FLAME SEAL PRODUCTS, INC.

PROFIT & LOSS STATEMENT

July through Septmber 2016

	Jul- Sep 30, 2016
Sales	$ 830,394
Other Income	-
	830,394
Cost of Sales	
Purchases	333,784
Freight	51,842
Certification Testing	-
Outside Services-Production	-
Total Cost of Sales	**385,626**
Gross Profit	**$ 444,768**
Selling, General, & Admin Expenses	
Expenses	432,170
Total S G & A	**432,170**
Net Ordinary INCOME or LOSS	**12,598**
Other] Income	
Interest Income	**1**
Total other Expenses	**1**
Other Expense	
Interest Expense	**4,933**
Total Expense	**4,933**
Net Other Income / Expenses	**(4,931)**
Net INCOME or LOSS	**$ 7,667**

Prepared without Audit

FLAME SEAL PRODUCTS, INC.

BALANCE SHEET

September 30, 2016

ASSETS	Jul - Sep 30, 2016
Current Assets	
Cash	$ 200,835
Accounts Receivables-Trade	230,898
Inventory	297,810
Prepaid Insurance/Vendors	6,362
Total Current Assets	**735,904**
Fixed Assets	
Product Testing	287,479
Property Plant & Equipments	322,511
Net of Depreciation ($)	(158,264)
Total Fixes Assets	**451,726**
Other Assets	
Deferred Tax	837,672
Patents	233,623
Valuation Allowance	(837,672)
Accumulated Amortiziation	(261,386)
Total Other Assets	**(27,763)**
TOTAL ASSETS	**$ 1,159,867**
Liabilities & Stockholders Equity	
Current Liability	
Accounts Payable	$ 100,448
Accrued Interest Payable	55,768
Notes Payable-Current Portion	43,020
Total Current Liablilites	**199,235**
Long-Term Debt	1,110,238
Total Liabilities	**1,309,474**
Stockholders Equity	
Treasury Stock	(10,000)
Additional Paid-In Capital	10,793,662
Captial Stock	582,311
Retained Earnings	(11,499,448)
Net Loss Income for 6 months	(16,132)
Total Equity	**(149,607)**
TOTAL LIABILITES & EQUITY	**$ 1,159,867**

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FLAME SEAL PRODUCTS, INC.

CASH FLOW

September 30, 2016

		Jul - Sep 30, 2016
OPERATING ACTIVITIES		
Net Loss Income	$	(16,132)
Adjustments to reconcile Net Income		
to net cash provided by operations:		
Accounts Receivable		87,419
Inventories:Inventory - Finished Goods		(126,234)
Prepaid Expense		(3,967)
Prepaid Insurance		12,781
Accounts Payable		8,576
Payroll Liabilities		2,368
Sales Tax Payable		14
Accrued Interest Payable		17,313
Accrued Property Taxes		15,099
Net cash provided by Operating Activities		**(2,764)**
INVESTING ACTIVITIES		
Product Development Testing		(77,931)
Property & Equipment		(82,600)
Accumulated Depreciation		35,226
Accumulated Amortiziation		(6,930)
Net cash provided by Investing Activities		**(132,235)**
FINANCING ACTIVITIES		
ShareHolder Loans		50,615
Treasury Stock		(10,000)
Additional paid-in capital		88,137
Capital Stock		3,072
Net cash provided by Financing Activities		**131,823**
Net cash for period		(3,175)
Cash at beginning of period		204,010
Cash at end of period	$	**200,835**

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