



ROCKET DESIGN

FUTURE FORECAST - 1 Apr 2017 to 31 Mar 2018

Prepared 3 May 2017

Highlights

1. General Overview

The outlook is for a steady year inline with seasonal fluctuations that were experienced to a lesser degree last year.

2. Trading Inflows

Trading inflows are strong and an improvement is expected in both Q2 and Q3. This is due to two new projects that are locked in and scheduled for the second half of the year. Each of the two projects have payments spreadh across a three month period, with a larger component paid in month one.

3. Trading Outflows

Greater competition in the supplier environment will serve us well moving forward. Cost of Sales will remain reasonably steady helping to maintain and possibly improve the Gross Profit position during certain months.

4. Other Outflows

Nothing too out of the ordinary. We do expect repairs and maintenance to be carried out toward the end of the year. March 2018 will see the airconditioning system checked over following the summer heat.

5. Overall Cash Flow

Cash flow looks healthy overall. With the implementation of the new debt collection system we expect that our cash flow will only continue to improve.

Assumptions

1. Market Conditions

We assume that the market will remain flat overall, and we need to be alert for some slow payment cycles in the SME market. The new debt collection system plays a key part in easing this pressure.

2. People

The team is responding well to the current workload. No overtime hours have been planned as the schedule for the two new projects are manageable. The new graduate is coming up to speed nicely and can be utilised on both of these projects.

Mark will take Owner Drawings of \$5,000 per month in December, January, and February 2018. This is to help out their family as Jo is scheduled for surgery in December 2017. It is expected that Jo will join Mark in the office from April 2018 on light duties.

3. Loans

The loan repayments for the months of December, January, February 2018 are interest only as agreed with the bank - this is to help improve cashflow during the period when Mark is taking monthly drawings. Normal loan repayments (including principal) will continue from March 2018 onwards.

Recommendations for Action

1. Debtors Collection

The new debt collection system will be implemented from next month onwards. Michelle will oversee this transition.

2. Systems

The new daily cash tracking system should be given to Michelle to implement and own.

3. Bank

We are in line with all of our banking covenants currently. There is no cause for concern, but it is worthwhile keeping an eye on this.

4. People

The management team assist Michelle, as necessary, with implementation of the debt collection system and the daily cash tracking system.

5. CAPEX

A CAPEX freeze be imposed for items greater than \$2,000 in Q3. This freeze should be lifted to \$10,000 from Q4 onwards.

Revisit the freeze at the end of March 2018 to determine what new assets may be required going into the new financial year.

Assumptions

The assumptions listed below relate to the Future Forecast for Creative Design. This forecast is from 1 Apr 2017 to 31 Mar 2018. Actuals were used up to 31 Mar 2017. The following settings have been used for this forecast:

- GST basis is Payments
- GST period is 2 Months
- Cash forecast is GST Inclusive

Profit and Loss Forecast

Revenue Rules

To record revenue that is received in the current month - including Interest Received and some monthly recurring Revenue.

Expense Rules

To record current month expenses that are paid for in the month they were incurred - including Bank Fees, Entertainment, Interest Expense.

Expense Rules

The majority of creditors will be paid in the +30 days time period.

Income Tax Rule

Losses brought forward were \$0.00. Income Tax Rate of 28% was applied to create the income tax expense.

Balance Sheet Forecast

Non-Current Liability Rules

Loan repayments are fixed, though interest only payments have been agreed for the months of December 2017, January and February 2018. Normal loan repayments continue from March 2018 onwards.

Equity Rules

Owner Drawings of \$5,000 per month will be taken for the months of January, February, and March 2016. This has been factored in to allow time for Jo's post surgery recovery.

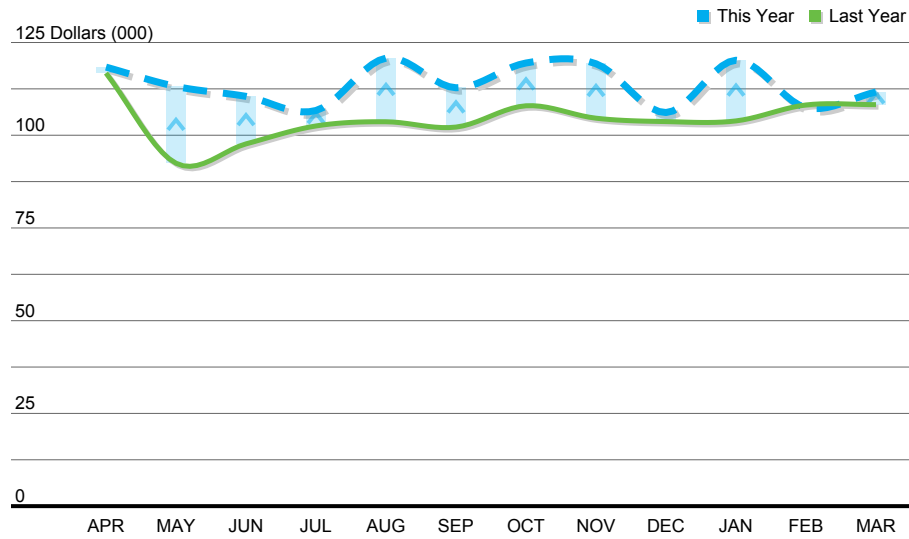
Payment Profiles

The profiles that best reflects when Revenue and Expenses will be deposited into the bank account are as follows:

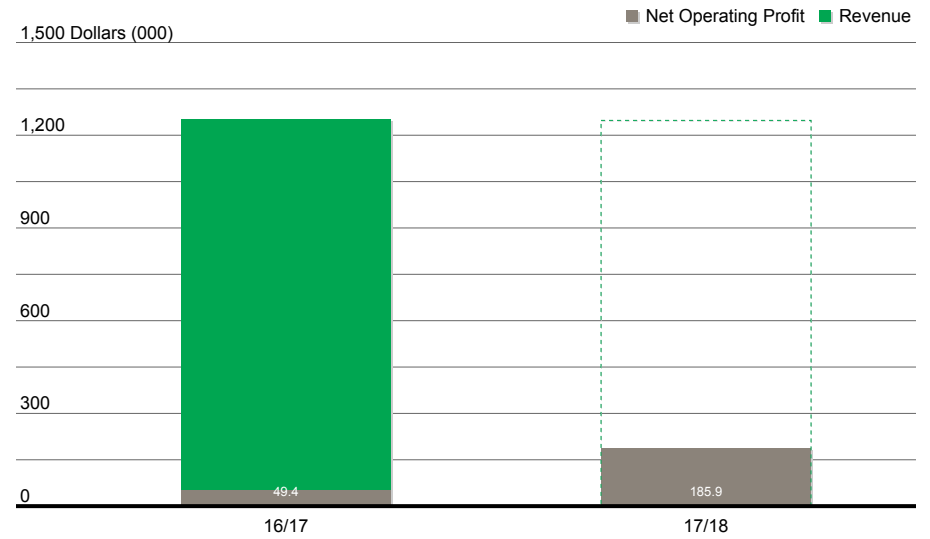
Rules	Current	+30 days	+60 days	+90 days
Revenue Rules				
Revenue	100%	0%	0%	0%
Trading Revenue	0%	60%	30%	10%
Cost of Sales Rules				
Cost of Sales	0%	100%	0%	0%
Expense Rules				
Current Month	100%	0%	0%	0%
Expenses	0%	100%	0%	0%

	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Total
Product Revenue	12,620	14,120	9,398	9,765	10,659	10,406	12,154	10,580	9,736	11,909	8,702	10,826	130,875
Project Revenue	100,700	94,593	95,664	92,022	104,979	97,704	102,237	102,693	91,727	103,307	94,458	96,193	1,176,277
Sales - New business	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Support Revenue	4,549	3,938	4,922	4,383	4,646	4,188	4,584	5,496	4,159	4,504	3,782	4,145	53,296
Total Revenue	118,369	113,151	110,484	106,670	120,784	112,798	119,475	119,269	106,122	120,220	107,442	111,664	1,366,448
Total Cost of Sales	38,998	28,513	37,915	35,981	29,734	36,482	41,393	35,246	35,155	40,383	43,155	28,039	430,994
Gross Profit	79,371	84,638	72,569	70,689	91,050	76,316	78,082	84,023	70,967	79,837	64,287	83,625	935,454
GP%	67.1%	74.8%	65.7%	66.3%	75.4%	67.7%	65.4%	70.4%	66.9%	66.4%	59.8%	74.9%	68.5%
Total OPEX	60,448	58,983	61,401	60,044	62,197	58,921	58,888	60,476	63,002	60,602	61,225	64,433	730,620
NOPBT	18,923	25,655	11,168	10,645	28,853	17,395	19,194	23,547	7,965	19,235	3,062	19,192	204,834
Tax	5,471	7,358	3,299	3,152	8,270	5,041	5,556	6,766	2,422	5,558	1,027	5,547	59,467
Net Profit	13,452	18,297	7,869	7,493	20,583	12,354	13,638	16,781	5,543	13,677	2,035	13,645	145,367

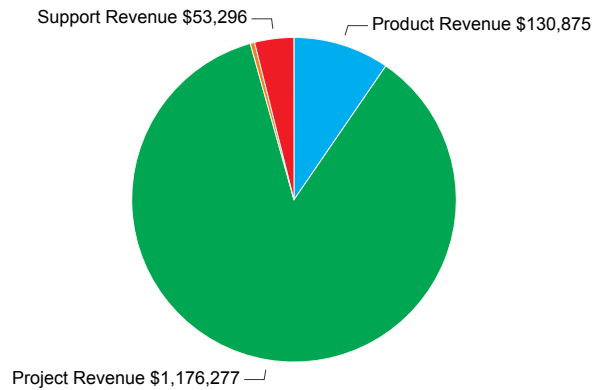
REVENUE - This Year vs Last Year



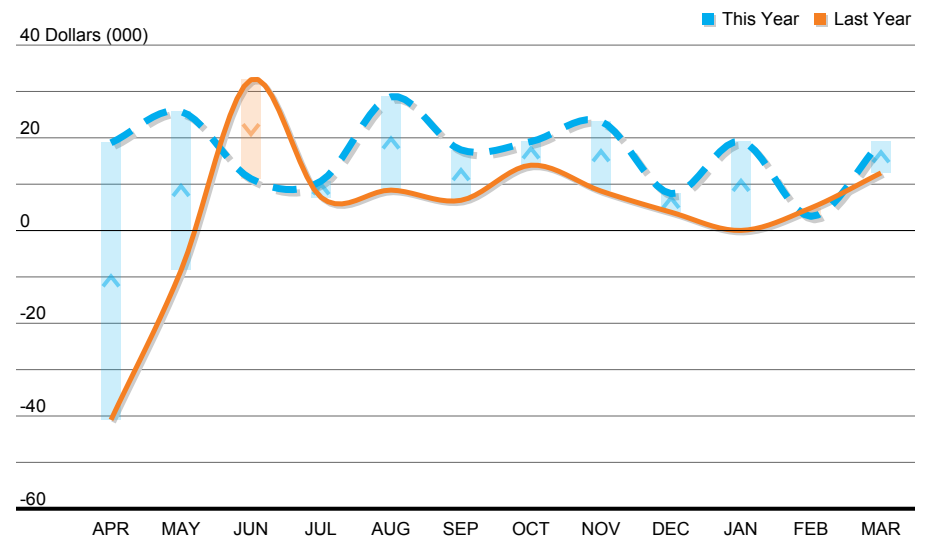
REVENUE AND NET OPERATING PROFIT - Last Year and Current Year



TOP REVENUE CONTRIBUTORS

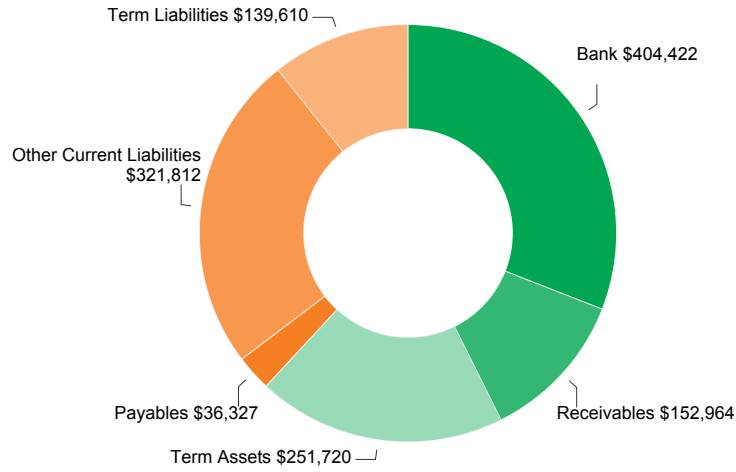


NET OPERATING PROFIT - This Year vs Last Year

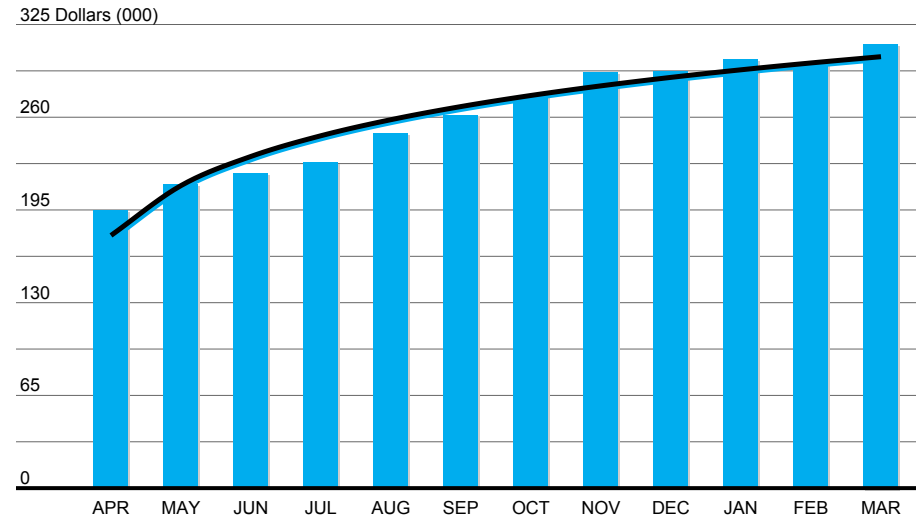


	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18
Accounts Receivable	159,658	158,324	154,021	147,808	161,978	158,848	164,476	166,392	151,946	162,087	152,365	152,964
Bank Accounts	267,153	272,572	287,219	307,528	304,131	338,043	343,933	366,993	393,958	393,737	392,253	404,422
Total Current Assets	426,811	430,896	441,240	455,336	466,109	496,891	508,409	533,385	545,904	555,824	544,618	557,386
Accumulated Depreciation	-38,007	-38,007	-38,007	-38,007	-38,007	-38,007	-38,007	-38,007	-38,007	-38,007	-38,007	-38,007
Computer Equipment	50,431	50,431	50,431	50,431	50,431	50,431	50,431	50,431	50,431	50,431	50,431	50,431
Furniture & Fittings	26,979	26,979	26,979	26,979	26,979	26,979	26,979	26,979	26,979	26,979	26,979	26,979
Leasehold Improvements	51,177	51,177	51,177	51,177	51,177	51,177	51,177	51,177	51,177	51,177	51,177	51,177
Term Assets	161,140	161,140	161,140	161,140	161,140	161,140	161,140	161,140	161,140	161,140	161,140	161,140
Total Assets	678,531	682,616	692,960	707,056	717,829	748,611	760,129	785,105	797,624	807,544	796,338	809,106
Accounts Payable	45,507	33,404	44,233	42,077	35,180	42,513	48,121	41,165	41,140	47,108	50,242	36,327
Other Curr. Liabilities	257,226	258,413	252,296	264,352	263,809	278,597	273,769	291,424	302,764	298,702	287,063	303,001
Payroll	18,546	18,149	18,811	18,414	18,943	18,149	18,149	18,546	19,208	18,546	18,811	18,811
Total Current Liabilities	321,279	309,966	315,340	324,843	317,932	339,259	340,039	351,135	363,112	364,356	356,116	358,139
Bank Loan	88,060	85,160	82,260	79,360	76,460	73,560	70,660	67,760	67,760	67,760	67,760	64,860
Term Liabilities	74,750	74,750	74,750	74,750	74,750	74,750	74,750	74,750	74,750	74,750	74,750	74,750
Total Liabilities	484,089	469,876	472,350	478,953	469,142	487,569	485,449	493,645	505,622	506,866	498,626	497,749
Net Assets	194,442	212,740	220,610	228,103	248,687	261,042	274,680	291,460	292,002	300,678	297,712	311,357

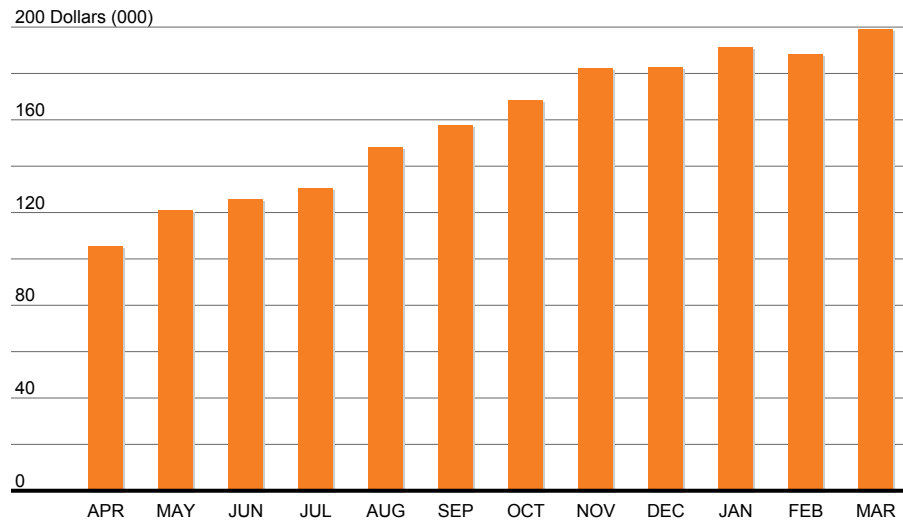
BALANCE SHEET COMPONENTS - as at 31 Mar 2018



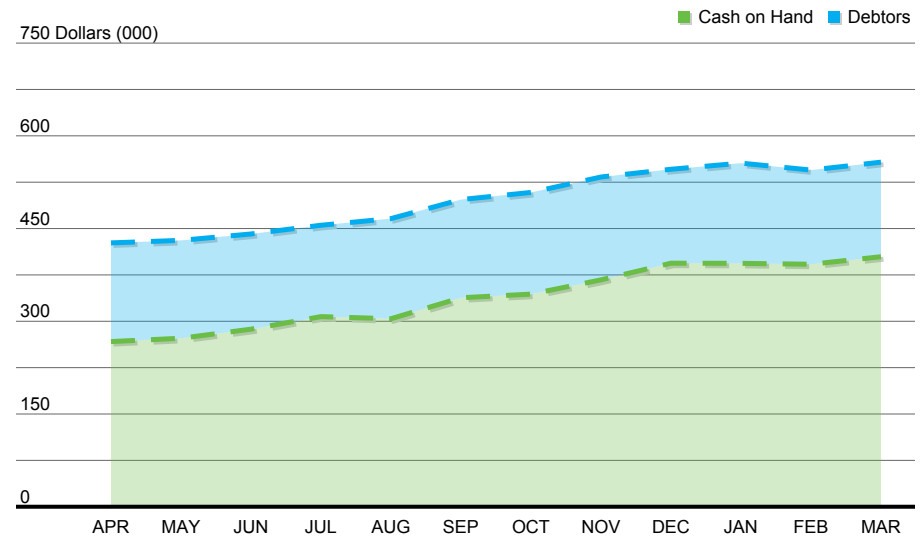
EQUITY TREND



LIQUIDITY MONITOR



LIQUIDITY - (Cash + Debtors)

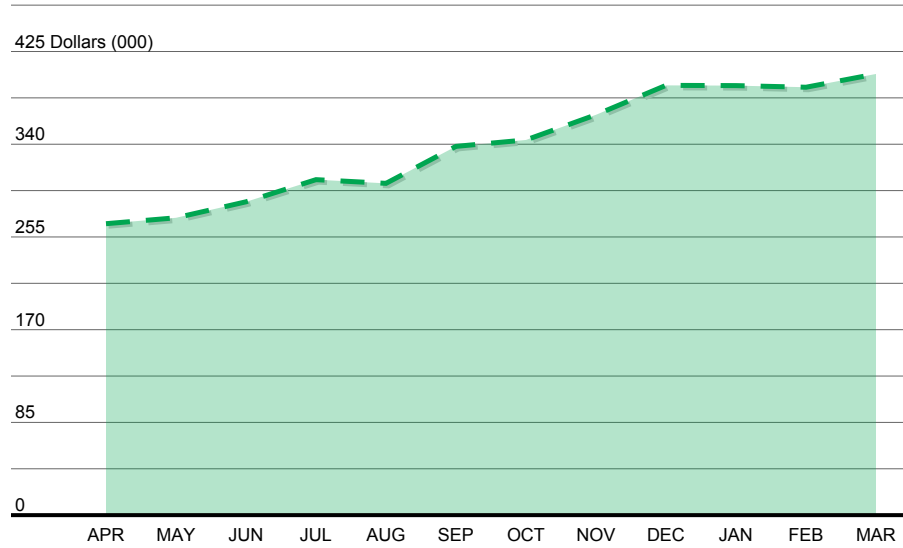


CREATIVE DESIGN - SPOTLIGHT FORECAST

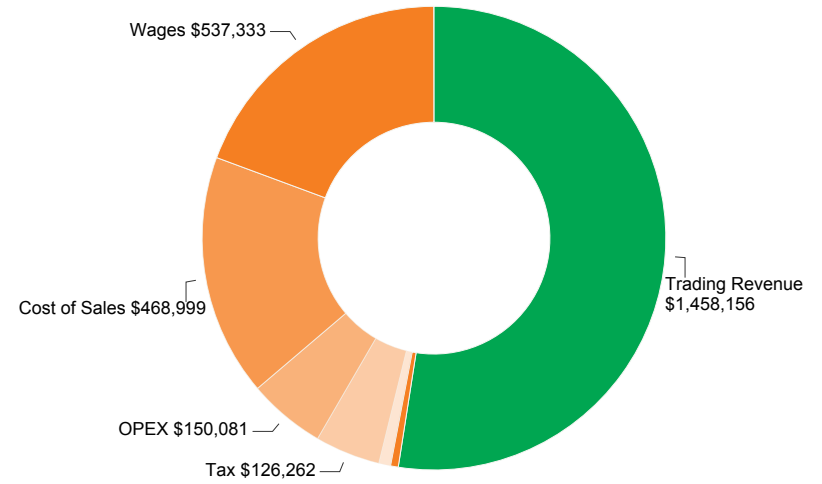
CASH FORECAST - FUTURE FORECAST

	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Total
Product Revenue	12,351	13,634	15,295	12,808	11,604	11,805	11,981	13,202	12,690	11,766	12,793	11,233	151,162
Project Revenue	107,743	112,757	110,844	110,223	107,378	115,184	114,216	116,324	117,366	110,478	114,738	111,366	1,348,617
Sales - New business	0	345	518	575	575	575	575	575	575	575	575	575	6,038
Support Revenue	3,855	4,721	4,704	5,278	5,175	5,284	4,997	5,142	5,856	5,293	5,175	4,641	60,121
Operating Inflows	123,949	131,457	131,361	128,884	124,732	132,848	131,769	135,243	136,487	128,112	133,281	127,815	1,565,938
Cost of Sales	42,949	44,847	32,790	43,603	41,379	34,193	41,955	47,602	40,533	40,428	46,440	49,628	506,347
Total COS	42,949	44,847	32,790	43,603	41,379	34,193	41,955	47,602	40,533	40,428	46,440	49,628	506,347
OPEX	1,811	3,360	3,230	3,356	3,373	3,717	3,210	3,203	3,381	3,614	3,156	3,338	38,749
Rent	11,000	11,556	11,556	11,556	11,556	11,556	11,556	11,556	11,556	11,556	11,556	11,556	138,116
Wages	47,277	46,214	47,632	47,159	48,222	46,568	45,859	46,922	49,050	47,868	47,986	48,223	568,980
Total OPEX	60,088	61,130	62,418	62,071	63,151	61,841	60,625	61,681	63,987	63,038	62,698	63,117	745,845
Operating Outflows	103,037	105,977	95,208	105,674	104,530	96,034	102,580	109,283	104,520	103,466	109,138	112,745	1,252,192
Net Operating Flow	20,912	25,480	36,153	23,210	20,202	36,814	29,189	25,960	31,967	24,646	24,143	15,070	313,746
Bank Loan	-2,900	-2,900	-2,900	-2,900	-2,900	-2,900	-2,900	-2,900	0	0	0	-2,900	-26,100
MK Current Account	0	0	0	0	0	0	0	0	-5,000	-5,000	-5,000	0	-15,000
Other Curr. Liabilities	0	-17,162	-18,604	0	-20,698	0	-20,398	0	0	-19,867	-20,624	0	-117,353
Non Operating Flow	-2,900	-20,062	-21,504	-2,900	-23,598	-2,900	-23,298	-2,900	-5,000	-24,867	-25,624	-2,900	-158,453
Opening Balance	249,141	267,153	272,571	287,220	307,530	304,134	338,048	343,939	366,999	393,966	393,745	392,264	249,141
Net Cash Flows	18,012	5,418	14,649	20,310	-3,396	33,914	5,891	23,060	26,967	-221	-1,481	12,170	155,293
Closing Balance	267,153	272,571	287,220	307,530	304,134	338,048	343,939	366,999	393,966	393,745	392,264	404,434	404,434

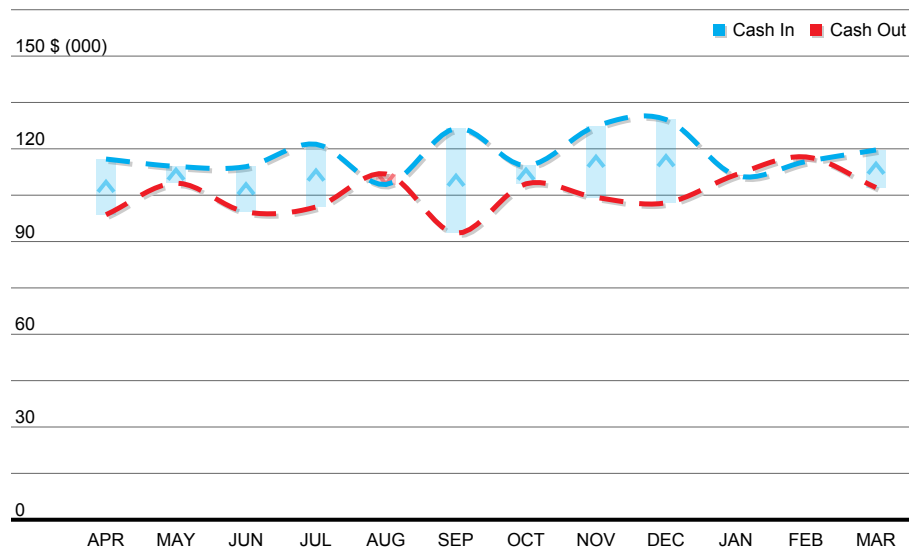
CASH ON HAND FORECASTS



FORECASTED CASHFLOW



FORECAST CASH IN AND OUT



FORECAST CASH MOVEMENTS

