

NARRATIVE QUESTIONS

To accompany financial projections

Please explain how the projections for your business were derived. Use the questions below as a guideline and add any additional information pertaining to your business that would be useful in explaining the projected numbers.

- A. Explain how you arrived at the projected numbers. Pay particular attention to Sales, Cost of Goods Sold, Employee Costs, and any other expense that is substantial for your business.
 - a. What is the basis for your figures?
 - b. What variables did you use to arrive at these numbers?
 - c. For Cost of Goods Sold, what is the mark-up on your products/services?
 - d. If you are already in business, how will the new facility affect your Sales?

- B. New facility
 - a. How will the new facility affect your products/services? (Will you have more space, hire more employees, increase productivity, add products/services?)
 - b. How will the new facility affect your marketing?
 - c. Will you do any advertising because of the new facility? If so, please explain.

- C. What could seriously change these sales projections (changes in economy, changes in demand, etc)?