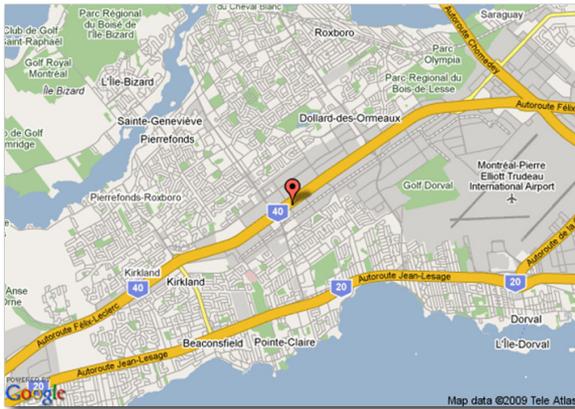




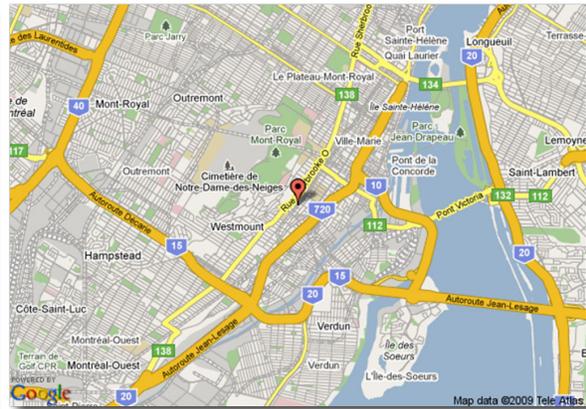
Location

China Gold Corp. Investment Co., Ltd. is currently in the process of finding an appropriate space to lease in the West Island or downtown area of the City of Montréal, in the Province of Québec. This location will be defined by an appropriate retail space that is between 1,500 to 2,000 square feet. The space will include a retail area with room for appropriate display cases, an office area, and a secure location for storing jewellery during closing hours. These two areas are characterized by excellent pedestrian traffic, high income residents, and a busy, booming retail and residential community. As such, they will prove to be ideal places from which to conduct operations.

West Island, Montréal



Downtown Montréal



Hours of Operation

The hours of operation have been designed to ensure that the maximum number of clients are serviced.

Monday to Saturday	9:00am – 9:00pm
Sunday	Closed

China Gold Corp. Investment Co., Ltd. will be open based on regular business hours, as well as potentially open for private appointments from high-end clients looking for privacy and private consultations. These hours will allow the maximum number of clients to access our retail storefront.



Products and Services

The Canadian jewelry retail sector is a diverse one, made up of a range of both low to high end retailers. Some are mainstream with multiple locations and potential franchises, others are owned and operated by head offices. In addition, a variety of stores are independently owned and run. Furthermore, retailers may operate either in concrete storefronts and/or online e-commerce websites. Many of these jewelers sell name-brand merchandise, often designed by leading retailers such as *Gucci*, *Tiffany*, *Birks*, *Paloma*, *Vuitton*, and other such household names. Others specialize in in-house designs, created by artists who specialize in unique and innovative designs.

Our specific new retail jewellery business will specialize in both a concrete retail storefront, as well as online jewellery sales through an e-commerce portal. Our diverse array of jewellery collections will encompass a variety of medium and high-end pieces. We will sell a variety of different types and forms of jewellery, including:

- Earrings
- Bracelets
- Pins
- Diamonds
- Rings
- Necklaces
- Pendants
- Assorted Gold Products



Our products come from well-known designers and product lines, ensuring name-brand recognition by our diverse clientele. In addition, we will ensure we provide a wide variety of styles and selection, such that our products will appeal to a diverse array of tastes and budgets. Our goal is to achieve the desired level of market penetration through effective marketing and sales over the next three years of operations.





Management and Company Structure

Currently, our management and company structure includes the following team members:

Management and Owners:

Ms. Jackie Smith: Director, Owner and Manager (75% Owner)

Mr. Cao Xiang: Director, Owner and Manager (25% Owner)

Affiliates:

Employment:	Position:	Salary per Hour:	# of Positions:	Hours/week:
Full-time	Sales Assistant	\$12.00	1	37.5
Full-time	Retail Sales Supervisor/Online Shopping Coordinator	\$16.00	1	37.5
Full-time	Security Guard	\$13.00	1	37.5
<i>To be hired after the first year of operations, depending on state of business:</i>				
Full-time	Network Administrator	TBD	1	37.5
Full-time	Delivery Worker	TBD	1	37.5
Part-time	Delivery Worker	TBD	1	20.0
Full-time	Marketing Manager	TBD	1	37.5

We will incorporate our company as a registered entity in the Province of Québec. All employees, including the owners, will work on a rotating shift basis to be determined based on the hours of operation. The total wages on a monthly basis payable is \$8,970, which is reflected in the projected income statement provided.





Ms. Jackie Smith: Resume and Educational Highlights

Education:

- Economics Management Diploma from the *Correspondence School of Part School of the Central Committee C.P.C.* (August 1998 – June 2001)

Work Experience:

- *Store Manager: for Nanjing City Jiangdong Supply & Marketing Cooperative Shagxinhe Department Store in China* (August 1984 – November 1995)
- *General Manager: for Jiangsu Province Supply & Marketing Head Cooperatives Jiangsu Department Building Store in China* (January 1996 – December 2001)
- *Shareholder and General Manager: of Nanjing Jinsheng Gold Jewelry Co., Ltd. in China* (January 2002 – December 2009)
- *Chairman of the Board of Directors and Legal Representative: of Jiangsu Zhongjin Gold Jewellery Investment Co., Ltd.* (August 2009 - present)

Retail Salesperson (To Be Hired):

Will perform some or all of the following duties:

- Greet customers and discuss type, quality and quantity of merchandise to be purchased
- Advise customers on use and care of merchandise, and provide advice concerning specialized products
- Estimate or quote prices, credit terms, trade-in allowances, warranties and delivery dates
- Prepare merchandise for purchase
- Assist in display of merchandise
- Maintain sales records for inventory control
- Operate computerized inventory record keeping and re-ordering systems
- May conduct sales transactions through Internet-based electronic commerce





Retail Sales Supervisor/Online Shopping Coordinator (To Be Hired):

Will perform some or all of the following duties:

- Supervise and co-ordinate sales staff and cashiers
- Assign sales workers to duties and prepare work schedules
- Authorize payments by cheque and the return of merchandise
- Sell merchandise to customers
- Resolve problems that arise, such as customer complaints and supply shortages
- Maintain specified inventory and order merchandise
- Prepare reports regarding sales volumes, merchandising and personnel matters
- Hire and train, or arrange for the training, of new sales staff

Security Guard (To Be Hired):

Will perform some or all of the following duties:

- Supervise daily operations with an eye to the security of the retail storefront
- Monitor merchandise to prevent loss by theft or damage by customers
- Monitor customers to ensure appropriate behaviour at all times
- Monitor staff, ensuring no loss of products
- Ensure high-end products are monitored, and that all products are stored in a safe location at the end of the retail day





Business Trip Diary

The following tables detail the results from our exploratory trip to look at the feasibility of carrying out business in the City of Any City, in the Province of Québec. Each day of this business trip is outlined with respect to our activities and how they contribute to our analysis of running this future business.

July 17, 2016

Time:	Visiting Content:	Results and Suggestions:
15:30	Rented vehicle at local car rental office 60 Main Road, Any City, ON	N/A
16:10	Picked up Ms. Jackie Smith 55 Main View Cres., Any City, ON, L4E 0S9	N/A
16:10 – 22:30	Travel from Any City, ON to Montréal, Any Province	N/A
22:40	Check in to <i>La Nouvel Hotel & Spa</i> 1740 Main Street Blvd., Montréal, Any Province, H3H 1R# 1-800-363-6063	Located in downtown Any City Convenient and accessible by both car, walking and public transit

July 18, 2016

Time:	Visiting Content:	Results and Suggestions:
8:30 – 9:30	Breakfast at <i>Hinnaw Bros Bagel</i> 2002 Main Mackay, Montréal, Any Prov- ince, H3G 2J1	N/A
9:30 – 10:30	Visit to <i>Concordia University</i> 1455 De Maisonneuve Blvd. West, Mon- tréal, Any Province, H3G 1M8	Interest in Canadian zoning, allowing the building of campus on both sides of a major roadway
11:00 – 12:40	Visit to <i>McGill University</i> for campus tour 845 Sherbrooke St. West, Montréal, Any Province, H3A 0G4	History and reputation of interest to Ms. Smith, who is considering sending her daughter to this world renowned institution
12:40 – 14:00	Visit to <i>David Yurman</i> 1300 Main Sherbrooke West, Montréal, Any Province, H3G 1H9 (514) 842-5111 ext. 445 Clara Foussier, cfoussier@davidyurman.com	Privately held American designer jewelry company. Prices are considerable higher with respect to similar level diamonds, versus Ms. Smith's products – will probably be more competitive in the Montréal market.



14:30 – 17:00	Back to hotel due to heavy rainstorms	N/A
17:30 – 19:00	Dinner at <i>Restaurant PM</i> 1809 Main Sainte-Catherine, Montréal, Any Province, H3H 1M2 (514) 931-8889	N/A
19:40	Back to hotel for the evening	

July 19, 2016

Time:	Visiting Content:	Results and Suggestions:
8:40 – 9:20	Breakfast at <i>PHO Thanh Nam Quay</i> 120-740 Cote-vertu, St. Laurent, Any Province, H4L 5C8	N/A
10:00 – 11:30	Office of Jian Wang, local real estate agent Suite 222, 740 Cote Vertu, St. Laurent, Any Province, H4L 5C8 (514) 831-1824 Information about houses, condomini- ums, and businesses in Montréal	Ms. Smith interested in a variety of businesses, including: coffee shops, fast-food chains, and jewelry stores. Obtained a variety of related infor- mation.
11:30 – 12:40	Visit to two coffee shop in a local office building 2101 Main Street Blvd., Montréal, Any Province	Selling 1,800 square feet for \$800,000
13:00 – 14:00	Visit to <i>Restaurant Devi</i> , an upscale Indi- an eatery with happy hour 1450 Main Crescent, Montréal, Any Prov- ince, H3G 2B6	Selling for \$400,00 or may join in brand for \$10,000 – Ms. Smith not interested in this business.
14:00 – 15:30	Visit to Bijouterie Sarah, owned by Mr. Chen 1500 Atwater, Montréal, Any Province, H3Z 1X5 (514) 846-9304, (514) 927-4703	Mr. Chen's advice for Ms. Smith: not easy to run a jewelry business in Montréal, should sell watches and jewelry together, and if we purchase his store, must also purchase his inventory – Ms. Smith not interested in this business.
16:00 – 18:00	Picked up Jennifer, <i>Trudeau International</i> <i>Airport</i> 12300 Services A – 4 Street Mirabel, Any Province, J7N 1E8	N/A
18:30 – 21:00	Dinner at <i>Petit Agneau</i> 50 De La Gauchetiere Ouest, Montréal, Any Province, H2Z 1C1 (514) 393-0888	N/A
19:40	Back to the hotel for the evening	



July 20, 2016

Time:	Visiting Content:	Results and Suggestions:
8:00 – 8:30	Breakfast at <i>McDonalds</i>	N/A
9:00 – 10:40	Visit to <i>Bijouterie Italienne</i> 192 Main St-Zotique East, Montréal, Any Province, H2S 1K8 (514) 279-5585 ext. 224 Agnes Saade	Have many stores in China. Prices are competitive but diamond quality is not top grade. We will get further information from booklets and mag- azines.
10:40 – 11:10	Appointment with lawyer	
11:10 – 11:30	Meeting at <i>Board of Trade of Metropolital Montréal</i> Patricia Grzesiak, advisor, interconnec- tion program 380 Main Saint-Antoine Ouest, Bureau 6000, Montréal, Any Province, H2Y 3X7 (514) 871-4000, pgrzesiak@cmm.Any Province.ca	They do not have much information about the jewelry industry. Referred Ms. Smith to Info Entrepreneurs de- partment for more information.
11:30 – 12:40	<i>Info Entrepreneurs</i> 380 Main Saint-Antoine Ouest, Bureau 6000, Montréal, Any Province, H2Y 3X7 Linda Boisvert, Advisor, Business Support Program (514) 496-4636 ext. 2910, lboisvert@ infoentrepreneurs.org Guillaume Lapalme (514) 496-4636, glapalme@infoentrepre- neurs.org	Linda will e-mail relevant jewelry industry information to Jennifer. Cuillaume has already sent jewelry industry data to Jennifer's email.
13:30 – 17:00	Meeting with Domenico Baldino, Project Manage, Business Immigrants, <i>Investisse- ment Québec</i> 413 Main Saint-Jacques, Bureau 500, Montréal, Any Province, H2Y 1N9 (514) 873-7068 Interpreter: Ms. Fu Discussion about future plans for busi- ness and personal/family in Québec with client. Introduction to Québec economic environment and the relevant industry information about our client.	Received package with information from Domenico



July 21, 2016

Time:	Visiting Content:	Results and Suggestions:
8:20 – 9:10	Breakfast at <i>McDonalds</i>	N/A
9:10 – 11:30	<p>Jean Archambault, MBA, ING, PME-MTL West-Island 7300 Trans Canada, 4th Floor, Pointe-Calire, Any Province, H9R 1C7 (514) 426-2888 ext. 212, jarchambault@pmemtl.com</p> <p>Introduction about the West Island Region:</p> <ul style="list-style-type: none"> - Great environment with high technology, high education rates, dynamic business climate, extensive resources, affordable cost of living. - Unique location with Any City-Trudeau airport at its heart, just one hour driving distance to the U.S. border, and all major modes of transportation are available here. - Main industries are management, accounting, manufacturing, pharmaceuticals, aerospace, etc. 	<p>Provided a comprehensive and useful information package.</p> <p>Referred a lawyer: Flaine, (514) 604-8891</p> <p>Referred a CPA: Denis, (514) 813-9007</p> <p>Will provide more information at a later date if needed.</p>
12:00 – 14:00	<p>Visit to <i>Birks</i>, a prestigious Canadian jewelry retailer 6815 Route Transcanadienne, Unit B006, Point-Claire, Any Province, H9R 1C4 Irina Lemeshko, store manager, ilemeshko@maisonbirks.com, (514) 697-5180</p>	<p>No <i>Birks</i> branch in China. All stores owned by one person – no franchising available. Providing package of information.</p>
14:00 – 15:30	<p>Alison Birss, Conseiller, PME-MTI West-Island 7300 Trans Canada, 4th Floor, Pointe-Claire, Any Province, H9R 1C7 (514) 426-2888, ext. 217, abirss@pmemtl.com</p> <ul style="list-style-type: none"> - introduced the environment of West Island (60 – 70% speak English, 90% bilingual) - advantages of geography - suggestion re: focus on online sales, combined retailers, wholesales and online together 	<p>She will send the financial and business plan forms to Jennifer's email. In addition, she will send real estate agent contacts to Jennifer via email.</p>



15:30 – 16:00	Return to hotel	N/A
16:00 – 18:00	Dropped off Jennifer, <i>Trudeau International Airport</i> 12300 Services A – 4 Street Mirabel, Any Province, J7N 1E8	N/A

July 22, 2016

Time:	Visiting Content:	Results and Suggestions:
8:50 – 9:30	<i>Breakfast at Tim Hortons</i>	N/A
9:30 – 12:00	Visit to <i>Basilique Notre-Dame</i> 110, Main Notre-Dame West, Montréal, Any Province, H2Y 1T1 Major Montréal and Canadian landmark.	N/A
12:30 – 14:00	Visit to Vieux Port 333 Main de la Commune West, Montréal, Any Province	N/A
14:00 – 15:00	Lunch in Chinatown	N/A
15:00 – 17:00	Dropped off Mr. Xia, <i>Trudeau International Airport</i> 12300 Services A – 4 Street Mirabel, Any Province, J7N 1E8	N/A
17:00 – 19:00	Visit to local schools: 1. <i>Selwyn House Association</i> (boys only private school) 95 Chemin de la Cote-Saint-Antoine, Westmount, Any Province, H3Y 2H8 2. <i>The Lower Canada College</i> (boys only private school) 4090 Royal Avenue, Montréal, Any Province, H4A 2M5	N/A

July 23, 2016

Time:	Visiting Content:	Results and Suggestions:
9:30 – 15:00	Visit to <i>Premium Outlets Montréal</i> 19001 Chemin Notre Dame, Mirabel, Any Province, J7N 0T1	Purchase of goods for friends and family.
15:00 – 17:00	Walk on Main Sainte-Catherine – commercial pedestrian street of Montréal	Purchase of goods and viewing commercial retail climate in this major area.



July 29, 2016

Time:	Visiting Content:	Results and Suggestions:
9:50	Check out from <i>La Nouvel Hotel & Spa</i> 1740 Main Street Blvd., Montréal, Any Province, H3H 1R# 1-800-363-6063	N/A
10:00 – 16:00	Drive back to Any City	N/A

This trip was conducted in order to make valuable industry contacts, analyze the nature of the jewelry retail industry in the Montréal region, and look at schools for her children, in preparation for potentially moving her family to this region. This preparatory work is essential to ensure that our business will be launched in a positive and successful manner, such that it will be on both personal benefit to Ms. Smith, as well as of economic value to both the Province of Québec, and the greater Canadian GDP.





The following table looks at the change in population from the various neighbourhood subdivisions in the City of Montréal, demonstrating the growth of the region between 2011 and 2016.²

Montréal (Ville) – Neighbouring census subdivisions, population change, 2011 to 2016

Table 1 Montréal (Ville) – Neighbouring census subdivisions, population change, 2011 to 2016

Census subdivision (CSD) name	CSD type	Population		
		2016	2011	% change
<u>Brossard Census subdivision - Brossard, Ville</u>	V	85,721	79,273	8.1
<u>Saint-Lambert Census subdivision - Saint-Lambert, Ville</u>	V	21,861	21,555	1.4
<u>Boucherville Census subdivision - Boucherville, Ville</u>	V	41,671	40,753	2.3
<u>Longueuil Census subdivision - Longueuil, Ville</u>	V	239,700	231,409	3.6
<u>Varenes Census subdivision - Varenes, Ville</u>	V	21,257	20,994	1.3
<u>Repentigny Census subdivision - Repentigny, Ville</u>	V	84,285	82,000	2.8
<u>Terrebonne Census subdivision - Terrebonne, Ville</u>	V	111,575	106,322	4.9
<u>Laval Census subdivision - Laval, Ville</u>	V	422,993	401,553	5.3
<u>Montréal-Est Census subdivision - Montréal-Est, Ville</u>	V	3,850	3,728	3.3
<u>Westmount Census subdivision - Westmount, Ville</u>	V	20,312	19,931	1.9
<u>Montréal-Ouest Census subdivision - Montréal-Ouest, Ville</u>	V	5,050	5,085	-0.7
<u>Côte-Saint-Luc Census subdivision - Côte-Saint-Luc, Ville</u>	V	32,448	32,321	0.4
<u>Hampstead Census subdivision - Hampstead, Ville</u>	V	6,973	7,153	-2.5
<u>Mont-Royal Census subdivision - Mont-Royal, Ville</u>	V	20,276	19,503	4.0
<u>Dorval Census subdivision - Dorval, Ville</u>	V	18,980	18,208	4.2
<u>Kirkland Census subdivision - Kirkland, Ville</u>	V	20,151	21,253	-5.2
<u>Sainte-Anne-de-Bellevue Census subdivision - Sainte-Anne-de-Bellevue, Ville</u>	V	4,958	5,073	-2.3
<u>Senneville Census subdivision - Senneville, Village</u>	VL	921	920	0.1

² "Montréal, Ville (CSD) - Québec." Focus on Geography Series, 2016 Census. Statistics Canada. <http://www12.statcan.gc.ca/census-recensement/2016/as-sa/fogs-spg/Facts-csd-eng.cfm?GC=2466023&GK=CSD&LANG=Eng&TOPIC=1> (02/09/17).



Table 1 Montréal (Ville) – Neighbouring census subdivisions, population change, 2011 to 2016

Census subdivision (CSD) name	CSD type	Population		
		2016	2011	% change
<u>Dollard-Des Ormeaux Census subdivision - Dollard-Des Ormeaux, Ville</u>	V	48,899	49,637	-1.5
<u>La Prairie Census subdivision - La Prairie, Ville</u>	V	24,110	23,357	3.2
<u>Sainte-Catherine Census subdivision - Sainte-Catherine, Ville</u>	V	17,047	16,762	1.7
<u>Kahnawake Census subdivision - Kahnawake, Indian reserve</u>	IRI	incompletely enumerated Indian reserve or Indian settlement. "	incompletely enumerated Indian reserve or Indian settlement. "	incompletely enumerated Indian reserve or Indian settlement. "
<u>Deux-Montagnes Census subdivision - Deux-Montagnes, Ville</u>	V	17,496	17,552	-0.3
<u>Sainte-Marthe-sur-le-Lac Census subdivision - Sainte-Marthe-sur-le-Lac, Ville</u>	V	18,074	15,689	15.2
<u>Pointe-Calumet Census subdivision - Pointe-Calumet, Municipalité</u>	MÉ	6,428	6,396	0.5
<u>Oka Census subdivision - Oka, Municipalité</u>	ME	3,824	3,969	-3.7

Furthermore, the City of Montréal is part of the larger census metropolitan area of Montréal, which had a population of 4,098,927 in 2016, which was an increase of 4.2% from previously recorded 2011 census data. This larger region encompasses an area of 4,604.26km², and has a population density of 890.2 people/km². This was complemented by 1,727,310 private dwellings, up 4.1% from previous 2011 census data.³ Based on data collected and released by the 2011 National Household Survey, 8% of private households had an income of over \$80,400 in 2010, which can be assumed to be higher in the time that has lapsed since then. A further 4.2% had incomes higher than \$102,305, and 1.0% had incomes higher than \$191,150. These incomes and a further breakdown can be seen in the subsequent table.⁴

³ "Montréal, (CMA) – Quebec." **Focus on Geography Series, 2016 Census**. Statistics Canada. <http://www12.statcan.gc.ca/census-recensement/2016/as-sa/fogs-spg/Facts-cma-eng.cfm?GC=462&GK=CMA&LANG=Eng&TOPIC=1> (02/09/17).

⁴ "Montréal, (CMA) – Quebec." **NHS Focus on Geography Series**. Statistics Canada. <http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/fogs-spg/Pages/FOG.cfm?GeoCode=462&lang=E&level=3> (modified 04/13/16).



Table 2 – Population aged 15 years and over by total income, Montréal, Quebec, Canada
Table summary

Table 2 – Population aged 15 years and over by total income, Montréal, Quebec, Canada

Total income	Montréal (CMA)	Quebec	Canada
Population 15 years and over by total income (count)	3,120,055	6,474,590	27,259,525
Without income or less than \$27,815 (%)	51.9	51.9	50.0
Without income or less than \$12,025 (%)	25.9	24.5	25.0
\$12,025 to \$27,814 (%)	26.0	27.3	25.0
\$27,815 and over (%)	48.1	48.1	50.0
\$27,815 to \$51,304 (%)	25.9	27.6	25.0
\$51,305 and over (%)	22.2	20.6	25.0
\$80,420 and over (top 10 percent) (%)	8.0	6.7	10.0
\$102,305 and over (top 5 percent) (%)	4.2	3.3	5.0
\$191,150 and over (top 1 percent) (%)	1.0	0.7	1.0

A national map showing the spatial distribution of persons with total income in the top five percent of persons with the highest total income is also available. [Canada. Percentage of population in top five percent of total income in 2010 by 2011 census division \(CD\)](#)

With this high percentage of the population with high levels of income, residents in the census metropolitan area of Montréal, will be able to make purchases from high end jewelry retailers, for whom our outstanding products will distinguish purchasers for their high levels of taste and sophistication. As such, we have chosen an excellent area of the country, which has the economic integrity to support our new business endeavour.





Industry Overview and Position

The retail industry continues to grow, meeting the increasing demand of North American consumers. With increased amounts of disposable income due to increased salaries and therefore rising household income, consumers have more funds to invest in jewelry and related products. According to Statistics Canada, businesses such as this fall under NAICS 448310 – Jewellery Stores:⁵

This industry comprises establishments primarily engaged in retailing jewellery, sterling and plated silverware, and watches and clocks. These establishments may provide services such as cutting and mounting stones and jewellery repair.

According to the *Government of Canada*, this industry is comprised of 4,875 businesses based on 2015 data, with 99.6% of these businesses having between 0 and 99 employees. Furthermore, the average revenue of these businesses was documented as \$424.8 thousand, with a profitability of 77.3%.⁶ The presence of such jewellery stores in the Canadian market is further analyzed by *IBISWorld*, who states that this is a \$3 billion industry, with an annual growth of -0.1% between 2011 and 2016. This more recent report calculates 3,852 businesses in the Canadian market, with approximately 19,201 employees.⁷ Furthermore, a recent report by *Euromonitor International*, discusses “Canada’s growing population of foreign residents and international visitors from China drove significant investment and the expansion of globally-renowned brands in fine jewellery in Canada in 2015 and 2016.” Furthermore, the same report states the following:⁸

The recent influx of luxury brands and department stores is expected to significantly elevate the retail landscape in Canada, adding further incentive for growth in luxury shopping tourism for the country throughout 2016-2021. Euromonitor International estimates inbound trips by Chinese tourists, a key market segment for sales of fine jewellery, to grow by 3% by 2019, and overall inbound trips to grow by a CAGR of 2% from 2016-2020. The number of foreigners taking up residence in Canada is expected to grow by 24% from 2015-2030, making up nearly 7% of the population by 2030. Vancouver and Any City are expected to continue to capture the majority of this growth, creating strong opportunity for jewellery retailers to prosper in these cities.

As such, Ms. Smith has chosen an ideal area of the province and country to open this new jewellery store business.

⁵ “448310 Jewellery Stores.” *North American Industry Classification System (NAICS) Canada 2007*, Statistics Canada. <http://stds.statcan.gc.ca/naics-scian/2007/cs-rc-eng.asp?criteria=44831> (04/01/14).

⁶ “Jewellery Stores – 44831.” *Summary – Canadian Industry Statistics*, Government of Canada. <http://ito.gc.ca/app/scr/app/cis/summary-sommaire/44831> (modified 02/21/17).

⁷ *Jewellery Stores in Canada: Market Research Report*, IBISWorld. <https://www.ibisworld.ca/industry/jewellery-stores.html> (August 2016).

⁸ “Jewellery in Canada.” *Euromonitor International*. <http://www.euromonitor.com/jewellery-in-canada/report> (July 2016).



Competition

The jewellery store industry is a competitive one, made up of a variety of diverse competitors that appeal to a range of peoples and income levels. Our new jewellery retail storefront will sell a variety of products from the mid to high-range, which will appeal to a diverse array of shoppers. Our competition will stem from both luxury and mainstream retail jewellery stores. With regards to high-end jewellery retailers, competition will come from several high-end, luxury retailers including *Tiffany & Co.*, *Birks*, *Bijouterie Everest Inc.* and *Chateau D'Ivoire*. The first two in this list are well-known Canadian chains, while the latter two are popular high-end Quebecois stores. All are known for their high price-points and quality, high-end products. For medium-end retailers, there is an extensive array of independent jewellery stores in the Montréal retail market, including but not limited to: *Ecksand*, *Argent Tonic Laurier*, *Eternal Diamonds*, and *Freitag Concept*. While all of these stores will form a source of competition, our new retail storefront will stand out from its competition by providing exemplary quality jewellery products for affordable pricing, in comparison to our competitors. In addition, our product lines will be well-known from the highest quality, reputable designers, but with competitive market pricing. In addition, we will distinguish ourselves with exemplary customer service and a focus on meeting the most discerning needs of our clientele. This will lead to positive word-of-mouth and repeat customers, such that we will quickly establish ourselves as the foremost provider of high-end jewellery in the Montréal and Greater Canadian consumer market.

TIFFANY & CO.

EVEREST
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CHÂTEAU D'IVOIRE

BIRKS

bar à bijoux[®]
ARGENT TONIC

ECKSAND
MONTREAL

ETERNAL
DIAMONDS



Seasonal Factors

As an experienced business professional, I am aware of the effects of seasonality on my business venture, specifically based on our industry related experience and research. One can conservatively forecast that revenues will tend to up by approximately 20%/month for the month of January and February, which can be attributed to the Chinese New Year, Lunar Calendar related holidays and Valentine's Day which is celebrated in February. Revenues will decrease by 20% in the month of March and then stay consistent between April and June. I have also factored in holidays including Mother's Day and Father's Day, which will contribute to sales. In July, revenues tend to go down by approximately 10%/month, and this can be attributed to the fact that this is prime vacation time. In August, revenues will increase by 20% mainly associated with Chinese Valentine's Day. In September, revenues will stay consistent up until October, followed by a 10% increase in November and a 20% increase during the month of December. During this time, many people hold group occasions for various holidays including Christmas, New Years, etc., for which our products will appeal as gift items. We are confident that by this time, a solid reputation will be built up for our company and we will have established its presence in the marketplace.





Marketing Plan

Target Market

Our business does not seek to target a specific market or demographic, but rather seeks to appeal to all demographics, genders and age groups. The average Canadian consumer is familiar with jewellery stores and their varied product lines, though we understand that it will take time to gain name-brand recognition. We will make a point of advertising our business and products in galleries, special events, trade shows and other such events. In addition, specialty galleries, events and parties will be contacted in order to display and retail representation pieces and samples, in order to gain recognition for our quality pieces. This may lead to the ordering and further reordering of pieces to replenish stocks and broaden product offerings. In addition, through exhibitions, we will be able to showcase our pieces, which may be purchased outright or used to refer customers to our website, where they may purchase pieces via e-commerce methods. Our company will target e-commerce clients and internet shoppers, allowing us to increase retail sales through our e-commerce portal. We will maintain and grow our customer base by providing outstanding customer service and exemplary jewellery products.





Pricing Strategy

There is quite a bit of diversity in pricing given our jewellery offerings, giving consumers options, while still allowing them value for their spending capacity.

- Pricing: base price = (cost of materials + packaging + (delivery and freight if applicable) x 4 + pro-rated hourly labour rate + 10% of total overhead costs
- Example: a necklace may retail at \$37, based on \$5 of supplies, packaging, labour (30 minutes), and hourly labour rate – this pricing will then be adjusted based on the uniqueness of the piece and market value
- Range of Prices can be estimated as follows:
 - Range of prices of bracelets/bangles: \$100 - \$1,000
 - Range of prices of rings: \$200-\$10,000
 - Range of prices of earrings: \$200-\$10,000
 - Range of prices of necklaces: \$100-\$20,000
- Paid when products are received (retail storefront) via cash, credit or debit options





Advertising

In order to ensure that *Jackie Smith* establishes ourselves as a successful jewellery business, it is essential that we run a thorough and comprehensive advertising campaign that will ensure we continue to gain name brand recognition and attract a variety of customers. Primarily, we will be using social media to target a large number of clients, using sites such as *Facebook*, *Twitter* and *Instagram*, as well as a corporate website that we will develop once we have established the necessary paperwork and immigration to Canada. In addition, we plan on continuing to gain name brand recognition on *Google* and ratings specific websites, which will further increase our popularity with local residents and those looking for new retail jewellery options. We will also expand our corporate website which is currently based out of China to reflect our presence once we establish ourselves in the Canadian market. We will also have regular promotions that will attract new clientele and retain current clientele. Furthermore, we will consider investing in advertising in local magazines and websites, in addition to utilizing flyers and promotional coupons to drum up interest and increase sales. We are confident that through effective advertising, we will create name brand recognition that will aid us in building and maintaining a substantial population of loyal and regular clientele.





Recognition of Risks

This business plan represents my best estimate regarding the future performance and potential of this business venture. It should be recognized that not all major risks can be accurately predicted or otherwise avoided. I can confidently say that based on my extensive experience, company structure and motivation, I will run this business successfully. As per the opening balance sheet, I have injected over \$346,000 of my own funds into applying for immigration consideration. I am ambitious and hard-working, and feel that I possess the necessary skillset to successfully run this business. A management salary will commence starting in the 2nd year of operations pending the profitability of this business and will be only paid to Ms. Jackie Smith.





Financial Snapshot

Key Financial Metrics and Assumptions

- I have assumed a minimum of \$75,000 in total sales as an initial starting point for revenues as reflected in Month 1 on the projected income statement which is assumed to be January 2018. I believe this is conservative including a combination of different jewellery pieces sold at different price points.
- The following growth rates and assumptions have been used to project the income statement and are conservative in nature:
 - o Revenues are assumed to increase by 20%/month between January-February – mainly attributed to Chinese New Year and Valentines Day holidays
 - o Revenues are assumed to decrease at a rate of 20%/month for the month of March
 - o Revenues are assumed to stay consistent between the months of April-June
 - o Revenues are assumed to decrease by 10%/month between the months of July – mainly attributed to vacations and less attendance
 - o Revenues are assumed to grow at rate for 20%/month for the month of August mainly associated with Chinese Valentines Day
 - o Revenues are assumed to stay consistent between the months of September-October
 - o Revenues are assumed to grow by 10% on the month of November as people are preparing to buy gifts for upcoming Christmas holidays and take advantage of early promotions and also Black Friday associated Shopping days
 - o Revenues are assumed to grow at a rate of 10%/month for the month of December – mainly attributed to the busy holiday season including Christmas and other holidays celebrate mainly associated with gift giving
- Cost of Goods Sold is conservative and represents 74% of estimated and projected revenues reflective of costs associated with making jewellery, importing, freight and duties
- Salaries and benefits will include \$5,262.50/month payable. This number is reflective of 3 employees as outlined in the Management and Company Structure Section



- Owners have sufficient funds personally on-hand and no management salary will be paid in the first year of operations. A management salary will be paid starting in the 2nd year of operations for \$4,000/month and will increase to \$10,000/month in the 3rd year assuming the business is profitable
- Rent is estimated to be \$3,000 including all taxes, maintenance and insurance
- Business Insurance is estimated to be \$2,500/year to protect all perils
- Utilities includes \$550 including hydro and gas. Approximately \$150 will be allocated for internet and telephone expenses
- Bank charge are assumed to be \$100/month
- Depreciation – Calculated using Straight Line Method- estimated useful life for equipment is 15 years and 30 years for leasehold improvements
- Professional Fees are estimated to be \$2,000/year for accounting and payroll administration which equates to \$166.67/month
- Office supplies and general represents an approximate monthly expense of \$75/month
- Advertising expense is set at \$3,000/month based on previous methods mentioned
- Equipment lease represents a monthly expense of \$1,000 associated with equipment to cut and modify jewellery pieces as needed
- Transportation costs is estimated to be \$2,000/year mainly associated with the owner attending conferences and events
- Estimated fixed costs in the 1st year will exceed \$360,675
- Total Start-up Costs is estimated to be \$346,528 as per opening balance sheet
- Sales are assumed to be \$939,259 in the 1st year with a net profit of \$65,743
- Sales are assumed to be \$1,542,534 in the 2nd year with a net profit of \$65,289
- Sales are assumed to be \$2,533,279 in the 3rd year with a net profit of \$168,780

NOTE: PROJECTIONS ARE CONSERVATIVE IN NATURE BASED ON INDUSTRY EXPERIENCE, SIGNIFICANT RESEARCH AND FINDINGS



Appendix

Opening Balance Sheet

Assets		Year 1
Current Assets		
Cash		143,478
Accounts receivable		
Inventory		100,000
Prepaid expenses		12,000
Short-term investments		
	<i>Total current assets</i>	255,478
Fixed (Long-Term) Assets		
Leasehold Improvements		80,000
Equipment		10,000
-		-
-		-
	<i>Total Fixed (Long-Term) Assets</i>	90,000
Other Assets		
Legal Fees		1,050
Franchise Fee		-
	<i>Total Other Assets</i>	1,050
Total Assets		346,528
Liabilities and Owner's Equity		
Current Liabilities		
Accounts payable		-
Short-term loans		-
Income taxes payable		-
Accrued salaries and wages		-
Bank Loan		-
	<i>Total current liabilities</i>	-
Long-Term Liabilities		
		-
		-
	<i>Total long-term liabilities</i>	-
Total Liabilities		-
Owner's Equity		
Stock		-
Retained earnings		-
Shareholder loan		346,528
	<i>Total owner's equity</i>	346,528
Total Liabilities and Owner's Equity		346,528

Assumptions:

Initial 3-months of operating expenses (accommodate shortfalls)	\$50,000.00
Marketing/Advertising costs	\$80,000.00
GST and QST Applicable In Province Of Quebec	\$13,477.50
Total Opening Cash Balance	\$143,477.50

Prepaid Expense represents First and Last Months Space associated with Commerical Lease



Projected Income Statement - Year 1

Projected Income Statement - 1st Year - 12 Months													
<i>Period/Month:</i>	<i>Month 1</i>	<i>Month 2</i>	<i>Month 3</i>	<i>Month 4</i>	<i>Month 5</i>	<i>Month 6</i>	<i>Month 7</i>	<i>Month 8</i>	<i>Month 9</i>	<i>Month 10</i>	<i>Month 11</i>	<i>Month 12</i>	<i>Totals</i>
Sales													
Sales	\$75,000.00	\$90,000.00	\$72,000.00	\$72,000.00	\$72,000.00	\$72,000.00	\$64,800.00	\$77,760.00	\$77,760.00	\$77,760.00	\$85,536.00	\$102,643.20	\$939,259.20
Total Sales	\$75,000.00	\$90,000.00	\$72,000.00	\$72,000.00	\$72,000.00	\$72,000.00	\$64,800.00	\$77,760.00	\$77,760.00	\$77,760.00	\$85,536.00	\$102,643.20	\$939,259.20
Less Cost of Goods Sold													
Cost of Merchandise (Including Freight and Delivery Charge)	\$55,575.00	\$66,690.00	\$53,352.00	\$53,352.00	\$53,352.00	\$53,352.00	\$48,016.80	\$57,620.16	\$57,620.16	\$57,620.16	\$63,382.18	\$76,058.61	\$695,991.07
Total Cost of Goods Sold	\$55,575.00	\$66,690.00	\$53,352.00	\$53,352.00	\$53,352.00	\$53,352.00	\$48,016.80	\$57,620.16	\$57,620.16	\$57,620.16	\$63,382.18	\$76,058.61	\$695,991.07
Gross Profit	\$19,425.00	\$23,310.00	\$18,648.00	\$18,648.00	\$18,648.00	\$18,648.00	\$16,783.20	\$20,139.84	\$20,139.84	\$20,139.84	\$22,153.82	\$26,584.59	\$243,268.13
Operating Ex penses													
Salaries and Benefits	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$5,262.50	\$63,150.00
Professional Fees	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$2,000.00
Lease/Rent Payment (Including Taxes, Maintenance & Insurance)	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$36,000.00
Insurance	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$2,500.00
Transportation Costs	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$2,000.00
Telephone, Internet & Utilities	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$6,600.00
Advertising/Promotion	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$45,000.00
Bank charges	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,200.00
Depreciation (Leaseholds & Equipments)	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$3,333.33
Equipment Lease	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$12,000.00
Office supplies & general	\$75.00	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$3,741.67
Total Operating Ex penses	\$13,806.94	\$14,065.28	\$14,065.28	\$14,065.28	\$14,065.28	\$14,065.28	\$15,565.28	\$15,565.28	\$15,565.28	\$15,565.28	\$15,565.28	\$15,565.28	\$177,525.00
Operating Income Before Taxes	\$5,618.06	\$9,244.72	\$4,582.72	\$4,582.72	\$4,582.72	\$4,582.72	\$1,217.92	\$4,574.56	\$4,574.56	\$4,574.56	\$6,588.55	\$11,019.31	\$65,743.13



Projected Income Statement - Year 2

Projected Income Statement - 2nd Year- 12 Months

Period/Month:	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Totals
Sales													
Sales	\$123,171.60	\$147,805.92	\$118,244.74	\$118,244.74	\$118,244.74	\$118,244.74	\$106,420.26	\$127,704.31	\$127,704.31	\$127,704.31	\$140,474.75	\$168,569.70	\$1,542,534.11
Total Sales	\$123,171.60	\$147,805.92	\$118,244.74	\$118,244.74	\$118,244.74	\$118,244.74	\$106,420.26	\$127,704.31	\$127,704.31	\$127,704.31	\$140,474.75	\$168,569.70	\$1,542,534.11
Less Cost of Goods Sold													
Cost of Merchandise (Including Freight and Delivery Charge)	\$91,270.16	\$109,524.19	\$87,619.35	\$87,619.35	\$87,619.35	\$87,619.35	\$78,857.41	\$94,628.90	\$94,628.90	\$94,628.90	\$104,091.79	\$124,910.14	\$1,143,017.78
Sales Commissions Payable	\$6,158.58	\$7,390.30	\$5,912.24	\$5,912.24	\$5,912.24	\$5,912.24	\$5,321.01	\$6,385.22	\$6,385.22	\$6,385.22	\$7,023.74	\$8,428.48	\$77,126.71
Total Cost of Goods Sold	\$97,428.74	\$116,914.48	\$93,531.59	\$93,531.59	\$93,531.59	\$93,531.59	\$84,178.43	\$101,014.11	\$101,014.11	\$101,014.11	\$111,115.52	\$133,338.63	\$1,220,144.48
Gross Profit	\$25,742.86	\$30,891.44	\$24,713.15	\$24,713.15	\$24,713.15	\$24,713.15	\$22,241.83	\$26,690.20	\$26,690.20	\$26,690.20	\$29,359.22	\$35,231.07	\$322,389.63
Operating Expenses													
Salaries and Benefits	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$7,893.75	\$94,725.00
Management Salary	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$48,000.00
Professional Fees	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$2,000.00
Lease/Rent Payment (Including Taxes, Maintenance & Insurance)	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$36,000.00
Insurance	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$2,500.00
Transportation Costs	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$2,000.00
Telephone, Internet & Utilities	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$6,600.00
Advertising/Promotion	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$45,000.00
Bank charges	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,200.00
Depreciation (Leaseholds & Equipments)	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$3,333.33
Equipment Lease	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$12,000.00
Office supplies & general	\$75.00	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$3,741.67
Total Operating Expenses	\$20,438.19	\$20,696.53	\$20,696.53	\$20,696.53	\$20,696.53	\$20,696.53	\$22,196.53	\$22,196.53	\$22,196.53	\$22,196.53	\$22,196.53	\$22,196.53	\$257,100.00
Operating Income Before Taxes	\$5,304.67	\$10,194.91	\$4,016.62	\$4,016.62	\$4,016.62	\$4,016.62	\$45.31	\$4,493.67	\$4,493.67	\$4,493.67	\$7,162.69	\$13,034.54	\$65,289.63



Projected Income Statement - Year 3

Projected Income Statement - 3rd Year- 12 Months													
Period/Month:	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Totals
Sales													
Sales	\$202,282.80	\$242,739.36	\$194,191.49	\$194,191.49	\$194,191.49	\$194,191.49	\$174,772.34	\$209,726.81	\$209,726.81	\$209,726.81	\$230,699.49	\$276,839.39	\$2,533,279.75
Total Sales	\$202,282.80	\$242,739.36	\$194,191.49	\$194,191.49	\$194,191.49	\$194,191.49	\$174,772.34	\$209,726.81	\$209,726.81	\$209,726.81	\$230,699.49	\$276,839.39	\$2,533,279.75
Less Cost of Goods Sold													
Cost of Merchandise (Including Freight and Delivery Charge)	\$149,891.55	\$179,869.87	\$143,895.89	\$143,895.89	\$143,895.89	\$143,895.89	\$129,506.30	\$155,407.56	\$155,407.56	\$155,407.56	\$170,948.32	\$205,137.98	\$1,877,160.29
Sales Commissions Payable	\$10,114.14	\$12,136.97	\$9,709.57	\$9,709.57	\$9,709.57	\$9,709.57	\$8,738.62	\$10,486.34	\$10,486.34	\$10,486.34	\$11,534.97	\$13,841.97	\$126,663.99
Total Cost of Goods Sold	\$160,005.69	\$192,006.83	\$153,605.47	\$153,605.47	\$153,605.47	\$153,605.47	\$138,244.92	\$165,893.90	\$165,893.90	\$165,893.90	\$182,483.29	\$218,979.95	\$2,003,824.28
Gross Profit	\$42,277.11	\$50,732.53	\$40,586.02	\$40,586.02	\$40,586.02	\$40,586.02	\$36,527.42	\$43,832.90	\$43,832.90	\$43,832.90	\$48,216.19	\$57,859.43	\$529,455.47
Operating Expenses													
Salaries and Benefits	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$10,525.00	\$126,300.00
Management Salary	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$120,000.00
Professional Fees	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$2,000.00
Lease/Rent Payment (Including Taxes, Maintenance & Insurance)	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$36,000.00
Insurance	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$208.33	\$2,500.00
Transportation Costs	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$186.67	\$2,000.00
Telephone, Internet & Utilities	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$550.00	\$6,600.00
Advertising/Promotion	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$45,000.00
Bank charges	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,200.00
Depreciation (Leaseholds & Equipments)	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$277.78	\$3,333.33
Equipment Lease	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$12,000.00
Office supplies & general	\$75.00	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$333.33	\$3,741.67
Total Operating Expenses	\$29,069.44	\$29,327.78	\$29,327.78	\$29,327.78	\$29,327.78	\$29,327.78	\$30,827.78	\$30,827.78	\$30,827.78	\$30,827.78	\$30,827.78	\$30,827.78	\$360,675.00
Operating Income Before Taxes	\$13,207.66	\$21,404.75	\$11,258.24	\$11,258.24	\$11,258.24	\$11,258.24	\$5,699.64	\$13,005.12	\$13,005.12	\$13,005.12	\$17,388.42	\$27,031.65	\$168,780.47



Personal Net Worth Statement

Personal Network Statement

For: Jackie Smith

Estimated Exchange Rate: \$1.00 CAD = ¥4.8514 RMB

Assets	-\$-CAD	¥-RMB
Current Assets		
Chequing (Personal- China)	\$1,071,855.55	¥5,200,000
Chequing (Business- China)	\$155,702.67	¥755,375.92
<i>Total current assets</i>	\$1,227,558.22	¥5,955,375.92
Fixed (Long-Term) Assets		
Commercial Unit	\$322,000.00	¥1,562,150.8
Residence	\$618,463.12	¥3,000,412
<i>Total Fixed (Long-Term) Assets</i>	\$940,463.12	¥4,562,562.8
Other Assets		
Retained Earnings- Share Ownership- Ms. Jackie Smith (20%)**	\$68,620.22	¥332,904
Retained Earnings- Share Ownership- Mr. John Smith (80%)**	\$274,480.90	¥1,331,617
<i>Total Other Assets</i>	\$343,101.12	¥1,664,521
Total Assets	\$2,511,122.46	¥12,182,459.70
Liabilities and Owner's Equity		
Current Liabilities		
Credit cards	\$0.00	¥0.00
Short-term loans	\$0.00	¥0.00
Line of credit	\$0.00	¥0.00
Bank Loan	\$0.00	¥0.00
<i>Total current liabilities</i>	\$0.00	¥0.00
Long-Term Liabilities		
Mortgages	\$0.00	¥0.00
<i>Total long-term liabilities</i>	\$0.00	-
Total Liabilities	\$0.00	
Owner's Equity		
Net-Worth	\$2,511,122.46	¥12,182,459.70
<i>Total net worth</i>	\$2,511,122.46	¥12,182,459.70
Total Liabilities and Owner's Equity	\$2,511,122.46	¥12,182,459.70

**Notes: