



change your bottle. change their life.

Business Plan

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Hydration to Others

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Executive Summary

Water is the driving force of all things in nature. [Hydration to Others'](#) sole purpose of existence is to improve the world's water quality by creating a water bottle that does more than what meets the eye. [Hydration to Others](#), more commonly known as [H to O](#), has made it their mission to improve the world's water supply. Only 1% of the world's water is drinkable; due to this statistic, [H to O](#) has decided to make the world a better place by using a portion of their profits to provide water purification systems to countries in need of clean water.

The firm keeps it simple by producing only one product - water bottles. These durable water bottles are both eco-friendly and aesthetically pleasing. Artwork from countries the firm aids are represented on each bottle. These bottles are made from 18/18 kitchen grade stainless-steel, which allows them to be the longest lasting water bottle on the market. The inside of the bottle is vacuum sealed, which allows the liquid inside to stay at a desired temperature for up to 24 hours. [H to O](#) rises above its competitors by offering a bottle unlike any other. The removable bottom makes it more user friendly in regards to placing ice in the bottle and also allows for the consumer to easily clean their bottle. The bottom is encased with cork, which doubles as a built-in coaster. It is statistically proven that consumers are willing to pay more for an eco-friendly product, which leads to high profit margins for the firm.

[H to O's](#) ultimate goal is to bring clean water to all countries in need. As a result, one of the firm's long term goals is to expand overseas. Not only will the firm help countries attain clean water but they will be giving locals jobs setting up the purification systems. Taking the business overseas would allow for increased revenues and more importantly, bring happiness to those in need.

[H to O](#) is a startup company that plans to break-even within the first year. Due to low start up costs, the firm is on pace to exceed \$120,000 in net profit during the first fiscal year, which leads [H to O](#) to believe in consistent financial growth for many years to come. [H to O](#) is not only a company; it's a movement toward the greater good!

About the Business

Company Overview

H to O is an environmentally accountable business. All products are made out of recycled materials and go through an eco-conscious production process. The environmentally sustainable company keeps it simple - one product, one size. Three product lines are in the H to O portfolio: the African line, the Asian line and the South American line. Each bottle has an art design on it that was created by a local artist from one of fifteen countries the firm aids. Giving back is a belief H to O will never waver on. Ten percent of profits go toward the placement of purification systems in third world countries. As a B Corporation, the firm legally defines itself as a for-profit company that strongly believes in protecting and improving the environment. H to O complies with all requirements of a B Corporation and practices accountability and transparency towards all customers. The firm was established in Greer, SC in September 2017. Offices and manufacturing facilities are located at 3000 East Gap Creek Road, Greer, SC 29651.

Mission Statement

“At H to O, we believe everyone should have access to clean water. We have made it our mission to improve lives across the globe by placing water purification systems in underdeveloped countries using profits from the sale of our eco-friendly reusable water bottles. It’s simple: Change your bottle. Change their life.”

Management Functions

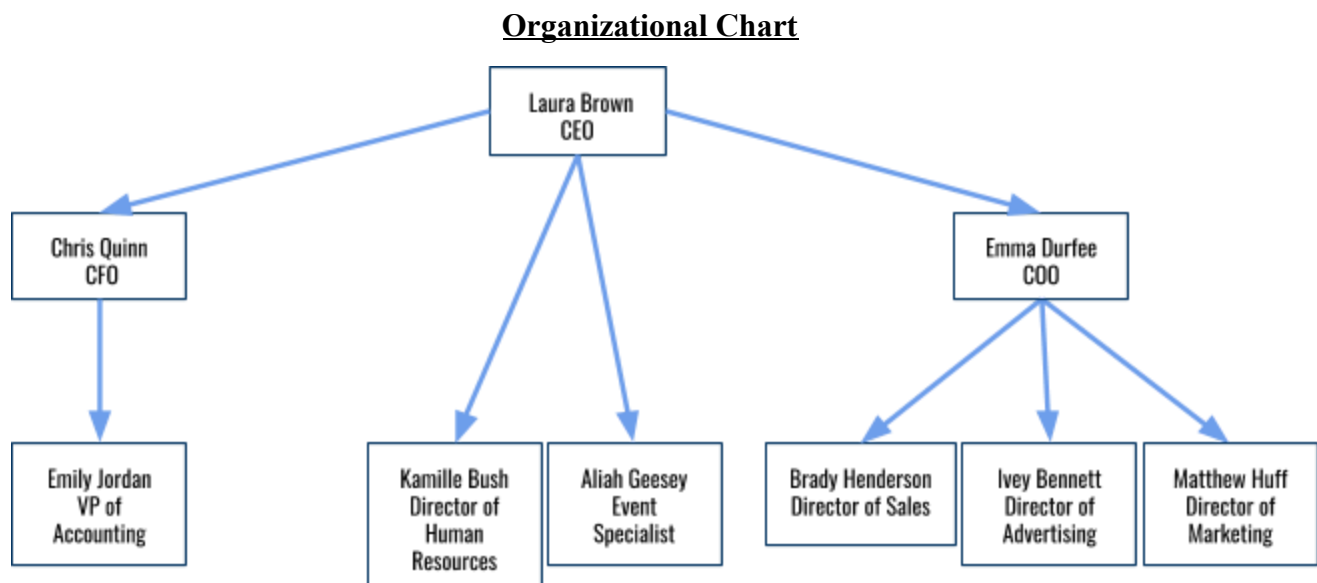
Planning

The firm is always looking for new ways to improve and grow. These goals are very ambitious; however, the firm’s passion for change and the competitive nature of the staff will allow for the drive necessary to make these goals a reality. All goals were established to insure the growth and future success of the company. Strides are being made constantly to achieve the goals mentioned below:

Short Term Goals	Long Term Goals
<p>1. To break even by the end of the 2017 Southern Regional Conference.</p> <p>The firm broke even at the 2017 Southern Regional Conference. H to O was able to achieve this because the sales and marketing teams perfected their sales pitches and advertising techniques, which attracted many customers.</p> <p><i>(accomplished November 2017)</i></p>	<p>1. To have a manufacturing facility in each of the countries aided by H to O, enabling the firm to employ more natives of the area.</p> <p>H to O was built on giving back. The firm not only wants to improve others' water quality, but their quality of life as well. Building manufacturing facilities in these countries will employ many locals and could potentially attract other businesses to the area.</p>
<p>2. To establish the firm's first purification system by the end of fiscal year 2017-18.</p> <p>The firm is working to establish the first purification system by the end of the fiscal year. Based on H to O's projected sales for the year, the firm is on track to meet this goal.</p>	<p>2. To increase charitable contributions to 20% by the year 2022.</p> <p>Currently, the firm contributes 10% of all profits to constructing water purification systems. While 10% of all profits is a substantial number, the firm believes that as the company grows, its charitable donations should as well.</p>

Organizing

H to O was founded using a top-down hierarchy system with a narrow span of control. At the top of the hierarchy is the Chief Executive Officer (CEO) who is in charge of monitoring the entire firm, followed closely by the Chief Operations Officer (COO) who confers with the CEO and runs the production process. Power is then delegated to department heads and ends with their employees. The Chief Financial Officer (CFO) is in charge of overlooking all financial data and makes sure all bills are paid. The Director of Sales manages all customer relations including the firm's email account, while the Marketing Department creates all company branding items such as flyers, brochures and catalogs. These materials are then sent out to other Virtual Enterprise firms within the marketplace. Human Resources is in charge of employee relations and disciplinary actions.



Directing

H to O is directed based on the way the firm is organized. The standards for success are set at the top with the CEO. All tasks are then delegated to department heads to maintain high success levels. The CEO has carefully chosen the staff, leading to an organizational structure that relies on idea sharing and collaboration. Subsequently, work is completed efficiently and successfully. The department heads take the CEO's mission and help develop and improve the product, ensuring that

no product leaves the warehouse before reaching its full potential. This allows for all employees to feel a sense of ownership, which creates a business atmosphere of cohesiveness and unity.

Controlling

The firm prides itself on always providing the customer with the highest quality product on the market. Quality is ensured by carefully selecting the best staff to get the job done. All **H to O** employees have been hand selected to the exact values and qualifications desired. Throughout the production process, multiple quality assurance checks are completed ensuring the craftsmanship throughout is spot on. Prior to the product being packaged and shipped, a last minute thorough evaluation is completed to catch any imperfections. If imperfections are seen, products will be sent back through all quality assurance checks until the product is flawless.

SWOT Analysis

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • The firm uses only eco-friendly materials. • H to O's product is fitted with the never before seen unscrewable bottom, which allows for easy ice insertion and makes it easier to clean. 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • H to O's production process is time extensive. • The firm's product is priced higher than that of competitors.
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • There are numerous amounts of countries that are in need of clean water, each of which could become a product for H to O. • The firm plans to expand its product lines to allow for a greater amount to be given to countries in need. 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • The firm could possibly encounter a shortage of eco-friendly materials. • H to O could experience a lack of potential employees to construct and maintain the water purification systems.

External Environment

Current Economic Conditions

According to the United States Bureau of Labor Statistics, the United States unemployment rate declined to 4.1% in February 2018, its lowest point in 17 years.

<u>Indicator</u>	<u>Change Over Time</u>
U.S Unemployment Level	Decreased 0.8%
U.S Disposable Personal Income	Increased 1.7%
U.S Inflation Rates	Increased 0.3%

**All are within the 2016-2017 time frame.*

The reusable water bottle industry is a young market, but one that is quickly emerging as a key factor in the United States economy. This industry is primarily a want based market, meaning customers don't necessarily need this product; however, **H to O** strives to supply every household with one of their bottles. Over the past year, the U.S. unemployment level has decreased 0.8% and the U.S. Disposable Personal Income has increased 1.7%, leaving more money in the customer's pockets to spend on **H to O** bottles. The consumers' purchasing power in recent years has remained consistent and at times stagnant. Although people are being cautious with spending habits, the firm believes that consumers will still buy **H to O's** products because of their ability to mend the world's water problems, while still impacting the market.

Industry Analysis

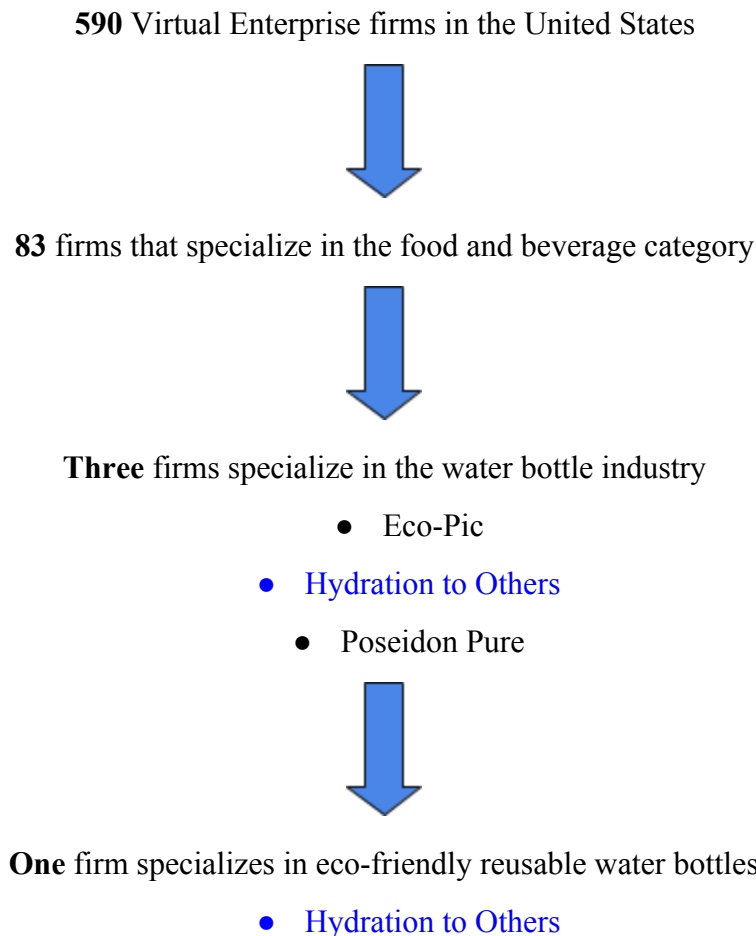
Real World Analysis

Over the past 10 years, the reusable water bottle industry has grown exponentially. While a specific number of indirect/direct competitors cannot be established, the industry is very competitive.

Recently, more and more “knock offs” have appeared on the market. The reason more bottles are appearing is because of the consumer demand for a reusable water bottle. As the society has moved to a more fast-paced culture, on-the-go products are becoming more necessary. As a result, these types of bottles can be found in almost every household leading to the industry’s annual revenue of approximately \$7.9 billion.

The reusable water bottle industry is estimated to expand at a 4.2% compound annual growth rate between 2016 and 2024, leading to an expected value of \$10.19 billion by 2024. One challenge in the reusable water bottle industry is the fact that there are so many competitors. However, [H to O](#) stands out among them by saving lives in third world countries by providing access to clean water. For example, in Africa, 20% of children under the age of 5 die every year due to water-related diseases such as Amoebic Dysentery, Cholera and Hepatitis A. [H to O](#) is on a mission to change this statistic.

The firm recognizes the companies S’well and Hydro Flask as their real world competitors. S’well is similar to the firm in regards to the fact that they also sell high quality reusable water bottles. Hydro Flask also sells a stainless steel reusable water bottle. However, [H to O](#) has the edge because of their charitable outreach program of placing water purification systems in countries in need of clean water.



While there are over 5,000 Virtual Enterprise firms around the world, only 12% of those are located in the United States. From clothing to travel to food and beverage, just about any type of company can be found in the Virtual Enterprise network. Due to extensive market research, [H to O](#) set out to create a company in an industry that is growing. While the reusable water bottle industry has been around, no other company has created a bottle quite like the [H to O](#) bottle.

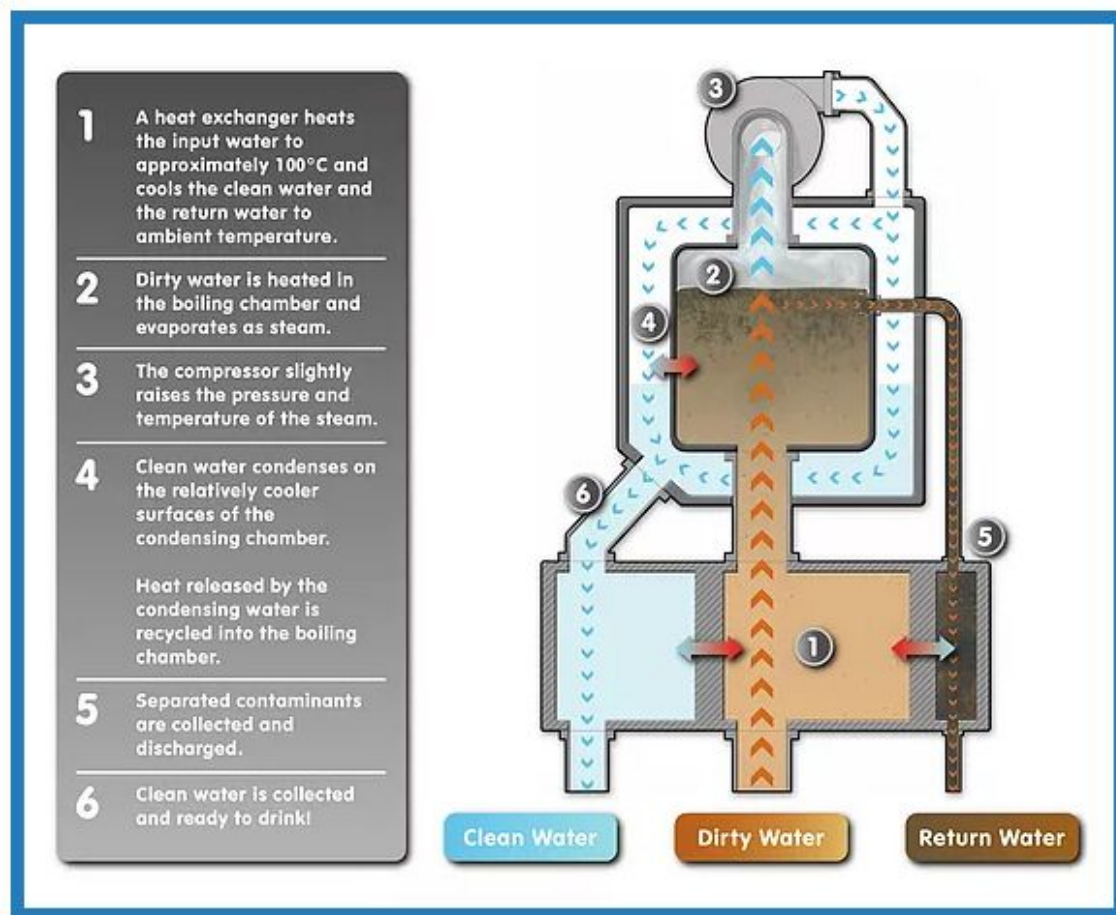
Competitive Analysis

Poseidon Pure from Calhoun High School in Merrick, New York is viewed as [H to O's](#) biggest competitor based on the similarity in the products they offer. Poseidon Pure offers water filtration products along with water bottles. Part of their mission is to provide 1% of their funds to take their

products to underdeveloped countries. These products are perishable. H to O takes 10% of their profits and uses that money to build water purification systems in those countries most in need of clean water. These purification systems will be around long after Poseidon Pure's products have been disposed of. H to O's second competitor is Eco-pic, from Gangnam-Gu, South Korea. H to O views this company as an indirect competitor because they sell eco-friendly disposable cups. H to O does not expect Eco-pic to take much of their market share. Only having these competitors leaves H to O with full reign of the market having no direct competitors.

Water Purification Systems

The water purification system is used to purify unclean water through a six step filtration process, with the end result being clean drinkable water. H to O sends professionals overseas to train the locals how to install and maintain the purification systems. Not only is this providing them with paying jobs, but also with a sense of pride in knowing that they are helping their community.



Marketing Plan

Market Segmentation

H to O has segmented the reusable water bottle market into three levels: primary, secondary, and tertiary. The firm further categorized these levels according to demographic, geographic and psychographic identities. The following table displays the segmentation of the market:

Market Segmentation			
Market	Demographic	Geographic	Psychographic
Primary	The firm targets those aging from 18-32 from the middle to upper class.	H to O is located in the Upstate of South Carolina, which coincides with the firm's initial target customer base of those in the Southeast Region.	The firm targets consumers who want the best products available while also contributing to the world in an eco-friendly way.
Secondary	Although the firm specifically attracts millennials, younger age consumers are part of the market the firm aspires to reach.	Other than the Southeast, H to O serves those nationally through its online website.	If H to O bottles are in the hands of millennials, the younger age groups will take notice and will begin to acquire the firms bottles.
Tertiary	H to O's last focus are the Baby Boomers. This generation is statistically not as mobile as the younger generations so an on-the-go product is not necessary.	Beyond the borders, the firm can sell to those around the world through the Virtual Enterprise Network.	Consumers classified as "Baby Boomers" or "Generation X" are known for good morals striving to help a cause. Both of these areas are accomplished when purchasing a bottle.

Target Market

H to O has directed its focus towards millennials, specifically ranging from ages 18-32. The firm believes that consumers in this market are more likely to purchase their products, due to the fact that millennials desire stylish products that help the world and the environment. While this is the firm's main target, water bottles are a necessity for all who stay on-the-go.

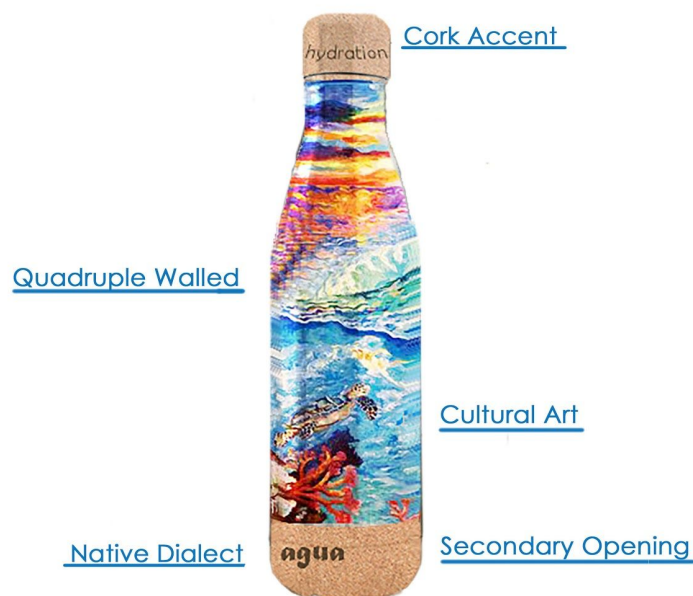
Marketing Mix

Product

H to O has created a top of the line 20 oz. water bottle that is both stylish and eco-friendly. Unique features of the bottle include:

- 18/18 kitchen grade stainless steel
- a double vacuum sealed interior that keeps the desired temperature for a longer period of time
- accented cork for a unique look and built-in coaster
- a removable bottom, which allows for an easy way to add ice to your beverage as well as easy cleaning
- art designed by local artists in the countries the company aids

Bottle Features



Artist Cards

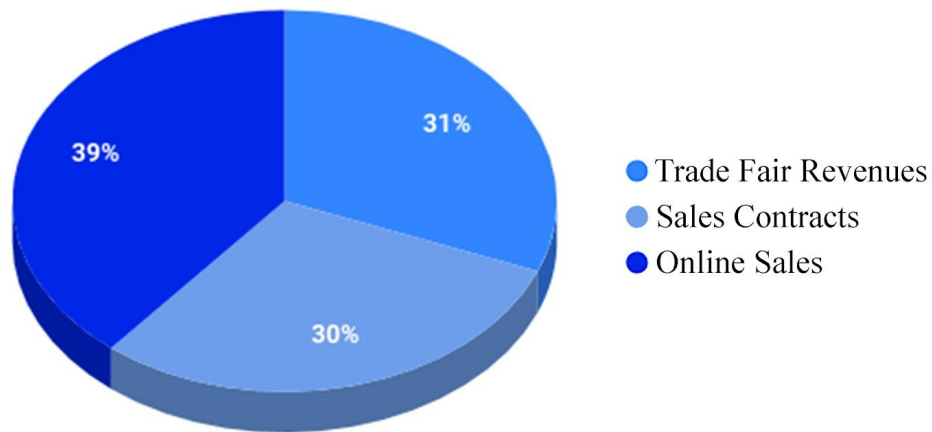
The cultural art on the outside of [H to O](#) is specifically designed by a local artist in the bottle's namesake country. By using local art, the firm is able to have a bigger impact on the native area. Also, with the purchase of each bottle, an artist card is placed inside letting the buyer of the bottle have a more in depth look into the artist, giving them more of a connection to the bottle and the country they are supporting.



Price

Due to the premium quality of the bottles, [H to O](#) appeals more to the middle and upper classes. It costs \$24.78 to produce one bottle. [H to O](#) then sells the bottle for \$100, giving the company a 75% profit margin. The firm then donates 10% of their profits, which leaves the company with a 65% profit margin. [H to O's](#) selling price is based upon their competitors and the Virtual Enterprise market. Recent studies have shown that consumers are more likely to purchase a more expensive product that gives back to the world. [H to O's](#) competitors price their bottles a little lower; however, [H to O's](#) bottle comes with unique and original features the competition does not offer.

Placement Chart



Placement

The pie chart above represents sales for the months of September through February and the mix of areas of revenue for the company. The majority of sales come from online sales. The remaining percentage comes from business contracts and trade shows. These three categories combined make up the company's total income through February, which equates to \$355,291.51. Each section is equally important to the firm's profitability.

Promotion

H to O promotes its products through email blasts, trade shows, flyers, newsletters and social media. The firm takes advantage of popular social media platforms such as Twitter, Instagram and Facebook by posting visuals of all products, limited edition bottles and business news. The most effective promotional technique in the virtual marketplace is participation in trade shows. These events provide the chance to have face-to-face conversations with customers, allowing the firm to answer questions from prospective customers and build personal relationships with them.

Positioning

H to O has many competitors in the reusable water bottle industry. All of these businesses sell water bottles; however, all are not eco-friendly. As shown in the chart below, H to O is positioned in the upper right quadrant, which represents a premium product that meets environmental standards. Creating eco-friendly and aesthetically pleasing products have helped the firm excel over their competitors.



Distribution

H to O distributes products in the most cost-efficient and time-effective way possible. Included in the firm's projected profit margins is the distribution of all products. FedEx ships the products from the production facility in Greer, South Carolina to five strategically placed distribution centers located in areas heavily populated with Virtual Enterprise students:

- Bakersfield, California
- Odessa, Texas
- Joseph, Oregon
- Lansing, Michigan
- Ithaca, New York

Business Risks

Along with every business, there is a risk that something could go wrong or not according to plan. **H to O** has identified these risks and created contingency plans to ensure the effects of these risks are minimal.

1. Material Availability-

With the use of eco-friendly materials, the amount of resources available could become a major concern towards the production process for the company. If this situation were to arise, **H to O** would turn towards aluminum instead of stainless steel. While the durability is not as ideal, aluminum can still be utilized to create eco-friendly bottles at an acceptable price.

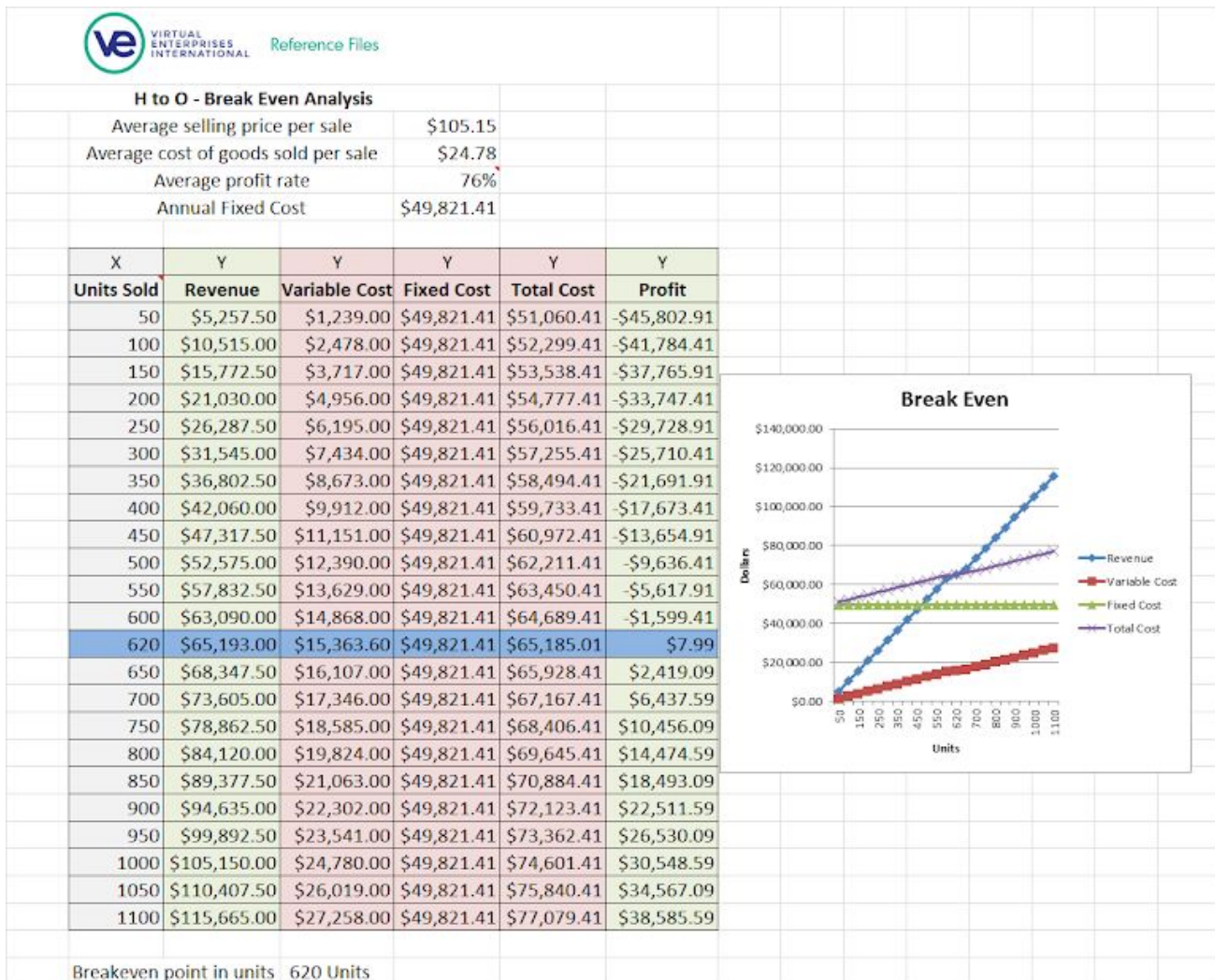
2. Lack of Employees-

As another way to give back to the world, **H to O** has decided to hire locals in countries they aid to install the purification systems. By giving locals a place to work, they will not only be providing them with an income but a part of the movement to change lives for the better around the globe. Finding enough locals to install these systems could be a challenge. If the work force is not available, the firm has priced out contractors, who are concerned about the problems around the world, that can install the units for a reasonable price.

Financial Planning

Break-even Analysis

The purpose of a break-even analysis is to give a realistic projection of when the firm will begin to make a profit. The current break-even point for **H to O** is 620 units, which equates to \$65,193 in total revenue. The firm's average sale price per bottle is \$105.15 and as of February 28, 2018, the firm has sold 3,379 bottles. To help reach the firm's desired break-even point, **H to O** utilized Virtual Enterprise International's buy buttons on their website, negotiated business contracts with non-Virtual Enterprise entities and participated in the Southern Regional Trade Show. Taking advantage of this opportunity has allowed for the direct transaction of funds from the consumer's account to the firm's account.



Income Statement

H to O is expected to earn \$647,809.17 in total sales revenue for the 2017-18 fiscal year due to the firm's performance online, partnerships with angel investors and other non-Virtual Enterprise entities and trade shows. This years online sales are projected to be \$163,439.17, which will account for 25% of the firm's total revenue. The firm is contracted with WillMax Capital to earn \$21,400 each month and also contracted with TD Bank to earn \$44,600 for the months of March and April, leading to a total of \$174,800 in contractual sales, which accounts for 27% of total sales revenue. The income statement displays that **H to O** will excel from online and contractual sales, which will pay off low start-up costs. The firm's most efficient way of marketing is through trade shows. Trade shows are **H to O's** most effective marketing technique because they allow the firm to answer any questions the customer may have and form a personal relationship with them.

Description	September	October	November	December	January	February	March	April	TOTAL
Sales revenues	Actual (\$)	Actual (\$)	Actual (\$)	Actual (\$)	Actual (\$)	Actual (\$)	Projected (\$)	Projected (\$)	
Trade show revenues	-	-	89,570.00	-	-	-	-	150,000.00	239,570.00
Investors	50,000.00	-	-	-	-	-	-	-	50,000.00
Contractual sales to non-VE entities	-	-	21,400.00	21,400.00	21,400.00	21,400.00	44,600.00	44,600.00	174,800.00
Seed Money	20,000.00	-	-	-	-	-	-	-	20,000.00
Online Sales	-	21,345.45	9,310.10	16,895.30	1,738.40	60,832.26	27,095.86	26,221.80	163,439.17
Total sales revenues	70,000.00	21,345.45	120,280.10	38,295.30	23,138.40	82,232.26	71,695.86	220,821.80	647,809.17
Cost of goods sold or services provided	-	5,030.00	21,013.44	9,589.86	4,732.98	19,724.88	8,603.98	1,627.38	70,322.52
Gross profit	70,000.00	16,315.45	99,266.66	28,705.44	18,405.42	62,507.38	63,091.88	219,194.42	577,486.65
Operating expenses									
Salaries	25,620.00	25,620.00	25,620.00	12,810.00	24,323.89	22,922.38	22,922.38	22,922.38	182,761.03
Rent	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25	52,050.00
Depreciation	405.46	394.46	389.00	380.00	373.00	368.00	356.00	350.00	3,015.92
Payroll tax	8,367.20	8,367.20	8,367.20	4,182.47	7,941.75	7,484.16	7,484.16	7,484.16	59,678.30
Advertising/Promotion/Tradeshow	3,010.00	3,010.00	5,200.00	3,010.00	3,010.00	3,010.00	3,010.00	5,200.00	28,460.00
Insurance	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51	27,332.08
401K	1,246.02	1,246.02	1,246.02	579.40	1,235.03	1,224.04	1,224.04	1,224.04	9,224.61
Interest	-	-	-	-	-	-	-	-	-
Supplies	103.35	103.35	326.00	103.00	103.35	103.35	103.35	326.00	1,271.75
Utilities	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	27,200.00
Total operating expenses	52,074.79	52,063.79	54,470.98	34,387.63	50,309.78	48,434.69	48,422.69	50,829.34	390,993.69
Income from operations	17,925.21	(35,748.34)	44,795.68	(5,682.19)	(31,904.36)	14,072.69	14,669.19	168,365.08	186,492.96
Other revenues/gains and expenses/losses	-	-	-	-	-	-	-	-	-
Net income before taxes	17,925.21	(35,748.34)	44,795.68	(5,682.19)	(31,904.36)	14,072.69	14,669.19	168,365.08	186,492.96
Corporate income tax	3,764.30	7,507.15	9,407.10	1,193.26	6,699.92	2,955.26	2,935.32	28,426.38	62,888.69
Net income after taxes	14,160.91	(43,255.49)	35,388.58	(6,875.45)	(38,604.28)	11,117.43	11,733.87	139,938.70	123,604.27
Distributions	1,416.09	(4,325.55)	3,538.86	(687.55)	(3,860.43)	1,111.74	1,173.39	13,993.87	12,360.43
	September	October	November	December	January	February	March	April	TOTAL
Inventory, beginning of the month (What we start with)	-	3,295.74	48,726.45	36,875.84	27,285.98	22,553.00	14,050.88	8,603.98	161,391.87
Add: Purchases (How many we exceeded of our beginning inventory)	3,295.74	50,460.71	9,162.83	-	-	11,222.76	11,428.73	45,000.00	130,570.77
= Cost of goods available (Cost of all the bottles)	3,295.74	53,756.45	57,889.28	36,875.84	27,285.98	33,775.76	25,479.61	53,603.98	291,962.64
Less: Inventory, end of month (cost of bottles left over)	3,295.74	48,726.45	36,875.84	27,285.98	22,553.00	14,050.88	16,875.63	51,976.60	221,640.12
= Cost of goods sold	-	5,030.00	21,013.44	9,589.86	4,732.98	19,724.88	8,603.98	1,627.38	70,322.52

In accordance with the Greenville County School calendar, we are closed in the months of June, July, and the majority of August for summer vacation. Greer High School was closed December 21 - January 2 due to Winter Break. During November and April, H to O will be participating in tradeshow leading to a spike in cash inflow.

Balance Sheet

The balance sheet is a condensed statement that provides the current financial state of a company during a specific time period. [H to O](#) can determine their financial position due to this document. On February 28, 2018, the firm had \$23,174.50 in cash and \$11,222.76 in merchandise inventory, which led the firm to a total of \$34,397.26 in total current assets. When fixed assets (i.e. computers, furniture, office equipment, production machinery and trade show equipment) were added, the total amount rose to \$122,854.26. At the commencement of [H to O](#), the firm issued 5,000 shares of stocks at a \$10 par value, which resulted in \$50,000 invested to the firm. This leads to the total shareholders equity equaling \$62,155.43.

CURRENT ASSETS		CURRENT LIABILITIES	
Cash	\$ 23,174.50	Accounts Payable	\$ -
Accounts Receivable	\$ -	Corporate Tax Payable	\$ 2,955.26
Merchandise Inventory	\$ 11,222.76	Payroll tax Payable	\$ 7,484.16
Total Current Assets	\$ 34,397.26	Salaries Payable	\$ 22,922.38
		Sales Tax Payable	\$ -
		Shipping Payable	\$ -
		Total Current Liabilities	\$ 33,361.80
FIXED ASSETS		Long Term Liabilities	\$ 27,337.03
Computers	\$ 10,790.00	TOTAL LIABILITIES	\$ 60,698.83
Less: Accumulated Depreciation	\$ (1,300.00)		
Furniture and Fixtures	\$ 7,664.00	SHAREHOLDERS EQUITY	
Less: Accumulated Depreciation	\$ (766.00)	Issued 2,000 Shares at \$10 Par Value	\$ 50,000.00
Office Equipment	\$ 1,272.00		
Less: Accumulated Depreciation	\$ (127.00)	Additional Paid-in Capital	\$ -
Production Equipment and Machinery	\$ 48,372.00	Retained Earnings	\$ 12,155.43
Less: Accumulated Depreciation	\$ (6,288.00)	TOTAL SHAREHOLDER'S EQUITY	\$ 62,155.43
Trade Show Equipment	\$ 29,540.00		
Less: Accumulated Depreciation	\$ (700.00)		
Total Fixed Assets	\$ 88,457.00		
TOTAL ASSETS	\$122,854.26	TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	\$122,854.26


Cash Budget

As a new and emerging company, **H to O** started off with \$20,000 in seed money. **H to O** also distributed 5,000 shares of stock each at a \$10 par value earning a capital investment of \$50,000. Due to this investment, it was not necessary for the firm to request a loan. With these funds, **H to O** was able to purchase production machinery and equipment, office space and utilities, furniture and fixtures and trade show equipment. The firm is able to get a discounted price on recycled 18/18 kitchen grade metal through their partnership with Watson Steel, a local steel manufacturer. Doing this helps to limit **H to O's** cash outflow. To increase cash inflow, the firm utilizes effective marketing techniques such as social media posts and implements strong sales strategies.

Description	September	October	November	December	January	February	March	April
	Actual (\$)	Actual (\$)	Actual (\$)	Actual (\$)	Actual (\$)	Actual (\$)	Projected (\$)	Projected (\$)
Cash balance at beginning of period:	-	11,373.98	(76,814.41)	(28,860.22)	(25,662.81)	(59,057.76)	(38,966.86)	(29,618.39)
Receipts of cash:	-	-	-	-	-	-	-	-
Sales	-	21,345.45	98,880.10	16,895.30	1,738.40	60,832.26	27,095.86	176,221.80
Receipts of accounts receivable	70,000.00	-	-	-	-	-	-	-
Loan proceeds	-	-	-	-	-	-	-	-
Other	-	-	21,400.00	21,400.00	21,400.00	21,400.00	44,600.00	44,600.00
Total receipts	70,000.00	21,345.45	120,280.10	38,295.30	23,138.40	82,232.26	71,695.86	220,821.80
Beginning balance + cash receipts	70,000.00	32,719.43	43,465.69	9,435.08	(2,524.41)	23,174.50	32,729.00	191,203.41
Payments:								
Cost of merchandise	3,295.74	50,460.71	9,162.83	-	-	11,222.76	11,428.73	45,000.00
Salaries	25,620.00	25,620.00	25,620.00	12,810.00	24,323.89	22,922.38	22,922.38	22,922.38
Accounts payable	-	-	-	-	-	-	-	-
Rent	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25	6,506.25
Advertising/promotion	3,010.00	3,010.00	5,200.00	3,010.00	3,010.00	3,010.00	3,010.00	5,200.00
Payroll tax	8,367.20	8,367.20	8,367.20	4,182.47	7,941.75	7,484.16	7,484.16	7,484.16
Insurance	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51	3,416.51
Accounting and legal fees	-	-	-	-	-	-	-	-
Utilities	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00
Interest	-	-	-	-	-	-	-	-
Pension, 401(k)	1,246.02	1,246.02	1,246.02	579.40	1,235.03	1,224.04	1,244.04	1,224.04
Freight out	-	-	-	-	-	-	-	-
Sales tax	-	-	-	-	-	-	-	-
Corporate tax	3,764.30	7,507.15	9,407.10	1,193.26	6,699.92	2,955.26	2,935.32	28,426.38
Total payments	58,626.02	109,533.84	72,325.91	35,097.89	56,533.35	62,141.36	62,347.39	123,579.72
Cash balance at end of period: (line 3 - line 4)	11,373.98	(76,814.41)	(28,860.22)	(25,662.81)	(59,057.76)	(38,966.86)	(29,618.39)	67,623.69
Net increase or decrease in cash (line 2 - line 4)	11,373.98	(88,188.39)	47,954.19	3,197.41	(33,394.95)	20,090.90	9,348.47	97,242.08
H to O started with \$20,000 in seed money and acquired \$50,000 through an angel investor. The firm has a contract with Willmax Capital which allows for the transfer of \$21,400 each month starting in November. H to O is also partnered with TD Bank and contracted to receive \$23,200 starting in the month of March.								

Appendix

Bank Balance Screenshot



B. Redd (H to O: Hydration to Others - PF Code US012136) | [Return to portal](#) | [Sign out](#)

US Network Bank

[Account summary](#)
[Account details](#)
[Bill payment](#)
[Funds transfer](#)
[Scheduled transactions](#)
[Payees](#)

Account details

Account: H to O: Hydration to Others (Budget Checking) - 630518106 [Download account details \(Excel\)](#)

Period: from 03/05/2017 until 03/05/2018 Show

Date	Name/Description	Account no	Ref#	Amount	Balance
March 1, 2018	Matt Carr (US01511), Knoxville, TN VEI Checkout transaction #256533 03/01/2018 12:52 PM CT	630568456	3517533	\$556.40	\$104,620.26
March 1, 2018	Will Gross (US01511), Knoxville, TN VEI Checkout transaction #256531 03/01/2018 12:51 PM CT	630465037	3517529	\$556.40	\$104,063.86
March 1, 2018	Jake Klenck (US01511), Knoxville, TN VEI Checkout transaction #256520 03/01/2018 12:45 PM CT	630465045	3517507	\$556.40	\$103,507.46
March 1, 2018	MarQuavis Dottery (US01511), Knoxville, TN VEI Checkout transaction #256511 03/01/2018 12:37 PM CT	630465029	3517489	\$556.40	\$102,951.06
March 1, 2018	Nick Law (US01511), Knoxville, TN VEI Checkout transaction #256510 03/01/2018 12:37 PM CT	630464960	3517487	\$556.40	\$102,394.66

Angel Investor Letter of Support



October 4, 2017

VE Central Office
122 Amsterdam Avenue
New York, NY 10023

Dear Cindy Boyd

Please accept this letter of support as my intention to invest \$50,000 in **Hydration to Others**. In exchange for this investment of funds, I understand that I will be taking an equity stake in their business by receiving a commensurate number of shares of stock in their company.

I affirm that I have done the following to review and evaluate this company:

1. Listened to a business pitch from the executive team outlining the firm's business plan, including the marketing plan, operating budget, and sales/revenue projections.
2. Reviewed company projections and assumptions.
3. Engaged in Q&A or discussion to clarify and guide the firm's direction.

I understand that upon approval of this equity investment by the VE Central Office, will prepare and send to me a stock certificate outlining the number of shares awarded based on a \$10 Par Value. I also understand that as a result of my investment, I will be placed on the company's Board of Directors.

This is a great opportunity for Owens Insurance Agency to make an investment!

Sincerely,

Chad K Hannon
Vice President
Owens Insurance Agency
Office (864) 655-4785
chad@trustowens.com

Non-VE Sales Contract



Hydration to Others

3000 East Gap Creek Rd, Greer, SC 29651

E: htoohydrationtoothers.sc@veinternational.org

P: (864) 355-5795

Business Contract

This agreement is effective as of November 1, 2017, between: WillMax Capital and Hydration to Others and will continue through May 31, 2018. The parties hereby agree to the following terms and conditions: WillMax Capital agrees to pay Hydration to Others \$21,400.00/month for the 2017-2018 fiscal year. In return, Hydration to Others will provide WillMax Capital with the following products each month.

DESCRIPTION OF SERVICE/SUPPLIES:

<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
Asia Bundle	4	\$500.00	\$2,000.00

<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
African Bundle	4	\$500.00	\$2,000.00

<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
South American Bundle	4	\$500.00	\$2,000.00

<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
Ultimate Bundle	11	\$1,400.00	\$15,400.00

<u>Total Price</u>	<u>\$21,400.00</u>
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Change **your** bottle. Change **their** life.
<http://www.hydration-to-others.com>



Hydration to Others

3000 East Gap Creek Rd, Greer, SC 29651

E: htoohydrationtoothers.sc@veinternational.org

P: (864) 355-5795

TERMS AND CONDITIONS – This contract agreement may be cancelled with 90 days advanced written notice. The period of this contract is to be honored monthly from the effective date unless modified in writing 90 days in advance. Title and ownership of this agreement is non-transferable to any other party. Hydration to Others guarantees delivery of the quantities and items stated above in accordance with terms and conditions stated in this agreement. WillMax Capital hereby agrees to honor the firm's fixed prices stated above during the period of the contract agreement, with no consideration for economic price adjustments.

CANCELLATION – The contract may not be cancelled without the written agreement of both parties. Any party defaulting on the stated terms will incur the costs associated with recovery and all associated litigation fees.

RENEWABLE OPTIONS – During the final period of this agreement, either party may offer to negotiate optional months.

CORPORATE COMMITMENT – By signing this agreement, WillMax Capital hereby agrees to offer the expertise of its officers as advisors to Hydration to Others. This mentoring will assist in the successful operation of Hydration to Others, thus protecting your valued investment in our product.

The signatures below represent the authority to fully execute this agreement

Signature of WillMax Capital Representative

Cindy Jordan

Printed Name of WillMax Capital Representative

cindy@willmax.net

Email of WillMax Capital Representative

(864) 414-6632

Phone Number of WillMax Capital Representative

10/24/17

Date

HR Director

Title

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Hydration to Others

3000 East Gap Creek Rd, Greer, SC 29651

E: htoohydrationtoothers.sc@veinternational.org

P: (864) 355-5795

Business Contract

This agreement is effective as of March 1, 2018, between: TD Bank and Hydration to Others and will continue through April 30, 2018. The parties hereby agree to the following terms and conditions: TD Bank agrees to pay Hydration to Others \$23,200.00/month for two months in the 2017-18 fiscal year. In return, Hydration to Others will provide TD Bank with the following products each month.

DESCRIPTION OF SERVICE/SUPPLIES:

<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
Asia Bundle	8	\$500.00	\$4,000.00
<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
African Bundle	8	\$500.00	\$4,000.00
<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
South American Bundle	8	\$500.00	\$4,000.00
<u>Product</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Extended Price</u>
Ultimate Bundle	8	\$1,400.00	\$11,200.00
<u>Total Price</u>			<u>\$23,200.00</u>

Change your bottle. Change their life.
<http://www.hydration-to-others.com>



Hydration to Others

3000 East Gap Creek Rd, Greer, SC 29651

E: htoohydrationtoothers.sc@veinternational.org

P: (864) 355-5795

TERMS AND CONDITIONS – This contract agreement may be cancelled with 90 days advanced written notice. The period of this contract is to be honored monthly from the effective date unless modified in writing 90 days in advance. Title and ownership of this agreement is non-transferable to any other party. Hydration to Others guarantees delivery of the quantities and items stated above in accordance with terms and conditions stated in this agreement. TD Bank hereby agrees to honor the firm's fixed prices stated above during the period of the contract agreement, with no consideration for economic price adjustments.

CANCELLATION – The contract may not be cancelled without the written agreement of both parties. Any party defaulting on the stated terms will incur the costs associated with recovery and all associated litigation fees.

RENEWABLE OPTIONS – During the final period of this agreement, either party may offer to negotiate optional months.

CORPORATE COMMITMENT – By signing this agreement, TD Bank hereby agrees to offer the expertise of its officers as advisors to Hydration to Others. This mentoring will assist in the successful operation of Hydration to Others, thus protecting your valued investment in our product.

The signature below represents the authority to fully execute this agreement.

Signature of TD Bank Representative

Date

Printed Name of TD Bank Representative

Title

Email of TD Bank Representative

Phone Number of TD Bank Representative

Change your bottle. Change their life.
<http://www.hydration-to-others.com>

The attached contracts have been approved by the

VEI Southern Regional Office

Cindy Boyd, Director

