

FLAME SEAL PRODUCTS, INC.
PROFIT & LOSS STATEMENT

December 31, 2016

	<u>Oct - Dec 2016</u>
Sales	
Other Income	795,003
	<u>795,003</u>
Cost of Sales	
Inventory	312,774
Freight	50,037
Certification Testing	-
Total Cost of Sales	<u>362,811</u>
Gross Profit	<u><u>\$ 432,191</u></u>
Selling, General, & Admin Expenses	
Expenses	411,675
Total S G & A	<u>411,675</u>
Net Ordinary Income	\$ 20,516
Other Income	
Interest Income	1
Total other Expenses	<u>1</u>
Other Expense	
Interest Expense	4,933
Total Expense	<u>4,933</u>
Net Other Income / Expenses	<u>(4,931)</u>
Net Income	<u><u>\$ 15,585</u></u>

Prepared without Audit

FLAME SEAL PRODUCTS, INC.
PROFIT & LOSS STATEMENT

December 31, 2016

	<u>Jan - Dec 2016</u>
Sales	
Other Income	3,187,059
	<u>3,187,059</u>
Cost of Sales	
Inventory	1,300,865
Freight	196,242
Certification Testing	-
Outside Services	<u>1,320</u>
Total Cost of Sales	<u>1,498,427</u>
Gross Profit	<u><u>\$ 1,688,632</u></u>
Selling, General, & Admin Expenses	
Expenses	1,670,207
Total S G & A	<u>1,670,207</u>
Net Ordinary Income	\$ 18,425
Other Income	
Interest Income	12
Total other Expenses	<u>12</u>
Other Expense	
Interest Expense	22,246
Total Expense	<u>22,246</u>
Net Other Income / Expenses	<u>(22,233)</u>
Net Income Loss	<u><u>\$ (3,809)</u></u>

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FLAME SEAL PRODUCTS, INC.**BALANCE SHEET**

December 31, 2016

ASSETS**Current Assets**

Cash	\$	231,236
Accounts Receivables-Trade		229,372
Inventory		293,098
Prepaid Insurance		659
Total Current Assets	\$	754,365

Fixed Assets

Product Testing		305,988
Property Plant & Equipments		329,174
Net of Depreciation (\$107815)		(167,696)
Total Fixes Assets	\$	467,466

Other Assets

Deferred Tax		837,672
Patents		233,623
Valuation Allowance		(837,672)
Accumulated Amortization		(261,386)
Total Other Assets		(27,763)

TOTAL ASSETS	\$	1,194,068
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Liabilities & Stockholders Equity**Current Liability**

Accounts Payable	\$	82,528
Credit Cards		(1,006)
Accrued Interest Payable		60,700
Notes Payable-Current Portion		45,432
Total Current Liabilites		187,654

Long-Term Debt		1,154,213
Total Liabilities		1,341,868

Stockholders Equity

Treasury Stock		(22,000)
Additional Paid-In Capital	\$	10,795,985
Capital Stock		582,488
Retained Earnings		(11,500,464)
Net Income Loss 12 months		(3,809)
Total Equity		(147,799)

TOTAL LIABILITES & EQUITY	\$	1,194,068
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FLAME SEAL PRODUCTS, INC.

CASH FLOW

12/31/2016

Jan - Dec 31, 16

OPERATING ACTIVITIES	
Net Income Loss	\$ (3,809)
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	88944
Inventories:Inventory - Finished Goods	(121523)
Prepaid Expense	0
Prepaid Insurance	14517
Accounts Payable	(9344)
Credit Cards	(1006)
Payroll Liabilities	(250)
Sales Tax Payable	10
Accrued Interest Payable	22246
Accrued Property Taxes	20132
Net cash provided by Operating Activities	\$ 9,918
INVESTING ACTIVITIES	
Product Development Testing	(96440)
Property & Equipment	(89278)
Accumulated Depreciation	44658
Accumulated Amortization	(6930)
Net cash provided by Investing Activities	\$ (147,990)
FINANCING ACTIVITIES	
ShareHolder Loans	94590
Additional paid-in capital	89537
Capital Stock	3172
Treasury Stock	(22000)
Net cash provided by Financing Activities	\$ 165,298
Net cash increase for period	27226
Cash at beginning of period	204010
Cash at end of period	\$ 231,236

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