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MISSION STATEMENT

Spectral Lighting seeks to enter the lighting industry with its products that ensure high quality and longevity. We offer a variety of product lines including residential, commercial, and industrial lighting. We strive to develop relationships with our customers, suppliers and employees that are as efficient and long lasting as the light bulbs we sell.

## EXECUTIVE SUMMARY

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### WHO ARE WE AND WHAT WE SELL

Spectral Lighting will be located in Millburn, NJ, and expects to open in the spring of 2016. It will offer a variety of product lines including residential, commercial, and industrial lighting. Spectral will also have its own repair and restoration department that will fix and/or refurbish consumer's products. The company will be opening as a Sub-Chapter S Corporation under a single owner who will possess 100% of Spectral's stock.

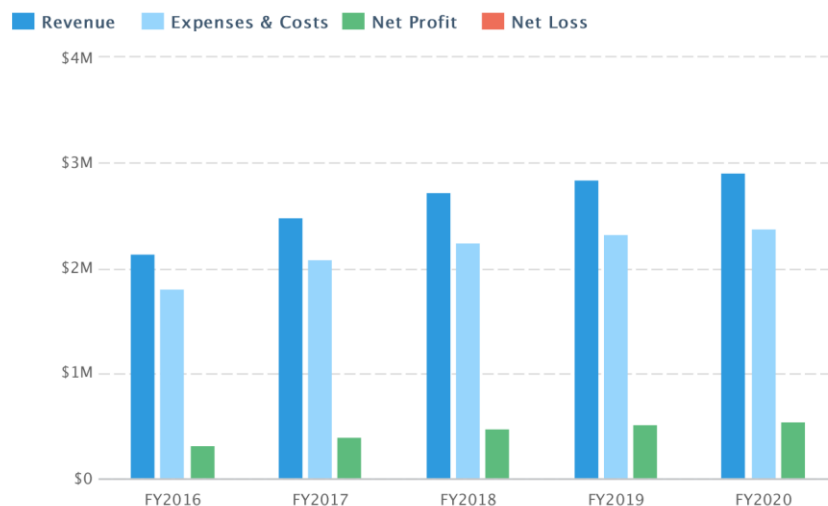
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### TARGET MARKET AND COMPETITIVE ADVANTAGE

Spectral's primary target market will consist of businesses who tend to purchase products in larger quantities. These accounts will be what will primarily keep the company profitable while Spectral targets its secondary market of individual consumers through its retail showroom and repair/restoration department. This company intends to target roughly a fourth of New Jersey's 8.9 million person population and the 415,000 businesses in NYC among the 8.4 million person population. The primary advantage of Spectral Lighting is its location. The company will not only be the primary lighting company in Millburn, NJ, but will be near two Universities, as well as the Five Boroughs, allowing Spectral to target multiple markets simultaneously.

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### FINANCIAL HIGHLIGHTS BY YEAR



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### MANAGEMENT TEAM

The most influential factor in business is a person's communication skills, which is the primary component Spectral brings to the table. SL will not have specific "key players" because the company has every intention of working in conjunction of one another. The employees working the showroom will attend to the secondary market of individual consumers, whilst employees on the second level tend to the larger orders of company's/organizations. While dealing with the current influx of business, Spectral will have salesmen who will constantly try to gather new accounts through cold calling, and on foot, in order to further expand the business. As these operations continue daily, the owner will handle personal relations, and incoming quotes with some of Spectral's main accounts to help ensure company profitability and relationship longevity. This way the company utilizes every resource it has in order to not remain stagnant over time.

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### FINANCIAL SUMMARY

Upon initial market penetration, Spectral expects to have a cash flow of \$149,000 after slightly under year business at year-end closing. After a full year of business in 2017, cash on hand increases to just under \$500,000 and nearly doubles in 2018. After covering initial and operational costs, Spectral will continue to become a more profitable corporation in the years to come.

## THE COMPANY

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### COMPANY BACKGROUND

Spectral Lighting is a Sub Chapter-S company that supplies various forms of indoor, outdoor, industrial, and medical lighting to customers. SL will be opening in Millburn in 2016. The company will also consist of employees who all have had experience in the lighting industry. Spectral intends to bring cheaper lighting to any type of homeowner, building, or company, in a much more aesthetic, and pleasing fashion

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### PRODUCT DESCRIPTION

With the lighting industry evolving day to day, Spectral Lighting brings a variety of lighting including Halogen, Incandescent, Candelabra, Medical, and LED's to the Market. SL will

supply, in any amount, to any company, corporation, contractor, or home owner. Located in Millburn, NJ, Spectral stocks and orders indoor, outdoor, commercial, industrial, and residential fixtures from manufacturers such as Sylvania, Phillips, and Satco. Spectral will elegantly display commercial, residential, and outdoor lighting, along with various lighting accessories consisting of outlets, switches, fan blades, door bells, and dimming systems in its 1200 square foot showroom. SL will employ the corporation with knowledgeable employees that will fulfill any customer's specific needs, utilizing their vast electrical background and intellect. In addition, SL will have a repair and restoration department for any, and all types of fixtures. Whether a customer comes to the store, or use Spectral's Truck delivery service, SL will adhere to any and all of an individual's lighting needs.

### THE MARKET

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#### INDUSTRY ANALYSIS & TARGET MARKET

From 2007 to 2012, the Lighting Industry has declined in every facet. During this time period, LED's were just becoming introduced to the market, with little to no establishment and rapport among consumers. In the United States there was a 13.68% decrease in business done from 2007 to 2012, with a 24.41% decrease in New Jersey. Although this can seem alarming to a new owner, or investor, entering the market, it is no different than a Stockbroker purchasing stocks at a low price with the expectation of increase and return. In New Jersey, in 2012, the number of establishments decreased from 610 to 528, opening up market space whilst decreasing competition for Spectral Lighting. With the introduction of LED's, the Lighting Industry is anticipated to become a \$10 Billion market by 2016. With this new product line, in addition to the existing lines of commercial, residential, outdoor, and industrial fixtures, SL will be able to expand its target market to not only the older generations, who may want to use familiar fixtures they have had for years, but also target the new generations trying to acquire the newest products on the market for their home, or business. Having the company located in Millburn will also give Spectral a significant geographic and demographic advantage over most lighting stores in New Jersey, since it is not only near Newark, but New York City as well. This will allow Spectral's salesmen to travel with ease to these areas in order to acquire new accounts out of the 8.4 million that live in NYC. Millburn is also close to Kean University, in which over 15,000 students attend, and Montclair State University, in which 20,000 attend. At both these universities, the majority of the students tend to live off campus, and commute to school. This allows for a new market because Landlords, and students, will want to acquire LED lights to make electrical costs as low as possible. College students will also be targeted with Spectral's selection of desk lights for doing schoolwork. On top of the New York City and collegiate population, New Jersey still consists of 8.9 million residents, an eighth of which Spectral will be

targeting, in order to tend to the tastes of different generations, including children. With SL's "children friendly" product lines such as action figure lamps, or NASCAR fans, it will make this task very reachable. This allows Spectral Lighting to appeal to the majority of demographic and geographic markets in order to seek the most profitability, whilst performing in a declining Industry.

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### CURRENT ALTERNATIVES AND COMPETITION

One of the biggest advantages of Spectral Lighting is its geographical location. Although there are some small competitors in surrounding towns, the town of Millburn has no true Lighting Businesses, which generates an initial market for market penetration. Some of the competition consists of Pottery Barn, Restoration Hardware, Metrolite Sales Corporation, and Manhattan Lights. Though many more exist, most of the competition consist of hardware stores that lack the product line depth that Spectral can offer. Though this mainly poses as a pro for the company, it also carries the characteristics of a con. Any competition draws customers away from a particular store, but hardware stores draw customers looking for simple, easily replaceable lighting supplies, away from actual lighting companies, who also carry those same lighting products. Hardware stores may also be more enticing to visit because while purchasing a lighting product, consumers can also purchase other hardware needs, which may utilize the consumer's time. This potentially hinders the modest number of lighting company-to-consumer relationships that may develop and go from a consumer simply buying a light bulb, to a loyal customer that only buys its fixtures from Spectral. Though this is a con, it will not take any damaging percentage away from the company, since hardware stores generally only cover basic lighting needs. Spectral will also be equipped with a staff that is knowledgeable in any aspect that pertains to lighting such as preparing of quotes for companies, making purchases, customer communication skills, as well as product repair/restoration. Another pro that Spectral offers is its delivery service. Customers will be able to place order over the phone, or in the showroom, and have it delivered to their doorstep. These deliveries will range to cover most of New Jersey, The Five Burrows, southern parts of New York, and eastern Pennsylvania.

### MARKETING & SALES

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#### MARKETING PLAN

Before Spectral's initial opening, all future employees will be working very hard to spread people's awareness of the opening of Spectral Lighting. During this period and the period following the initial opening, employees of SL will be placing fliers in surrounding towns, on top of having YouTube, Twitter, Facebook, Instagram, and Newspaper advertisements. SL does not have a designated marketing employee yet, but its Cold Calling/On foot salesmen will be helping to spread the word as they find potential accounts for Spectral. After revenue is generated, Spectral intends to make its way onto television, and have a commercial aired to stations in New

Jersey, helping spread Spectral's name. With all these advertisements working in conjunction of each other, SL knows there is a lot of opportunity out there to spread awareness of its market penetration.

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### SALES PLAN

Spectral intends to sell to two types of markets. Its primary market will be larger organizations/businesses who tend to purchase lighting products in bulk. This will be handled by its Cold Calling/On Foot Salesmen, Director of Operations, and Owner. SL's secondary market will be handled by its Showroom Salesmen who will handle smaller accounts such as individuals who want to either visit the Millburn location, or place an order over the phone.

## THE ORGANIZATION

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### LEGAL AND ORGANIZATIONAL STRUCTURE

Spectral Lighting will be a Sub-Chapter S Corporation in which the owner will own 100% of Spectral's stock. In this organization, the Director of Operations will have to report back to the owner for compliance, while the Cold Calling Salesmen, Accounts Receivable/Payable, Showroom Salesmen, Shipping Clerk, and Truck Driver all have to report back to either the Director of Operations, or the Owner.

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### KEY PERSONNEL

Spectral will be under complete ownership of one owner who will possess 100% of the company's stock. The Director of Operations will report back to the owner, and oversees the function of the company while handling quotes from large accounts. Accounts Payable/Receivable employee will handle incoming and outgoing payments for Spectral. The Cold Calling Salesmen will visit potential accounts in order to have them begin to purchase from Spectral. Showroom Salesmen will handle the secondary market of individual consumers trying to make a purchase from the showroom. Shipping Clerk will control the incoming and outgoing packages to and from warehouse. The Truck Driver delivers to customers, and brings orders back to Spectral to store in the warehouse. All of these employees report back to either the Director of Operations, or Owner, keeping communication a high priority as Spectral goes about its daily endeavors.

## OPERATIONS

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### LOCATIONS & FACILITIES

Spectral Lighting will be signing a 3 year lease, with the option of extension, for a 3500 square ft. building located in Millburn, NJ. This 3500 square ft. is an optimal space for our Showroom, Warehouse, and second floor employees. Millburn is an extremely beneficial location for Spectral's primary and secondary market due to its lack of surrounding competitors for the secondary market, and its short distance, for our salesmen, from its primary market located in the Five Boroughs. Millburn is also a relatively quiet town that is near various highways/freeways, making it very accessible and convenient for SL's customers to visit from surrounding towns. This feature also makes it easy for Spectral's truck to service customer's that don't, or can't, come to Spectral's Millburn location to place, or pick up an order.

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### TECHNOLOGY

Spectral Lighting will be using an information system, known as DDI, to handle customer traffic, and business operations over the years. It will also use it to accept and send payments, and emails, between customers and vendors associated with SL. This system will handle a bulk of Spectral's business operations, such as quotes and payroll, while the remaining operations will be handled by SL's employees over the phone or in person.

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### KEY METRICS

The most important metrics that Spectral will track will be the cash flow at years-end. Most small businesses that open, close down within five years due to problems with their cash flow. At the end of each period, Spectral will take its profits and create its own cash flow in preparation of customer's late payments that make it difficult to pay for the costs of operating the business. In addition, SL will want to keep track of its expenses so that they can be kept low, or decreased if possible each year. This will help Spectral save money being put towards expenses, and add it to its very own self-generated cash flow in order to keep the business operating properly.

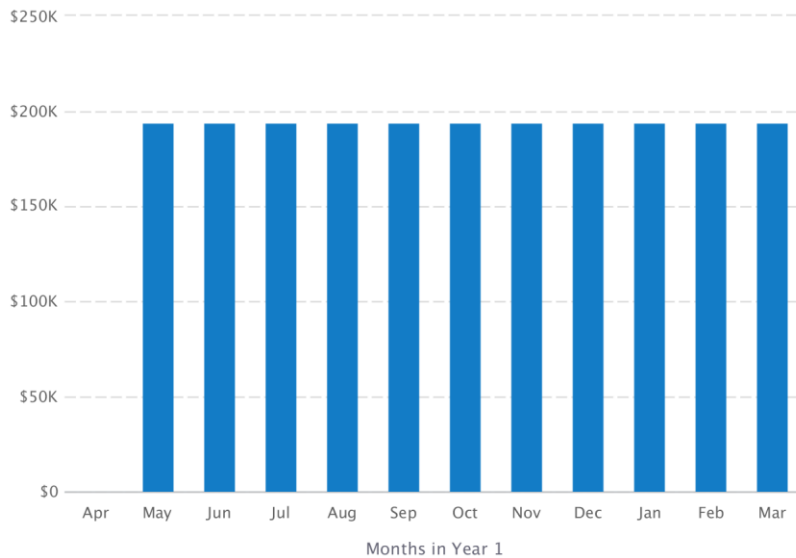
## FINANCIAL PLAN



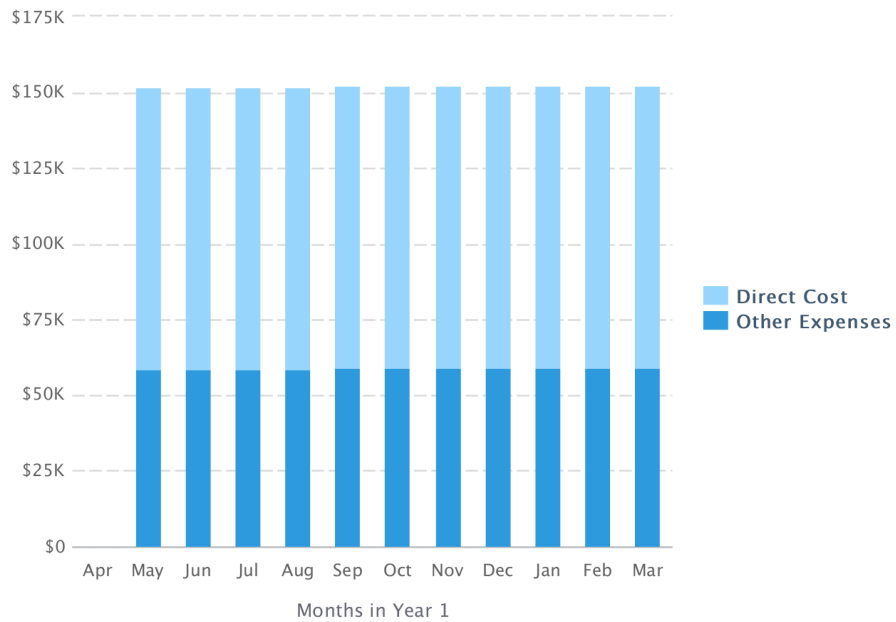
## KEY ASSUMPTIONS

The values in this forecast were based off a few variables. The first variable is the location of the business, along with the location of the surrounding population/target market in the area. The second, was an average of 25%, which is the chance that a customer who enters Spectral's showroom, or is contacted by our Cold Calling Salesmen, will purchase a product. We then applied this percentage to the target market numbers in order to obtain the estimated traffic Spectral expects to cope with. With these numbers, Spectral expects to see roughly a 20% increase in Net Profit at each year-end closing.

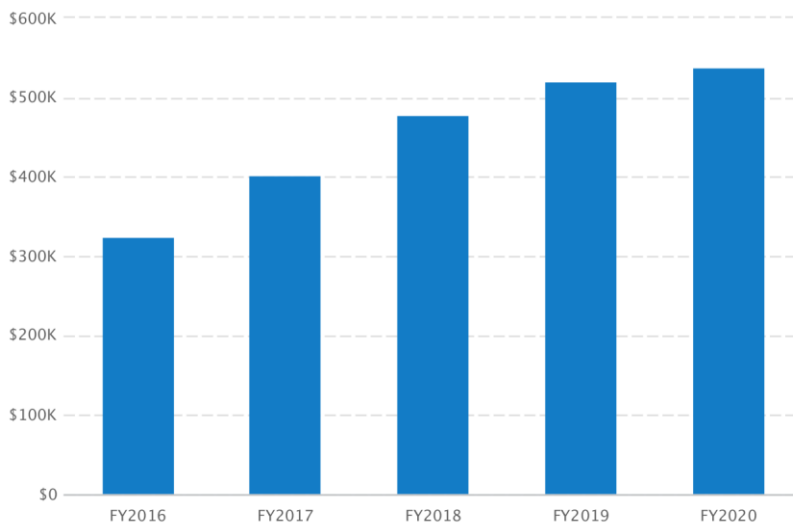
## REVENUE BY MONTH



EXPENSES BY MONTH



NET PROFIT (OR LOSS) BY YEAR



### FINANCING

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#### USE OF FUNDS

Before Spectral opens shop, it will be applying for a \$150,000 loan, and a \$50,000 line of credit. The loan will help with the initial startup of paying salaries in the beginning months, and buying assets the company needs to function as SL moves forward. The loan will also help pay initial operating costs as the company starts to generate its own revenue. Since Spectral will be renting the building, it will not have to cover any capital expenditures such as acquiring the property, or building. The line of credit will be used as extra cash that may be needed in case of unforeseen expenses, or problems, that the loan did not cover. This \$200,000 in total will ultimately help create the foundation for Spectral to build off of in the years to come.

## STATEMENTS

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### PROJECTED PROFIT & LOSS

## Spectral Lighting

	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>
<b>Revenue</b>	<b>\$2,135,375</b>	<b>\$2,485,500</b>	<b>\$2,719,500</b>	<b>\$2,849,500</b>	<b>\$2,914,500</b>
<b>Direct Costs</b>	<b>\$1,162,260</b>	<b>\$1,357,776</b>	<b>\$1,492,560</b>	<b>\$1,567,440</b>	<b>\$1,604,880</b>
Gross Margin	\$973,115	\$1,127,724	\$1,226,940	\$1,282,060	\$1,309,620
<b>Gross Margin %</b>	<b>46%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>
<b>Operating Expenses</b>					
Salary	\$320,430	\$354,156	\$358,824	\$363,612	\$368,484
Employee Related Expenses	\$64,086	\$70,831	\$71,765	\$72,722	\$73,697
Family Health Insurance	\$52,800	\$57,600	\$57,600	\$57,600	\$57,600
Individual Health Insurance	\$31,075	\$33,900	\$33,900	\$33,900	\$33,900
Electric	\$16,500	\$18,000	\$18,000	\$18,000	\$18,000
Gas	\$5,500	\$6,000	\$6,000	\$6,000	\$6,000
Water	\$1,100	\$1,200	\$1,200	\$1,200	\$1,200
Office Supplies	\$11,000	\$12,000	\$12,000	\$12,000	\$12,000
Rent	\$38,500	\$42,000	\$42,000	\$42,000	\$42,000
Truck Insurance	\$3,300	\$3,600	\$3,600	\$3,600	\$3,600
Business Interruption Insurance	\$4,400	\$4,800	\$4,800	\$4,800	\$4,800
Telephone	\$2,200	\$2,400	\$2,400	\$2,400	\$2,400
Workers Comp. Insurance	\$4,400	\$4,800	\$4,800	\$4,800	\$4,800
<b>Total Operating Expenses</b>	<b>\$555,291</b>	<b>\$611,287</b>	<b>\$616,889</b>	<b>\$622,634</b>	<b>\$628,481</b>
<b>Operating Income</b>	<b>\$417,824</b>	<b>\$516,437</b>	<b>\$610,051</b>	<b>\$659,426</b>	<b>\$681,139</b>
Interest Incurred	\$8,658	\$6,819	\$5,101	\$3,267	\$1,318
Depreciation and Amortization	\$3,704	\$6,063	\$6,065	\$6,064	\$6,063

## Spectral Lighting

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Income Taxes	\$81,092	\$100,710	\$119,778	\$130,019	\$134,752
<b>Total Expenses</b>	<b>\$1,811,005</b>	<b>\$2,082,655</b>	<b>\$2,240,393</b>	<b>\$2,329,424</b>	<b>\$2,375,494</b>
<b>Net Profit</b>	<b>\$324,370</b>	<b>\$402,845</b>	<b>\$479,107</b>	<b>\$520,076</b>	<b>\$539,006</b>
<b>Net Profit / Sales</b>	<b>15%</b>	<b>16%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>

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## Spectral Lighting

	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>
Cash	\$147,777	\$491,902	\$936,814	\$1,417,812	\$1,927,105
Accounts Receivable	\$186,934	\$211,963	\$218,220	\$228,647	\$233,857
Inventory	\$186,360	\$217,560	\$227,960	\$233,160	\$233,160
Other Current Assets					
<b>Total Current Assets</b>	<b>\$521,071</b>	<b>\$921,425</b>	<b>\$1,382,994</b>	<b>\$1,879,619</b>	<b>\$2,394,122</b>
Long-Term Assets	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300
Accumulated Depreciation	(\$3,704)	(\$9,767)	(\$15,832)	(\$21,896)	(\$27,959)
<b>Total Long-Term Assets</b>	<b>\$58,596</b>	<b>\$52,533</b>	<b>\$46,468</b>	<b>\$40,404</b>	<b>\$34,341</b>
<b>Total Assets</b>	<b>\$579,667</b>	<b>\$973,958</b>	<b>\$1,429,462</b>	<b>\$1,920,023</b>	<b>\$2,428,463</b>
Accounts Payable	\$107,618	\$123,056	\$128,204	\$128,623	\$130,766
Income Taxes Payable	\$7,333	\$9,507	\$9,995	\$10,835	\$11,229
Sales Taxes Payable	\$13,588	\$15,408	\$15,863	\$16,622	\$17,001
Short-Term Debt	\$29,025	\$30,789	\$32,671	\$34,668	\$4,063
Prepaid Revenue					
<b>Total Current Liabilities</b>	<b>\$157,564</b>	<b>\$178,760</b>	<b>\$186,733</b>	<b>\$190,748</b>	<b>\$163,059</b>
Long-Term Debt	\$97,733	\$67,988	\$36,407	\$2,877	\$0
<b>Total Liabilities</b>	<b>\$255,297</b>	<b>\$246,748</b>	<b>\$223,140</b>	<b>\$193,625</b>	<b>\$163,059</b>
Paid-in Capital					
Retained Earnings	\$0	\$324,370	\$727,210	\$1,206,322	\$1,726,398
Earnings	\$324,370	\$402,840	\$479,112	\$520,076	\$539,006
<b>Total Owner's Equity</b>	<b>\$324,370</b>	<b>\$727,210</b>	<b>\$1,206,322</b>	<b>\$1,726,398</b>	<b>\$2,265,404</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$579,667</b>	<b>\$973,958</b>	<b>\$1,429,462</b>	<b>\$1,920,023</b>	<b>\$2,428,463</b>

## CASH FLOW

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### PROJECTED CASH FLOW STATEMENT



	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>
<b>Net Cash Flow from Operations</b>					
Net Profit	\$324,370	\$402,845	\$479,107	\$520,076	\$539,006
Depreciation and Amortization	\$3,704	\$6,063	\$6,065	\$6,064	\$6,063
Change in Accounts Receivable	(\$186,930)	(\$25,025)	(\$6,259)	(\$10,427)	(\$5,210)
Change in Inventory	(\$186,360)	(\$31,200)	(\$10,400)	(\$5,200)	\$0
Change in Accounts Payable	\$107,618	\$15,439	\$5,147	\$419	\$2,143
Change in Income Tax Payable	\$7,333	\$2,174	\$488	\$840	\$394
Change in Sales Tax Payable	\$13,588	\$1,820	\$455	\$759	\$379
Change in Prepaid Revenue					
<b>Net Cash Flow from Operations</b>	<b>\$83,323</b>	<b>\$372,116</b>	<b>\$474,603</b>	<b>\$512,531</b>	<b>\$542,775</b>
<b>Investing &amp; Financing</b>					
Assets Purchased or Sold	(\$62,300)				
Investments Received					
Change in Long-Term Debt	\$97,733	(\$29,745)	(\$31,581)	(\$33,530)	(\$2,877)
Change in Short-Term Debt	\$29,025	\$1,764	\$1,882	\$1,997	(\$30,605)
Dividends & Distributions					
<b>Net Cash Flow from Investing &amp; Financing</b>	<b>\$64,458</b>	<b>(\$27,981)</b>	<b>(\$29,699)</b>	<b>(\$31,533)</b>	<b>(\$33,482)</b>
Cash at Beginning of Period	(\$4)	\$147,767	\$491,910	\$936,814	\$1,417,812
Net Change in Cash	\$147,781	\$344,135	\$444,904	\$480,998	\$509,293

## Spectral Lighting

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<b>Cash at End of Period</b>	<b>\$147,777</b>	<b>\$491,902</b>	<b>\$936,814</b>	<b>\$1,417,812</b>	<b>\$1,927,105</b>
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## APPENDIX

### PROFIT AND LOSS STATEMENT

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### PROFIT AND LOSS STATEMENT (WITH MONTHLY DETAIL)

# Spectral Lighting

FY2016	Apr '15	May '15	Jun '15	Jul '15	Aug '15	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16
<b>Revenue</b>		\$194,125	\$194,125	\$194,125	\$194,125	\$194,125	\$194,125	\$194,125	\$194,125	\$194,125	\$194,125	\$194,125
<b>Direct Costs</b>		\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660	\$105,660
Gross Margin		\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465
<b>Gross Margin %</b>		<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>
<b>Operating Expenses</b>												
Salary		\$29,130	\$29,130	\$29,130	\$29,130	\$29,130	\$29,130	\$29,130	\$29,130	\$29,130	\$29,130	\$29,130
Employee Related Expenses		\$5,826	\$5,826	\$5,826	\$5,826	\$5,826	\$5,826	\$5,826	\$5,826	\$5,826	\$5,826	\$5,826
Family Health Insurance		\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Individual Health Insurance		\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825
Electric		\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Gas		\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Water		\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Office Supplies		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Rent		\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Truck Insurance		\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Business Interruption Insurance		\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Telephone		\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Workers Comp. Insurance		\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
<b>Total Operating Expenses</b>		<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>	<b>\$50,481</b>

## Spectral Lighting

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<b>Operating Income</b>		<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>	<b>\$37,984</b>
Interest Incurred	\$0	\$750	\$739	\$728	\$718	\$707	\$863	\$852	\$842	\$830	\$820	\$809
Depreciation and Amortization	\$34	\$33	\$33	\$33	\$34	\$505	\$506	\$506	\$504	\$505	\$505	\$506
Income Taxes	\$0	\$7,433	\$7,443	\$7,444	\$7,447	\$7,354	\$7,323	\$7,325	\$7,328	\$7,330	\$7,332	\$7,333
<b>Total Expenses</b>	<b>\$34</b>	<b>\$164,357</b>	<b>\$164,356</b>	<b>\$164,346</b>	<b>\$164,340</b>	<b>\$164,707</b>	<b>\$164,833</b>	<b>\$164,824</b>	<b>\$164,815</b>	<b>\$164,806</b>	<b>\$164,798</b>	<b>\$164,789</b>
<b>Net Profit</b>	<b>(\$34)</b>	<b>\$29,768</b>	<b>\$29,769</b>	<b>\$29,779</b>	<b>\$29,785</b>	<b>\$29,418</b>	<b>\$29,292</b>	<b>\$29,301</b>	<b>\$29,310</b>	<b>\$29,319</b>	<b>\$29,327</b>	<b>\$29,336</b>
<b>Net Profit / Sales</b>		<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>

# Spectral Lighting

<b>FY2017</b>	<b>Apr '16</b>	<b>May '16</b>	<b>Jun '16</b>	<b>Jul '16</b>	<b>Aug '16</b>	<b>Sep '16</b>	<b>Oct '16</b>	<b>Nov '16</b>	<b>Dec '16</b>	<b>Jan '17</b>	<b>Feb '17</b>	<b>Mar '17</b>
<b>Revenue</b>	<b>\$194,125</b>	<b>\$194,125</b>	<b>\$194,125</b>	<b>\$194,125</b>	<b>\$194,125</b>	<b>\$194,125</b>	<b>\$220,125</b>	<b>\$220,125</b>	<b>\$220,125</b>	<b>\$220,125</b>	<b>\$220,125</b>	<b>\$220,125</b>
<b>Direct Costs</b>	<b>\$105,660</b>	<b>\$105,660</b>	<b>\$105,660</b>	<b>\$105,660</b>	<b>\$105,660</b>	<b>\$105,660</b>	<b>\$120,636</b>	<b>\$120,636</b>	<b>\$120,636</b>	<b>\$120,636</b>	<b>\$120,636</b>	<b>\$120,636</b>
Gross Margin	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$88,465	\$99,489	\$99,489	\$99,489	\$99,489	\$99,489	\$99,489
<b>Gross Margin %</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>46%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>
<b>Operating Expenses</b>												
Salary	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513	\$29,513
Employee Related Expenses	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903	\$5,903
Family Health Insurance	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Individual Health Insurance	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825
Electric	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Gas	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Water	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Office Supplies	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Rent	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Truck Insurance	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Business Interruption Insurance	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Telephone	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Workers Comp. Insurance	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
<b>Total Operating Expenses</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>	<b>\$50,941</b>

## Spectral Lighting

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<b>Operating Income</b>	<b>\$37,524</b>	<b>\$37,524</b>	<b>\$37,524</b>	<b>\$37,524</b>	<b>\$37,524</b>	<b>\$37,524</b>	<b>\$48,548</b>	<b>\$48,548</b>	<b>\$48,548</b>	<b>\$48,548</b>	<b>\$48,548</b>	<b>\$48,548</b>
Interest Incurred	\$632	\$620	\$609	\$598	\$586	\$574	\$563	\$551	\$539	\$527	\$516	\$504
Depreciation and Amortization	\$506	\$505	\$505	\$504	\$507	\$505	\$506	\$505	\$505	\$505	\$505	\$505
Income Taxes	\$7,278	\$7,279	\$7,282	\$7,285	\$7,286	\$7,289	\$9,496	\$9,498	\$9,501	\$9,503	\$9,506	\$9,507
<b>Total Expenses</b>	<b>\$165,017</b>	<b>\$165,005</b>	<b>\$164,997</b>	<b>\$164,988</b>	<b>\$164,980</b>	<b>\$164,969</b>	<b>\$182,142</b>	<b>\$182,131</b>	<b>\$182,122</b>	<b>\$182,112</b>	<b>\$182,104</b>	<b>\$182,093</b>
<b>Net Profit</b>	<b>\$29,108</b>	<b>\$29,120</b>	<b>\$29,128</b>	<b>\$29,137</b>	<b>\$29,145</b>	<b>\$29,156</b>	<b>\$37,983</b>	<b>\$37,994</b>	<b>\$38,003</b>	<b>\$38,013</b>	<b>\$38,021</b>	<b>\$38,032</b>
<b>Net Profit / Sales</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>17%</b>	<b>17%</b>	<b>17%</b>	<b>17%</b>	<b>17%</b>	<b>17%</b>

# Spectral Lighting

<b>FY2018</b>	<b>Apr '17</b>	<b>May '17</b>	<b>Jun '17</b>	<b>Jul '17</b>	<b>Aug '17</b>	<b>Sep '17</b>	<b>Oct '17</b>	<b>Nov '17</b>	<b>Dec '17</b>	<b>Jan '18</b>	<b>Feb '18</b>	<b>Mar '18</b>
<b>Revenue</b>	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625	\$226,625
<b>Direct Costs</b>	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380	\$124,380
Gross Margin	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245	\$102,245
<b>Gross Margin %</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>
<b>Operating Expenses</b>												
Salary	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902	\$29,902
Employee Related Expenses	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980	\$5,980
Family Health Insurance	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800	\$4,800
Individual Health Insurance	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825
Electric	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Gas	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Water	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Office Supplies	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Rent	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Truck Insurance	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Business Interruption Insurance	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
Telephone	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Workers Comp. Insurance	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400
<b>Total Operating Expenses</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>	<b>\$51,407</b>



## Spectral Lighting

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<b>Operating Income</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>	<b>\$50,838</b>
Interest Incurred	\$492	\$480	\$468	\$456	\$444	\$432	\$419	\$407	\$395	\$382	\$369	\$357
Depreciation and Amortization	\$506	\$506	\$505	\$505	\$506	\$505	\$506	\$504	\$505	\$505	\$507	\$505
Income Taxes	\$9,968	\$9,971	\$9,973	\$9,975	\$9,978	\$9,980	\$9,983	\$9,985	\$9,988	\$9,990	\$9,992	\$9,995
<b>Total Expenses</b>	<b>\$186,753</b>	<b>\$186,744</b>	<b>\$186,733</b>	<b>\$186,723</b>	<b>\$186,715</b>	<b>\$186,704</b>	<b>\$186,695</b>	<b>\$186,683</b>	<b>\$186,675</b>	<b>\$186,664</b>	<b>\$186,655</b>	<b>\$186,644</b>
<b>Net Profit</b>	<b>\$39,872</b>	<b>\$39,881</b>	<b>\$39,892</b>	<b>\$39,902</b>	<b>\$39,910</b>	<b>\$39,921</b>	<b>\$39,930</b>	<b>\$39,942</b>	<b>\$39,950</b>	<b>\$39,961</b>	<b>\$39,970</b>	<b>\$39,981</b>
<b>Net Profit / Sales</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>

# Spectral Lighting

	FY2016	FY2017	FY2018	FY2019	FY2020
<b>Revenue</b>	<b>\$2,135,375</b>	<b>\$2,485,500</b>	<b>\$2,719,500</b>	<b>\$2,849,500</b>	<b>\$2,914,500</b>
<b>Direct Costs</b>	<b>\$1,162,260</b>	<b>\$1,357,776</b>	<b>\$1,492,560</b>	<b>\$1,567,440</b>	<b>\$1,604,880</b>
Gross Margin	\$973,115	\$1,127,724	\$1,226,940	\$1,282,060	\$1,309,620
<b>Gross Margin %</b>	<b>46%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>	<b>45%</b>
<b>Operating Expenses</b>					
Salary	\$320,430	\$354,156	\$358,824	\$363,612	\$368,484
Employee Related Expenses	\$64,086	\$70,831	\$71,765	\$72,722	\$73,697
Family Health Insurance	\$52,800	\$57,600	\$57,600	\$57,600	\$57,600
Individual Health Insurance	\$31,075	\$33,900	\$33,900	\$33,900	\$33,900
Electric	\$16,500	\$18,000	\$18,000	\$18,000	\$18,000
Gas	\$5,500	\$6,000	\$6,000	\$6,000	\$6,000
Water	\$1,100	\$1,200	\$1,200	\$1,200	\$1,200
Office Supplies	\$11,000	\$12,000	\$12,000	\$12,000	\$12,000
Rent	\$38,500	\$42,000	\$42,000	\$42,000	\$42,000
Truck Insurance	\$3,300	\$3,600	\$3,600	\$3,600	\$3,600
Business Interruption Insurance	\$4,400	\$4,800	\$4,800	\$4,800	\$4,800
Telephone	\$2,200	\$2,400	\$2,400	\$2,400	\$2,400
Workers Comp. Insurance	\$4,400	\$4,800	\$4,800	\$4,800	\$4,800
<b>Total Operating Expenses</b>	<b>\$555,291</b>	<b>\$611,287</b>	<b>\$616,889</b>	<b>\$622,634</b>	<b>\$628,481</b>
<b>Operating Income</b>	<b>\$417,824</b>	<b>\$516,437</b>	<b>\$610,051</b>	<b>\$659,426</b>	<b>\$681,139</b>
Interest Incurred	\$8,658	\$6,819	\$5,101	\$3,267	\$1,318
Depreciation and Amortization	\$3,704	\$6,063	\$6,065	\$6,064	\$6,063
Income Taxes	\$81,092	\$100,710	\$119,778	\$130,019	\$134,752
<b>Total Expenses</b>	<b>\$1,811,005</b>	<b>\$2,082,655</b>	<b>\$2,240,393</b>	<b>\$2,329,424</b>	<b>\$2,375,494</b>

<b>Net Profit</b>	<b>\$324,370</b>	<b>\$402,845</b>	<b>\$479,107</b>	<b>\$520,076</b>	<b>\$539,006</b>
<b>Net Profit / Sales</b>	<b>15%</b>	<b>16%</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>

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## BALANCE SHEET

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## BALANCE SHEET (WITH MONTHLY DETAIL)

# Spectral Lighting

<b>FY2016</b>	<b>Apr '15</b>	<b>May '15</b>	<b>Jun '15</b>	<b>Jul '15</b>	<b>Aug '15</b>	<b>Sep '15</b>	<b>Oct '15</b>	<b>Nov '15</b>	<b>Dec '15</b>	<b>Jan '16</b>	<b>Feb '16</b>	<b>Mar '16</b>
Cash	\$144,136	(\$71,012)	(\$43,360)	(\$15,718)	\$11,922	\$31,260	\$58,991	\$86,753	\$114,512	\$142,269	\$170,024	\$147,777
Accounts Receivable		\$186,943	\$186,942	\$186,940	\$186,941	\$186,940	\$186,939	\$186,937	\$186,938	\$186,937	\$186,936	\$186,934
Inventory	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360	\$186,360
Other Current Assets												
<b>Total Current Assets</b>	<b>\$330,496</b>	<b>\$302,291</b>	<b>\$329,942</b>	<b>\$357,582</b>	<b>\$385,223</b>	<b>\$404,560</b>	<b>\$432,290</b>	<b>\$460,050</b>	<b>\$487,810</b>	<b>\$515,566</b>	<b>\$543,320</b>	<b>\$521,071</b>
Long-Term Assets	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300
Accumulated Depreciation	(\$34)	(\$67)	(\$100)	(\$133)	(\$167)	(\$672)	(\$1,178)	(\$1,684)	(\$2,188)	(\$2,693)	(\$3,198)	(\$3,704)
<b>Total Long-Term Assets</b>	<b>\$3,966</b>	<b>\$3,933</b>	<b>\$3,900</b>	<b>\$3,867</b>	<b>\$3,833</b>	<b>\$61,628</b>	<b>\$61,122</b>	<b>\$60,616</b>	<b>\$60,112</b>	<b>\$59,607</b>	<b>\$59,102</b>	<b>\$58,596</b>
<b>Total Assets</b>	<b>\$334,462</b>	<b>\$306,224</b>	<b>\$333,842</b>	<b>\$361,449</b>	<b>\$389,056</b>	<b>\$466,188</b>	<b>\$493,412</b>	<b>\$520,666</b>	<b>\$547,922</b>	<b>\$575,173</b>	<b>\$602,422</b>	<b>\$579,667</b>
Accounts Payable	\$184,496	\$107,618	\$107,618	\$107,618	\$107,618	\$107,618	\$107,618	\$107,618	\$107,618	\$107,618	\$107,618	\$107,618
Income Taxes Payable	\$0	\$7,433	\$7,443	\$7,444	\$7,447	\$7,354	\$7,323	\$7,325	\$7,328	\$7,330	\$7,332	\$7,333
Sales Taxes Payable		\$13,589	\$13,589	\$13,588	\$13,589	\$13,589	\$13,589	\$13,588	\$13,589	\$13,589	\$13,589	\$13,588
Short-Term Debt	\$26,521	\$26,654	\$26,787	\$26,920	\$27,055	\$77,191	\$77,494	\$77,798	\$78,104	\$78,410	\$78,717	\$29,025
Prepaid Revenue												
<b>Total Current Liabilities</b>	<b>\$211,017</b>	<b>\$155,294</b>	<b>\$155,437</b>	<b>\$155,570</b>	<b>\$155,709</b>	<b>\$205,752</b>	<b>\$206,024</b>	<b>\$206,329</b>	<b>\$206,639</b>	<b>\$206,947</b>	<b>\$207,256</b>	<b>\$157,564</b>
Long-Term Debt	\$123,479	\$121,196	\$118,902	\$116,597	\$114,280	\$111,951	\$109,611	\$107,259	\$104,895	\$102,519	\$100,132	\$97,733
<b>Total Liabilities</b>	<b>\$334,496</b>	<b>\$276,490</b>	<b>\$274,339</b>	<b>\$272,167</b>	<b>\$269,989</b>	<b>\$317,703</b>	<b>\$315,635</b>	<b>\$313,588</b>	<b>\$311,534</b>	<b>\$309,466</b>	<b>\$307,388</b>	<b>\$255,297</b>
Paid-in Capital												
Retained Earnings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Earnings	(\$34)	\$29,734	\$59,503	\$89,282	\$119,067	\$148,485	\$177,777	\$207,078	\$236,388	\$265,707	\$295,034	\$324,370

## Spectral Lighting

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<b>Total Owner's Equity</b>	(\$34)	\$29,734	\$59,503	\$89,282	\$119,067	\$148,485	\$177,777	\$207,078	\$236,388	\$265,707	\$295,034	\$324,370
<b>Total Liabilities &amp; Equity</b>	\$334,462	\$306,224	\$333,842	\$361,449	\$389,056	\$466,188	\$493,412	\$520,666	\$547,922	\$575,173	\$602,422	\$579,667

## Spectral Lighting

<b>FY2017</b>	<b>Apr '16</b>	<b>May '16</b>	<b>Jun '16</b>	<b>Jul '16</b>	<b>Aug '16</b>	<b>Sep '16</b>	<b>Oct '16</b>	<b>Nov '16</b>	<b>Dec '16</b>	<b>Jan '17</b>	<b>Feb '17</b>	<b>Mar '17</b>
Cash	\$182,401	\$209,748	\$229,761	\$257,104	\$284,318	\$299,176	\$314,317	\$350,469	\$386,618	\$422,765	\$458,879	\$491,902
Accounts Receivable	\$186,935	\$186,934	\$186,933	\$186,931	\$186,932	\$186,931	\$211,968	\$211,966	\$211,967	\$211,966	\$211,965	\$211,963
Inventory	\$186,360	\$186,360	\$186,360	\$186,360	\$198,840	\$211,320	\$211,320	\$211,320	\$211,320	\$211,320	\$214,440	\$217,560
Other Current Assets												
<b>Total Current Assets</b>	<b>\$555,696</b>	<b>\$583,042</b>	<b>\$603,054</b>	<b>\$630,395</b>	<b>\$670,090</b>	<b>\$697,427</b>	<b>\$737,605</b>	<b>\$773,755</b>	<b>\$809,905</b>	<b>\$846,051</b>	<b>\$885,284</b>	<b>\$921,425</b>
Long-Term Assets	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300
Accumulated Depreciation	(\$4,210)	(\$4,715)	(\$5,220)	(\$5,724)	(\$6,231)	(\$6,736)	(\$7,242)	(\$7,747)	(\$8,252)	(\$8,757)	(\$9,262)	(\$9,767)
<b>Total Long-Term Assets</b>	<b>\$58,090</b>	<b>\$57,585</b>	<b>\$57,080</b>	<b>\$56,576</b>	<b>\$56,069</b>	<b>\$55,564</b>	<b>\$55,058</b>	<b>\$54,553</b>	<b>\$54,048</b>	<b>\$53,543</b>	<b>\$53,038</b>	<b>\$52,533</b>
<b>Total Assets</b>	<b>\$613,786</b>	<b>\$640,627</b>	<b>\$660,134</b>	<b>\$686,971</b>	<b>\$726,159</b>	<b>\$752,991</b>	<b>\$792,663</b>	<b>\$828,308</b>	<b>\$863,953</b>	<b>\$899,594</b>	<b>\$938,322</b>	<b>\$973,958</b>
Accounts Payable	\$107,618	\$107,618	\$107,618	\$107,618	\$119,973	\$119,972	\$119,971	\$119,970	\$119,969	\$119,968	\$123,056	\$123,056
Income Taxes Payable	\$14,611	\$14,612	\$7,282	\$7,285	\$7,286	\$7,289	\$9,496	\$9,498	\$9,501	\$9,503	\$9,506	\$9,507
Sales Taxes Payable	\$13,589	\$13,589	\$13,589	\$13,588	\$13,589	\$13,589	\$15,409	\$15,408	\$15,409	\$15,409	\$15,409	\$15,408
Short-Term Debt	\$29,168	\$29,311	\$29,456	\$29,602	\$29,748	\$29,894	\$30,042	\$30,190	\$30,338	\$30,487	\$30,638	\$30,789
Prepaid Revenue												
<b>Total Current Liabilities</b>	<b>\$164,986</b>	<b>\$165,130</b>	<b>\$157,945</b>	<b>\$158,093</b>	<b>\$170,596</b>	<b>\$170,744</b>	<b>\$174,918</b>	<b>\$175,066</b>	<b>\$175,217</b>	<b>\$175,367</b>	<b>\$178,609</b>	<b>\$178,760</b>
Long-Term Debt	\$95,322	\$92,899	\$90,463	\$88,015	\$85,555	\$83,083	\$80,598	\$78,101	\$75,592	\$73,070	\$70,535	\$67,988
<b>Total Liabilities</b>	<b>\$260,308</b>	<b>\$258,029</b>	<b>\$248,408</b>	<b>\$246,108</b>	<b>\$256,151</b>	<b>\$253,827</b>	<b>\$255,516</b>	<b>\$253,167</b>	<b>\$250,809</b>	<b>\$248,437</b>	<b>\$249,144</b>	<b>\$246,748</b>
Paid-in Capital												
Retained Earnings	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370	\$324,370
Earnings	\$29,108	\$58,228	\$87,356	\$116,493	\$145,638	\$174,794	\$212,777	\$250,771	\$288,774	\$326,787	\$364,808	\$402,840

## Spectral Lighting

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<b>Total Owner's Equity</b>	\$353,478	\$382,598	\$411,726	\$440,863	\$470,008	\$499,164	\$537,147	\$575,141	\$613,144	\$651,157	\$689,178	\$727,210
<b>Total Liabilities &amp; Equity</b>	\$613,786	\$640,627	\$660,134	\$686,971	\$726,159	\$752,991	\$792,663	\$828,308	\$863,953	\$899,594	\$938,322	\$973,958

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## Spectral Lighting

<b>FY2018</b>	<b>Apr '17</b>	<b>May '17</b>	<b>Jun '17</b>	<b>Jul '17</b>	<b>Aug '17</b>	<b>Sep '17</b>	<b>Oct '17</b>	<b>Nov '17</b>	<b>Dec '17</b>	<b>Jan '18</b>	<b>Feb '18</b>	<b>Mar '18</b>
Cash	\$534,036	\$572,006	\$600,466	\$638,431	\$676,395	\$714,355	\$752,313	\$790,268	\$828,222	\$866,172	\$904,068	\$936,814
Accounts Receivable	\$218,223	\$218,223	\$218,223	\$218,222	\$218,222	\$218,222	\$218,222	\$218,221	\$218,221	\$218,221	\$218,221	\$218,220
Inventory	\$217,560	\$217,560	\$217,560	\$217,560	\$217,560	\$217,560	\$217,560	\$217,560	\$217,560	\$217,560	\$222,760	\$227,960
Other Current Assets												
<b>Total Current Assets</b>	<b>\$969,819</b>	<b>\$1,007,789</b>	<b>\$1,036,249</b>	<b>\$1,074,213</b>	<b>\$1,112,177</b>	<b>\$1,150,137</b>	<b>\$1,188,095</b>	<b>\$1,226,049</b>	<b>\$1,264,003</b>	<b>\$1,301,953</b>	<b>\$1,345,049</b>	<b>\$1,382,994</b>
Long-Term Assets	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300
Accumulated Depreciation	(\$10,273)	(\$10,779)	(\$11,284)	(\$11,789)	(\$12,295)	(\$12,800)	(\$13,306)	(\$13,810)	(\$14,315)	(\$14,820)	(\$15,327)	(\$15,832)
<b>Total Long-Term Assets</b>	<b>\$52,027</b>	<b>\$51,521</b>	<b>\$51,016</b>	<b>\$50,511</b>	<b>\$50,005</b>	<b>\$49,500</b>	<b>\$48,994</b>	<b>\$48,490</b>	<b>\$47,985</b>	<b>\$47,480</b>	<b>\$46,973</b>	<b>\$46,468</b>
<b>Total Assets</b>	<b>\$1,021,846</b>	<b>\$1,059,310</b>	<b>\$1,087,265</b>	<b>\$1,124,724</b>	<b>\$1,162,182</b>	<b>\$1,199,637</b>	<b>\$1,237,089</b>	<b>\$1,274,539</b>	<b>\$1,311,988</b>	<b>\$1,349,433</b>	<b>\$1,392,022</b>	<b>\$1,429,462</b>
Accounts Payable	\$123,056	\$123,056	\$123,056	\$123,056	\$123,056	\$123,056	\$123,056	\$123,056	\$123,056	\$123,056	\$128,204	\$128,204
Income Taxes Payable	\$19,475	\$19,478	\$9,973	\$9,975	\$9,978	\$9,980	\$9,983	\$9,985	\$9,988	\$9,990	\$9,992	\$9,995
Sales Taxes Payable	\$15,864	\$15,864	\$15,864	\$15,863	\$15,864	\$15,864	\$15,864	\$15,863	\$15,864	\$15,864	\$15,864	\$15,863
Short-Term Debt	\$30,941	\$31,094	\$31,248	\$31,403	\$31,559	\$31,716	\$31,873	\$32,031	\$32,190	\$32,350	\$32,510	\$32,671
Prepaid Revenue												
<b>Total Current Liabilities</b>	<b>\$189,336</b>	<b>\$189,492</b>	<b>\$180,141</b>	<b>\$180,297</b>	<b>\$180,457</b>	<b>\$180,616</b>	<b>\$180,776</b>	<b>\$180,935</b>	<b>\$181,098</b>	<b>\$181,260</b>	<b>\$186,570</b>	<b>\$186,733</b>
Long-Term Debt	\$65,428	\$62,855	\$60,269	\$57,670	\$55,058	\$52,433	\$49,795	\$47,144	\$44,480	\$41,802	\$39,111	\$36,407
<b>Total Liabilities</b>	<b>\$254,764</b>	<b>\$252,347</b>	<b>\$240,410</b>	<b>\$237,967</b>	<b>\$235,515</b>	<b>\$233,049</b>	<b>\$230,571</b>	<b>\$228,079</b>	<b>\$225,578</b>	<b>\$223,062</b>	<b>\$225,681</b>	<b>\$223,140</b>
Paid-in Capital												
Retained Earnings	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210	\$727,210
Earnings	\$39,872	\$79,753	\$119,645	\$159,547	\$199,457	\$239,378	\$279,308	\$319,250	\$359,200	\$399,161	\$439,131	\$479,112



## Spectral Lighting

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<b>Total Owner's Equity</b>	\$767,082	\$806,963	\$846,855	\$886,757	\$926,667	\$966,588	\$1,006,518	\$1,046,460	\$1,086,410	\$1,126,371	\$1,166,341	\$1,206,322
<b>Total Liabilities &amp; Equity</b>	\$1,021,846	\$1,059,310	\$1,087,265	\$1,124,724	\$1,162,182	\$1,199,637	\$1,237,089	\$1,274,539	\$1,311,988	\$1,349,433	\$1,392,022	\$1,429,462

# Spectral Lighting

	FY2016	FY2017	FY2018	FY2019	FY2020
Cash	\$147,777	\$491,902	\$936,814	\$1,417,812	\$1,927,105
Accounts Receivable	\$186,934	\$211,963	\$218,220	\$228,647	\$233,857
Inventory	\$186,360	\$217,560	\$227,960	\$233,160	\$233,160
Other Current Assets					
<b>Total Current Assets</b>	<b>\$521,071</b>	<b>\$921,425</b>	<b>\$1,382,994</b>	<b>\$1,879,619</b>	<b>\$2,394,122</b>
Long-Term Assets	\$62,300	\$62,300	\$62,300	\$62,300	\$62,300
Accumulated Depreciation	(\$3,704)	(\$9,767)	(\$15,832)	(\$21,896)	(\$27,959)
<b>Total Long-Term Assets</b>	<b>\$58,596</b>	<b>\$52,533</b>	<b>\$46,468</b>	<b>\$40,404</b>	<b>\$34,341</b>
<b>Total Assets</b>	<b>\$579,667</b>	<b>\$973,958</b>	<b>\$1,429,462</b>	<b>\$1,920,023</b>	<b>\$2,428,463</b>
Accounts Payable	\$107,618	\$123,056	\$128,204	\$128,623	\$130,766
Income Taxes Payable	\$7,333	\$9,507	\$9,995	\$10,835	\$11,229
Sales Taxes Payable	\$13,588	\$15,408	\$15,863	\$16,622	\$17,001
Short-Term Debt	\$29,025	\$30,789	\$32,671	\$34,668	\$4,063
Prepaid Revenue					
<b>Total Current Liabilities</b>	<b>\$157,564</b>	<b>\$178,760</b>	<b>\$186,733</b>	<b>\$190,748</b>	<b>\$163,059</b>
Long-Term Debt	\$97,733	\$67,988	\$36,407	\$2,877	\$0
<b>Total Liabilities</b>	<b>\$255,297</b>	<b>\$246,748</b>	<b>\$223,140</b>	<b>\$193,625</b>	<b>\$163,059</b>
Paid-in Capital					
Retained Earnings	\$0	\$324,370	\$727,210	\$1,206,322	\$1,726,398
Earnings	\$324,370	\$402,840	\$479,112	\$520,076	\$539,006
<b>Total Owner's Equity</b>	<b>\$324,370</b>	<b>\$727,210</b>	<b>\$1,206,322</b>	<b>\$1,726,398</b>	<b>\$2,265,404</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$579,667</b>	<b>\$973,958</b>	<b>\$1,429,462</b>	<b>\$1,920,023</b>	<b>\$2,428,463</b>

## CASH FLOW STATEMENT

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### CASH FLOW STATEMENT (WITH MONTHLY DETAIL)

# Spectral Lighting

<b>FY2016</b>	<b>Apr '15</b>	<b>May '15</b>	<b>Jun '15</b>	<b>Jul '15</b>	<b>Aug '15</b>	<b>Sep '15</b>	<b>Oct '15</b>	<b>Nov '15</b>	<b>Dec '15</b>	<b>Jan '16</b>	<b>Feb '16</b>	<b>Mar '16</b>
<b>Net Cash Flow from Operations</b>												
Net Profit	(\$34)	\$29,768	\$29,769	\$29,779	\$29,785	\$29,418	\$29,292	\$29,301	\$29,310	\$29,319	\$29,327	\$29,336
Depreciation and Amortization	\$34	\$33	\$33	\$33	\$34	\$505	\$506	\$506	\$504	\$505	\$505	\$506
Change in Accounts Receivable		(\$186,943)	\$1	\$2	(\$1)	\$1	\$1	\$2	(\$1)	\$1	\$1	\$2
Change in Inventory	(\$186,360)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Accounts Payable	\$184,496	(\$76,878)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Income Tax Payable	\$0	\$7,433	\$10	\$1	\$3	(\$93)	(\$31)	\$2	\$3	\$2	\$2	\$1
Change in Sales Tax Payable		\$13,589	\$0	(\$1)	\$1	\$0	\$0	(\$1)	\$1	\$0	\$0	(\$1)
Change in Prepaid Revenue												
<b>Net Cash Flow from Operations</b>	<b>(\$1,864)</b>	<b>(\$212,998)</b>	<b>\$29,813</b>	<b>\$29,814</b>	<b>\$29,822</b>	<b>\$29,831</b>	<b>\$29,768</b>	<b>\$29,810</b>	<b>\$29,817</b>	<b>\$29,827</b>	<b>\$29,835</b>	<b>\$29,844</b>
<b>Investing &amp; Financing</b>												
Assets Purchased or Sold	(\$4,000)					(\$58,300)						
Investments Received												
Change in Long-Term Debt	\$123,479	(\$2,283)	(\$2,294)	(\$2,305)	(\$2,317)	(\$2,329)	(\$2,340)	(\$2,352)	(\$2,364)	(\$2,376)	(\$2,387)	(\$2,399)
Change in Short-Term Debt	\$26,521	\$133	\$133	\$133	\$135	\$50,136	\$303	\$304	\$306	\$306	\$307	(\$49,692)
Dividends & Distributions												

## Spectral Lighting

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<b>Net Cash Flow from Investing &amp; Financing</b>	<b>\$146,000</b>	<b>(\$2,150)</b>	<b>(\$2,161)</b>	<b>(\$2,172)</b>	<b>(\$2,182)</b>	<b>(\$10,493)</b>	<b>(\$2,037)</b>	<b>(\$2,048)</b>	<b>(\$2,058)</b>	<b>(\$2,070)</b>	<b>(\$2,080)</b>	<b>(\$52,091)</b>
Cash at Beginning of Period	\$0	\$144,136	(\$71,012)	(\$43,360)	(\$15,718)	\$11,922	\$31,260	\$58,991	\$86,753	\$114,512	\$142,269	\$170,024
Net Change in Cash	\$144,136	(\$215,148)	\$27,652	\$27,642	\$27,640	\$19,338	\$27,731	\$27,762	\$27,759	\$27,757	\$27,755	(\$22,247)
<b>Cash at End of Period</b>	<b>\$144,136</b>	<b>(\$71,012)</b>	<b>(\$43,360)</b>	<b>(\$15,718)</b>	<b>\$11,922</b>	<b>\$31,260</b>	<b>\$58,991</b>	<b>\$86,753</b>	<b>\$114,512</b>	<b>\$142,269</b>	<b>\$170,024</b>	<b>\$147,777</b>

<b>FY2017</b>	<b>Apr '16</b>	<b>May '16</b>	<b>Jun '16</b>	<b>Jul '16</b>	<b>Aug '16</b>	<b>Sep '16</b>	<b>Oct '16</b>	<b>Nov '16</b>	<b>Dec '16</b>	<b>Jan '17</b>	<b>Feb '17</b>	<b>Mar '17</b>
<b>Net Cash Flow from Operations</b>												
Net Profit	\$29,108	\$29,120	\$29,128	\$29,137	\$29,145	\$29,156	\$37,983	\$37,994	\$38,003	\$38,013	\$38,021	\$38,032
Depreciation and Amortization	\$506	\$505	\$505	\$504	\$507	\$505	\$506	\$505	\$505	\$505	\$505	\$505
Change in Accounts Receivable	(\$1)	\$1	\$1	\$2	(\$1)	\$1	(\$25,037)	\$2	(\$1)	\$1	\$1	\$2
Change in Inventory	\$0	\$0	\$0	\$0	(\$12,480)	(\$12,480)	\$0	\$0	\$0	\$0	(\$3,120)	(\$3,120)
Change in Accounts Payable	\$0	\$0	\$0	\$0	\$12,355	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	\$3,088	\$0
Change in Income Tax Payable	\$7,278	\$1	(\$7,330)	\$3	\$1	\$3	\$2,207	\$2	\$3	\$2	\$3	\$1
Change in Sales Tax Payable	\$1	\$0	\$0	(\$1)	\$1	\$0	\$1,820	(\$1)	\$1	\$0	\$0	(\$1)
Change in Prepaid Revenue												
<b>Net Cash Flow from Operations</b>	<b>\$36,892</b>	<b>\$29,627</b>	<b>\$22,304</b>	<b>\$29,645</b>	<b>\$29,528</b>	<b>\$17,184</b>	<b>\$17,478</b>	<b>\$38,501</b>	<b>\$38,510</b>	<b>\$38,520</b>	<b>\$38,498</b>	<b>\$35,419</b>
<b>Investing &amp; Financing</b>												
Assets Purchased or Sold												
Investments Received												
Change in Long-Term Debt	(\$2,411)	(\$2,423)	(\$2,436)	(\$2,448)	(\$2,460)	(\$2,472)	(\$2,485)	(\$2,497)	(\$2,509)	(\$2,522)	(\$2,535)	(\$2,547)
Change in Short-Term Debt	\$143	\$143	\$145	\$146	\$146	\$146	\$148	\$148	\$148	\$149	\$151	\$151
Dividends & Distributions												

## Spectral Lighting

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<b>Net Cash Flow from Investing &amp; Financing</b>	<b>(\$2,268)</b>	<b>(\$2,280)</b>	<b>(\$2,291)</b>	<b>(\$2,302)</b>	<b>(\$2,314)</b>	<b>(\$2,326)</b>	<b>(\$2,337)</b>	<b>(\$2,349)</b>	<b>(\$2,361)</b>	<b>(\$2,373)</b>	<b>(\$2,384)</b>	<b>(\$2,396)</b>
Cash at Beginning of Period	\$147,777	\$182,401	\$209,748	\$229,761	\$257,104	\$284,318	\$299,176	\$314,317	\$350,469	\$386,618	\$422,765	\$458,879
Net Change in Cash	\$34,624	\$27,347	\$20,013	\$27,343	\$27,214	\$14,858	\$15,141	\$36,152	\$36,149	\$36,147	\$36,114	\$33,023
<b>Cash at End of Period</b>	<b>\$182,401</b>	<b>\$209,748</b>	<b>\$229,761</b>	<b>\$257,104</b>	<b>\$284,318</b>	<b>\$299,176</b>	<b>\$314,317</b>	<b>\$350,469</b>	<b>\$386,618</b>	<b>\$422,765</b>	<b>\$458,879</b>	<b>\$491,902</b>

# Spectral Lighting

<b>FY2018</b>	<b>Apr '17</b>	<b>May '17</b>	<b>Jun '17</b>	<b>Jul '17</b>	<b>Aug '17</b>	<b>Sep '17</b>	<b>Oct '17</b>	<b>Nov '17</b>	<b>Dec '17</b>	<b>Jan '18</b>	<b>Feb '18</b>	<b>Mar '18</b>
<b>Net Cash Flow from Operations</b>												
Net Profit	\$39,872	\$39,881	\$39,892	\$39,902	\$39,910	\$39,921	\$39,930	\$39,942	\$39,950	\$39,961	\$39,970	\$39,981
Depreciation and Amortization	\$506	\$506	\$505	\$505	\$506	\$505	\$506	\$504	\$505	\$505	\$507	\$505
Change in Accounts Receivable	(\$6,260)	\$0	\$0	\$1	\$0	\$0	\$0	\$1	\$0	\$0	\$0	\$1
Change in Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,200)	(\$5,200)
Change in Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,148	\$0
Change in Income Tax Payable	\$9,968	\$3	(\$9,505)	\$2	\$3	\$2	\$3	\$2	\$3	\$2	\$2	\$3
Change in Sales Tax Payable	\$456	\$0	\$0	(\$1)	\$1	\$0	\$0	(\$1)	\$1	\$0	\$0	(\$1)
Change in Prepaid Revenue												
<b>Net Cash Flow from Operations</b>	<b>\$44,542</b>	<b>\$40,390</b>	<b>\$30,892</b>	<b>\$40,409</b>	<b>\$40,420</b>	<b>\$40,428</b>	<b>\$40,439</b>	<b>\$40,448</b>	<b>\$40,459</b>	<b>\$40,468</b>	<b>\$40,427</b>	<b>\$35,289</b>
<b>Investing &amp; Financing</b>												
Assets Purchased or Sold												
Investments Received												
Change in Long-Term Debt	(\$2,560)	(\$2,573)	(\$2,586)	(\$2,599)	(\$2,612)	(\$2,625)	(\$2,638)	(\$2,651)	(\$2,664)	(\$2,678)	(\$2,691)	(\$2,704)
Change in Short-Term Debt	\$152	\$153	\$154	\$155	\$156	\$157	\$157	\$158	\$159	\$160	\$160	\$161
Dividends & Distributions												



## Spectral Lighting

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<b>Net Cash Flow from Investing &amp; Financing</b>	<b>(\$2,408)</b>	<b>(\$2,420)</b>	<b>(\$2,432)</b>	<b>(\$2,444)</b>	<b>(\$2,456)</b>	<b>(\$2,468)</b>	<b>(\$2,481)</b>	<b>(\$2,493)</b>	<b>(\$2,505)</b>	<b>(\$2,518)</b>	<b>(\$2,531)</b>	<b>(\$2,543)</b>
Cash at Beginning of Period	\$491,902	\$534,036	\$572,006	\$600,466	\$638,431	\$676,395	\$714,355	\$752,313	\$790,268	\$828,222	\$866,172	\$904,068
Net Change in Cash	\$42,134	\$37,970	\$28,460	\$37,965	\$37,964	\$37,960	\$37,958	\$37,955	\$37,954	\$37,950	\$37,896	\$32,746
<b>Cash at End of Period</b>	<b>\$534,036</b>	<b>\$572,006</b>	<b>\$600,466</b>	<b>\$638,431</b>	<b>\$676,395</b>	<b>\$714,355</b>	<b>\$752,313</b>	<b>\$790,268</b>	<b>\$828,222</b>	<b>\$866,172</b>	<b>\$904,068</b>	<b>\$936,814</b>

	FY2016	FY2017	FY2018	FY2019	FY2020
<b>Net Cash Flow from Operations</b>					
Net Profit	\$324,370	\$402,845	\$479,107	\$520,076	\$539,006
Depreciation and Amortization	\$3,704	\$6,063	\$6,065	\$6,064	\$6,063
Change in Accounts Receivable	(\$186,930)	(\$25,025)	(\$6,259)	(\$10,427)	(\$5,210)
Change in Inventory	(\$186,360)	(\$31,200)	(\$10,400)	(\$5,200)	\$0
Change in Accounts Payable	\$107,618	\$15,439	\$5,147	\$419	\$2,143
Change in Income Tax Payable	\$7,333	\$2,174	\$488	\$840	\$394
Change in Sales Tax Payable	\$13,588	\$1,820	\$455	\$759	\$379
Change in Prepaid Revenue					
<b>Net Cash Flow from Operations</b>	<b>\$83,323</b>	<b>\$372,116</b>	<b>\$474,603</b>	<b>\$512,531</b>	<b>\$542,775</b>
<b>Investing &amp; Financing</b>					
Assets Purchased or Sold	(\$62,300)				
Investments Received					
Change in Long-Term Debt	\$97,733	(\$29,745)	(\$31,581)	(\$33,530)	(\$2,877)
Change in Short-Term Debt	\$29,025	\$1,764	\$1,882	\$1,997	(\$30,605)
Dividends & Distributions					
<b>Net Cash Flow from Investing &amp; Financing</b>	<b>\$64,458</b>	<b>(\$27,981)</b>	<b>(\$29,699)</b>	<b>(\$31,533)</b>	<b>(\$33,482)</b>
Cash at Beginning of Period	(\$4)	\$147,767	\$491,910	\$936,814	\$1,417,812
Net Change in Cash	\$147,781	\$344,135	\$444,904	\$480,998	\$509,293
<b>Cash at End of Period</b>	<b>\$147,777</b>	<b>\$491,902</b>	<b>\$936,814</b>	<b>\$1,417,812</b>	<b>\$1,927,105</b>

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