

Sprout Tiny Homes, LLC

Balance Sheet

As of December 31, 2015

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
Checking (1930)	25.00
Checking (8015)	873,537.80
Petty Cash	100.00
Total Bank Accounts	\$ 873,662.80
Accounts Receivable	
Accounts Receivable - Trade	498,305.01
Total Accounts Receivable	\$ 498,305.01
Other Current Assets	
Inventory	151,417.00
Inventory - Raw	18,554.00
Inventory - wip	101,904.00
Short Term Loan	0.00
Total Other Current Assets	\$ 271,875.00
Total Current Assets	\$ 1,643,842.81
Fixed Assets	
Equipment	110,763.54
Equipment - A/D	-26,900.00
Vehicles	65,345.71
Vehicles - A/D	-17,427.00
Total Fixed Assets	\$ 131,782.25
Other Assets	
Direct Deposit Paid	0.00
Investments	0.00
Property Purchase	111,793.23
Total Other Assets	\$ 111,793.23
TOTAL ASSETS	\$ 1,887,418.29
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	24,295.66
Total Accounts Payable	\$ 24,295.66
Other Current Liabilities	
Accrued Commissions	23,910.00
Accrued Franchise Tax	0.00
Accrued Interest Expense	0.00
Accrued Payroll	19,441.52

Boulder County Clerk Payable	409.23
City of Lyons Payable	1,246.42
Colorado Dept of Revenue Payable	1,204.87
Direct Deposit Payable	0.00
Note Pay- F250	45,688.81
Payroll Liabilities	
Total Payroll Liabilities	<u>\$ 12,777.19</u>
Total Other Current Liabilities	<u>\$ 104,678.04</u>
Total Current Liabilities	<u>\$ 128,973.70</u>
Long-Term Liabilities	
Long Term Debt	
Total Long Term Debt	<u>\$ 1,374,226.73</u>
Start up Loan	0.00
Total Long-Term Liabilities	<u>\$ 1,374,226.73</u>
Total Liabilities	<u>\$ 1,503,200.43</u>
Equity	
Common Stock	44,072.11
Opening Balance Equity	0.00
Owner Draw	0.00
Paid in Capital	3,504,773.69
Preferred Stock	1,000.00
Retained Earnings	-207,123.76
Net Income	-2,958,504.18
Total Equity	<u>\$ 384,217.86</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 1,887,418.29</u>

Sprout Tiny Homes, LLC

Profit and Loss

January - December 2015

	<u>Total</u>
Income	
Investment Income	0.00
Refunds-Allowances	-769.00
Sales	1,065,494.39
Services	-1,398.75
Total Income	\$ 1,063,326.64
Cost of Goods Sold	
Direct Labor Absorption	-57,375.00
Job Materials	597,450.41
Overhead Absorption	-10,400.00
Purchases - COS	18,465.69
Subcontractors - COS	59,018.96
Total Cost of Goods Sold	\$ 607,160.06
Gross Profit	\$ 456,166.58
Expenses	
Advertising	6,195.21
Auto	1,228.69
Bank Charges	599.43
Certification Insignia	100.00
Charitable Contributions	500.00
Commissions & fees	2,550,454.80
Consulting Fees	105,637.00
Dues & Subscriptions	5,140.86
Equipment Rent	24,305.78
Factory Fees	1,410.00
Freight & Delivery	7,677.20
Home Design & Site Planning	34,060.92
Inspection Fee	700.00
Insurance	-11.00
Bond Expense	2,317.00
Key Man	28,950.00
Total Insurance	\$ 31,256.00
Insurance - Liability	13,317.50
Insurance-Auto	652.81
Insurance-Work Comp	5,863.18
Interest Expense	83,846.08
Investor Payment	0.00
Investor Relations	15,257.60
Lease Fees	54,692.40
Legal & Professional Fees	63,129.02

Marketing Expense	20,259.05
Meals and Entertainment	3,794.70
Office Expenses	7,814.40
Other General and Admin Expenses	3,999.48
Payroll Expenses	
Taxes	52,463.90
Wages	273,065.13
Total Payroll Expenses	\$ 325,529.03
Postage	122.79
Reimbursements	6,574.24
Rent or Lease	29,854.40
Repair & Maintenance	1,558.13
Shipping and delivery expense	798.05
Shop Equipment	816.36
Shop Supplies	16,879.23
Subcontractors	7,791.75
Supplies	285.95
Taxes & Licenses	2,517.98
Trade Shows	2,920.11
Travel	22,308.67
Travel Meals	2,098.36
Utilities	12,943.90
Warranty Repairs	135.00
Total Expenses	\$ 3,475,026.06
Net Operating Income	-\$ 3,018,859.48
Other Income	
Gain on Conversion of Debt	190,750.00
Interest Earned	200.00
Other Ordinary Income	58.00
Total Other Income	\$ 191,008.00
Other Expenses	
Depreciation Expense	35,249.00
Loss on Investment	65,000.00
Miscellaneous	32,418.80
Reconciliation Discrepancies	-2,015.10
Total Other Expenses	\$ 130,652.70
Net Other Income	\$ 60,355.30
Net Income	-\$ 2,958,504.18

Sprout Tiny Homes, LLC

Statement of Cash Flows

January - December 2015

	<u>Total</u>
OPERATING ACTIVITIES	
Net Income	-2,958,504.18
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Accounts Receivable - Trade	-498,305.01
Inventory	-151,417.00
Inventory - Raw	-18,554.00
Inventory - wip	-52,929.00
Short Term Loan	0.00
Equipment	-23,555.89
Equipment - A/D	22,179.00
Vehicles - A/D	13,070.00
Direct Deposit Paid	0.00
Investments	70,000.00
Property Purchase	-111,793.23
Accounts Payable	24,295.66
Accrued Commissions	23,910.00
Accrued Franchise Tax	0.00
Accrued Interest Expense	-10,000.00
Accrued Payroll	19,441.52
Boulder County Clerk Payable	409.23
City of Lyons Payable	1,246.42
Colorado Dept of Revenue Payable	1,204.87
Direct Deposit Payable	0.00
Note Pay- F250	-10,722.20
Payroll Liabilities:CO Income Tax	2,244.00
Payroll Liabilities:CO Unemployment Tax	4,035.71
Payroll Liabilities:Federal Taxes (941/944)	6,056.17
Payroll Liabilities:Federal Unemployment (940)	441.31
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	<u>-\$ 688,742.44</u>
Net cash provided by operating activities	<u>-\$ 3,647,246.62</u>
INVESTING ACTIVITIES	
Vehicles	0.00
Net cash provided by investing activities	<u>\$ 0.00</u>
FINANCING ACTIVITIES	
Total Long Term Debt	596,226.73
Start up Loan	0.00
Common Stock	43,538.29
Owner Draw	-2,500.00
Paid in Capital	3,606,307.51

Net cash provided by financing activities	\$	4,243,572.53
Net cash increase for period	\$	596,325.91
Cash at beginning of period		277,336.89
Cash at end of period	\$	873,662.80