

# Spectrum

# Financial Statements



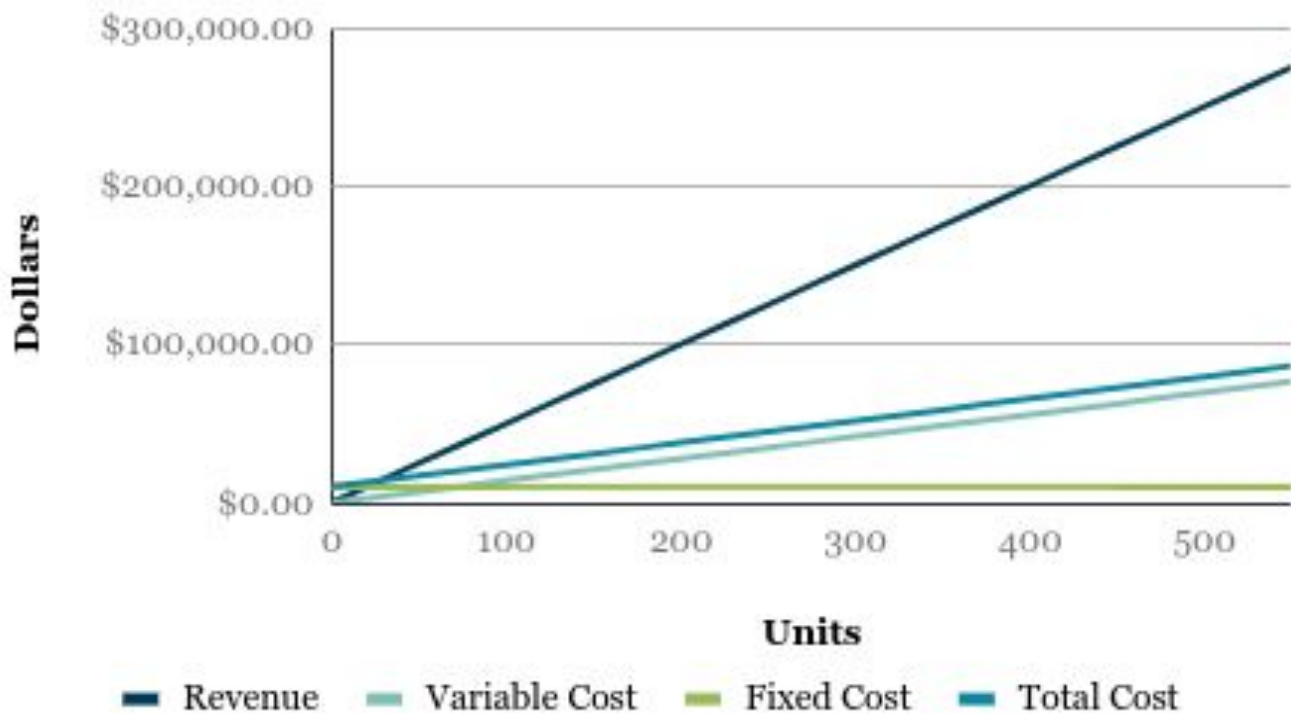
Spectrum	
Startup Expenses	
February 28, 2018	
Startup Expenses	
Charitable Donations Expense	5,600.00
Federal Unemployment Tax Expense	1,094.40
Insurance Expense	450.00
Interest Expense	22,508.34
Medicare Tax Expense	1,983.61
Rent Expense	12,000.00
Salaries Expense	1,211.66
Social Security Tax Expense	8,591.72
State Sales Tax Expense	19,600.00
State Unemployment Tax Expense	6,935.45
Utilities Expense	4,102.00
Other Expenses	200.00
<b>Total Startup Expenses</b>	<b>84,277.18</b>

Startup Assets Needed	
Cash Balance Needed	974,832.53
Other Short Term Assets Needed	200.00
Total Short Term Assets	975,032.53
Long Term Assets	0.00
<b>Total Assets</b>	<b>975,032.53</b>
<b>Total Requirements</b>	<b>1,059,309.71</b>



<b>Big Ten Kit</b>	
Average selling price per sale	\$499.99
Average cost of goods sold per sale	\$139.00
Average profit rate	72%
Annual Fixed Cost	\$10,000.00

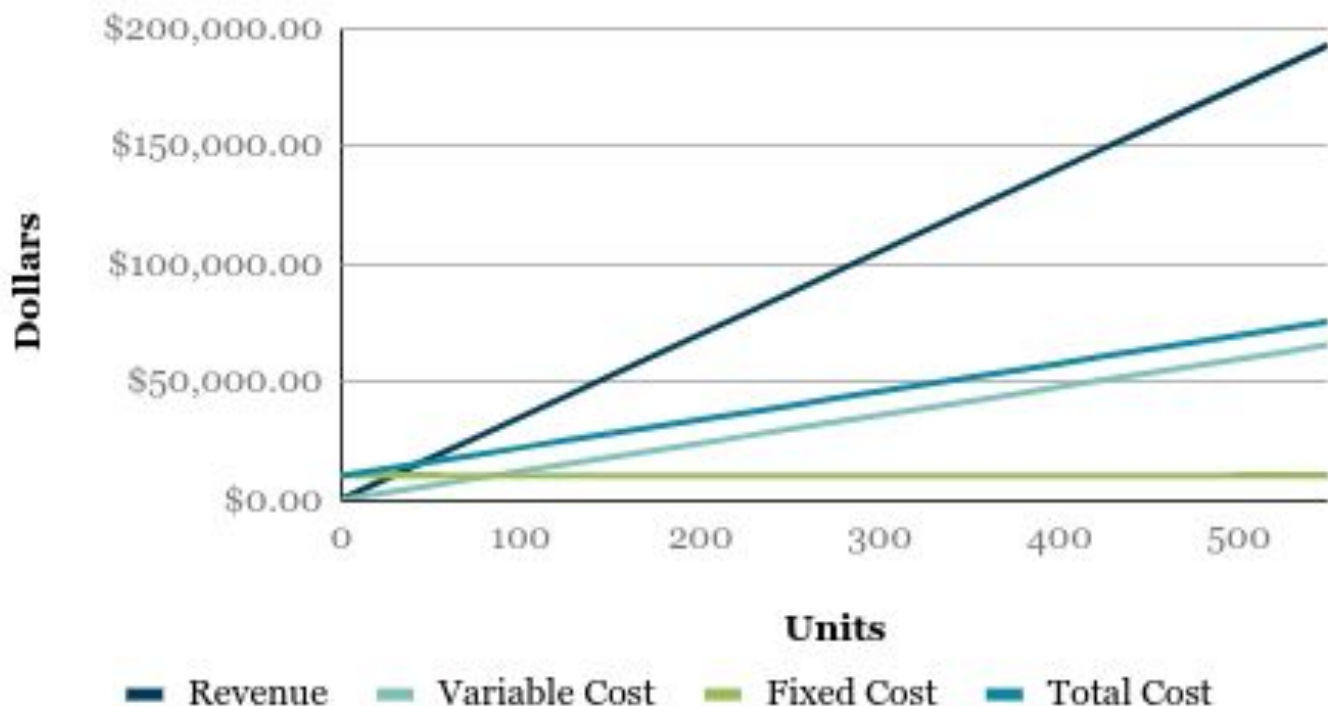
## Big Ten Kit Break-Even Analysis





<b>Athletic Kit</b>	
Average selling price per sale	\$349.99
Average cost of goods sold per sale	\$119.00
Average profit rate	66.00%
Annual Fixed Cost	\$10,000.00

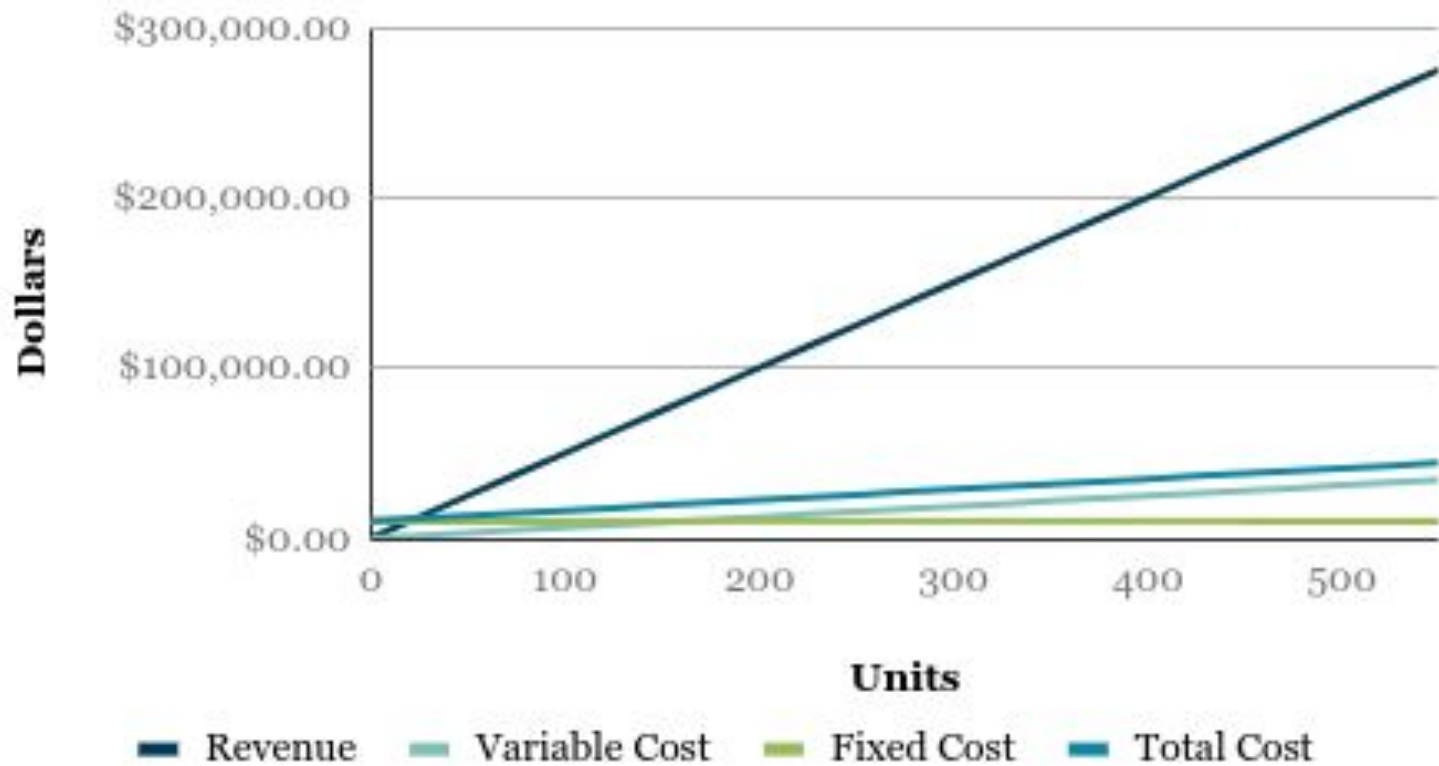
## Athletic Kit Break-Even Analysis





<b>Yoga Kit</b>	
Average selling price per sale	\$499.99
Average cost of goods sold per sale	\$62.00
Average profit rate	87.60%
Annual Fixed Cost	\$10,000.00

# Yoga Kit Break-Even Analysis

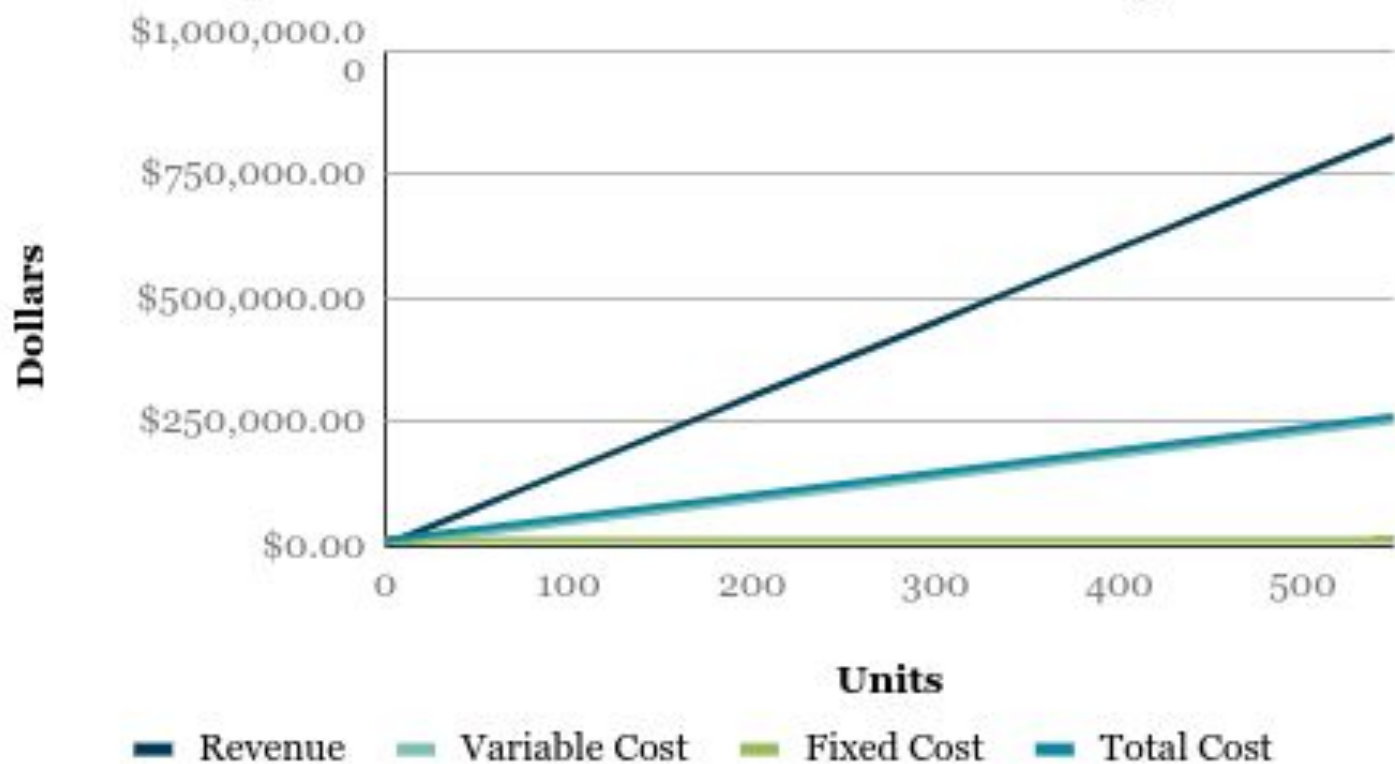






<b>Supreme Kit</b>	
Average selling price per sale	\$1,499.99
Average cost of goods sold per sale	\$453
Average profit rate	69.80%
Annual Fixed Cost	\$10,000.00

## Supreme Kit Break-Even Analysis



## Spectrum

## Projected Balance Sheet

April 30, 2018

Assets			
Current Assets:			
Cash		1,048,393.68	
Accounts Receivable		0.00	
Loan Receivable		2,000.00	
Merchandise Inventory		8,000.00	
Supplies		5,000.00	
Prepaid Insurance		0.00	
Total Current Assets			1,063,393.68
Plant Assets:			
Computers	30,154.00		
Less: Accumulated Depreciation- Computers	300.00	29,854.00	
Office Equipment	21,500.31		
Less: Accumulated Depreciation- Office Equipment	200.00	21,690.02	
Total Plant Assets			51,544.02
<b>Total Assets</b>			<b>1,114,937.70</b>

Liabilities			
Current Liabilities:			
Medicare Tax Payable		1,435.26	
Rent Payable		2,000.00	
Sales Tax Payable		11,712.33	
Social Security Tax Payable		6,136.94	
Unemployment Tax Payable- Federal		791.86	
Unemployment Tax Payable- State		4,953.89	
Utilities Payable		586.00	
<b>Total Current Liabilities</b>			<b>27,616.28</b>

Stockholders Equity			
Capital Stock			
Retained Earnings		958,126.42	
Sales Contract		129,195.00	
Total Stockholders Equity			1,087,321.42
<b>Total Liabilities &amp; Stockholders Equity</b>			<b>1,114,937.70</b>

Spectrum	
Income Statement	
For the Month Ending January 31, 2018	
<b>Income</b>	
Sales Revenue	
Online Sales	6,105.93
Trade Show Sales	0.00
Sales Contract	14,505.89
Other Income	0.00
Total Income	20,611.82
Cost of Goods Sold	1,559.00
<b>Gross Profit</b>	<b>19,052.82</b>

<b>Expenses</b>	
Fixed Expenses	
Utilities Expense	586.00
Rent Expense	2,000.00
Interest Expense	3,751.39
Insurance Expense	75.00
Total Fixed Expenses	6,412.39
Variable Expenses	
Salaries Expense	19,341.18
Social Security Tax Expense	1,199.15
Medicare Tax Expense	280.45
State Unemployment Tax Expense	1,044.42
Federal Unemployment Tax Expense	154.73
State Sales Tax Payable	427.42
Other Expenses	0.00
Total Variable Expenses	22,447.35
<b>Total Expenses</b>	<b>28,859.74</b>
<b>Net Income</b>	<b>(9,806.92)</b>

Spectrum	
Income Statement	
For the Month Ending February 28, 2018	
<b>Income</b>	
Sales Revenue	
Online Sales	30,326.42
Trade Show Sales	22,142.62
Sales Contract	15,608.73
Other Income	44,000.00
Total Income	112,077.77
Cost of Goods Sold	13,483.00
<b>Gross Profit</b>	<b>98,594.77</b>

<b>Expenses</b>	
Fixed Expenses	
Utilities Expense	586.00
Rent Expense	2,000.00
Interest Expense	3,751.39
Insurance Expense	75.00
Total Fixed Expenses	6,412.39
Variable Expenses	
Salaries Expense	20,811.64
Social Security Tax Expense	1,290.32
Medicare Tax Expense	301.77
State Unemployment Tax Expense	1,123.83
Federal Unemployment Tax Expense	166.49
State Sales Tax Payable	3,672.83
Other Expenses	60,000.00
Total Variable Expenses	87,366.88
<b>Total Expenses</b>	<b>93,779.27</b>
<b>Net Income</b>	<b>4,815.50</b>