


WISP Internet Services Inc.
Weekly Cash Flow Forecast
For the period from August 29, 2019 to November 30, 2019

Week Ending	Notes	Aug-29-19 to 7-Sep-19	14-Sep-19	21-Sep-19	28-Sep-19	05-Oct-19	12-Oct-19	19-Oct-19	26-Oct-19	02-Nov-19	09-Nov-19	16-Nov-19	23-Nov-19	30-Nov-19	TOTAL
Receipts															
Recurring Revenue	2	41,995	41,995	41,995	41,995	44,228	44,364	44,499	44,635	44,770	44,906	45,042	45,177	45,313	570,913
Non recurring Revenue	3	13,052	7,289	7,289	7,289	13,052	7,289	7,289	7,289	13,052	7,289	7,289	7,289	7,289	112,040
Total Receipts		55,046	49,283	49,283	49,283	57,280	51,652	51,788	51,923	57,822	52,194	52,330	52,466	52,601	682,953
Disbursements															
Direct Cost of sales	4	15,405	12,580	12,580	12,580	15,405	12,580	12,580	12,580	15,405	12,580	12,580	12,580	12,580	172,014
Indirect Cost of sales	5	10,258	14,473	7,143	12,502	10,321	14,532	7,206	12,568	10,180	14,731	7,219	12,581	5,585	139,299
Payroll	6	9,990	6,385	6,385	6,385	9,990	6,385	17,852	6,385	9,990	6,385	18,826	6,385	6,385	117,728
Occupancy Costs	7	5,855	1,000	3,500	1,000	5,705	250	2,750	250	5,705	250	2,750	250	250	29,515
G&A Expenses	8	800	2,050	50	2,050	800	2,050	50	2,050	8,190	3,050	50	50	11,356	32,596
Total Disbursements		42,308	36,488	29,658	34,517	42,221	35,797	40,438	33,833	49,469	36,996	41,425	31,846	36,156	491,152
Net Cash flow from Operations		12,739	12,795	19,625	14,767	15,059	15,855	11,350	18,091	8,353	15,199	10,905	20,619	16,445	191,801
Bank Balance															
Opening Cash Balance		7,076	19,814	32,610	52,235	67,002	82,060	97,915	109,265	127,356	135,709	150,908	161,812	182,431	7,076
Add: Net Cash Flow from Operations		12,739	12,795	19,625	14,767	15,059	15,855	11,350	18,091	8,353	15,199	10,905	20,619	16,445	191,801
Closing Cash Balance from Operations		19,814	32,610	52,235	67,002	82,060	97,915	109,265	127,356	135,709	150,908	161,812	182,431	198,877	198,877
Less: Restructuring Professional Fees & Disbursements	9	5,000	6,500	10,000	10,000	6,500	5,000	10,000	5,000	6,500	5,000	15,000	5,000	-	89,500
Closing Cash Balance		14,814	21,110	30,735	35,502	44,060	54,915	56,265	69,356	71,209	81,408	77,312	92,931	109,377	109,377

This statement of forecast cash flow of WISP Internet Services Inc. is prepared in accordance with section 50.4 (2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the accompanying notes and Trustee's report on cash flow statement dated this the 6th day of September, 2019.

Dodick Landau Inc.

Per: 
Rahn Dodick, CPA, CA, CIRP, LIT

WISP Internet Services Inc.

Per:


Chris Evelyn
President

WISP Internet Services Inc. (“WISP” or the “Company”)
Major Assumptions
Cash Flow Forecast
For the Period August 29, 2019 to November 30, 2019 (the “**Period**”)

1. WISP’s financial projections have been prepared for the purpose of meeting the requirements of the Bankruptcy and Insolvency Act. The Projection is based on the hypotheses that WISP will continue operations in the normal course and will generate sufficient cash flow to meet its ongoing operational needs.

Receipts:

2. Wisp sells high-speed internet access to rural Ontario residents. Wisp’s recurring revenue projections for the purposes of this cash flow are based on the Company’s existing number of internet subscribers at the average monthly billing per customer. A price increase for older subscribers, which goes into effect at the beginning of October, 2019, has been incorporated as well. The cash flow forecast assumes that the Company will add new subscribers each week based on its historic growth patterns and assumes an amount for bad debt for customer credit cards that can not be processed. Recurring revenue also includes receipts from customers who pay a monthly rental fee for their internet equipment.
3. Non recurring revenue projections includes one-time payments by new subscribers who elect to purchase their internet equipment rather than pay the monthly rental fee noted above, as well as forecast receipts for special customer installations which are at times required by new subscribers in order to be able to receive internet into their homes.

Disbursements:

4. Direct cost of sales includes the hardware cost associated with the installation of internet into the homes of new subscribers as well as the cost special customer installations as required by new subscribers. Installation costs are forecast based on the Company’s historical installation costs. Also included in direct cost of sales is the cost of the Company’s primary internet feed, which it purchases from a master distributor. Lastly, included in this line item are regular purchases of hardware for subscribers who opt to rent their equipment rather than buy it.
5. Indirect cost of sales includes merchant fees for processing customer credit card payments, the Company’s customer management software, a bi-weekly payment for the Company’s help desk and sales support team, vehicle expenses, equipment lease costs and other rental costs. Tower rental costs are not included in this cash flow as the new restructured tower rental payments are forecast to start after the proposal is approved by the creditors and the Court which is outside the cash flow forecast period.

6. Payroll includes amounts for salaried and hourly employees who are paid weekly. Other payroll costs include source deduction remittances to Canada Revenue Agency (“CRA”) by the 15th of the following month, employee benefits and WSIB payments in the Period.
7. Occupancy expenses include WISP’s insurance costs, utilities and office rents.
8. General and administrative expense include general office expenses, book keeping costs, and monthly HST remittances to CRA.
9. Professional fees include fees for the Company’s legal counsel, the Proposal Trustee and its legal counsel for the Period.
10. The opening cash balance as of August 29, 2019 is \$7,076.