

FLAME SEAL PRODUCTS, INC.
PROFIT & LOSS STATEMENT
Jan through March 2016

	Jan - Mar 2016
Sales	\$ 659,520
Other Income	32,739
	<u>692,259</u>
Cost of Sales	
Purchases	276,335
Freight	46,103
Certification Testing	-
Total Cost of Sales	<u>322,438</u>
Gross Profit	<u><u>\$ 369,821</u></u>
Selling, General, & Admin Expenses	
Expenses	383,796
Total S G & A	<u>383,796</u>
Net Ordinary Loss	(13,975)
Other Income	
Interest Income	8
Total other Expenses	<u>8</u>
Other Expense	
Interest Expense	4,933
Total Expense	<u>4,933</u>
Net Other Income / Expenses	<u>(4,925)</u>
Net Loss	<u><u>\$ (18,899)</u></u>

Prepared without Audit

FLAME SEAL PRODUCTS, INC.**BALANCE SHEET****March 31, 2016****ASSETS****Current Assets**

Cash	\$	169,274
Accounts Receivables-Trade		325,889
Inventory		114,255
Prepaid Insurance		4,492
Total Current Assets		613,910

Fixed Assets

Product Testing		221,366
Property Plant & Equipments		247,336
Net of Depreciation (\$155687)		(155,687)
Total Fixes Assets		313,015

Other Assets

Deferred Tax		837,672
Patents		233,623
Valuation Allowance		(837,672)
Accumulated Amortization		(233,623)
Total Other Assets		(0)

TOTAL ASSETS	\$	926,925
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Liabilities & Stockholders Equity**Current Liability**

Accounts Payable	\$	99,022
Accrued Interest Payable		43,387
Notes Payable-Current Portion		16,286
Total Current Liabilites		158,695

Long-Term Debt		1,055,467
Total Liabilities		1,214,163

Stockholders Equity

Additional Paid-In Capital		10,729,520
Captial Stock		580,511
Retained Earnings		(11,578,369)
Net Income for 3 months		(18,899)
Total Equity		(287,237)

TOTAL LIABILITES & EQUITY	\$	926,925
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FLAME SEAL PRODUCTS, INC.**CASH FLOW****March 31, 2016****Jan - Mar 31, 2016**

OPERATING ACTIVITIES	
Net Loss	-18,899
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-7,573
Inventories:Inventory - Finished Goods	-27,403
Prepaid Expense	0
Prepaid Insurance	10,687
Accounts Payable	7,150
Payroll Liabilities	-15,896
Sales Tax Payable	1,561
Accrued Interest Payable	4,933
Accrued Property Taxes	5,033
Officer Comp	0
Net cash provided by Operating Activities	-40,408
INVESTING ACTIVITIES	
Product Development Testing	-12,943
Property & Equipment	-7,069
Accumulated Depreciation	9,432
Net cash provided by Investing Activities	-10,580
FINANCING ACTIVITIES	
ShareHolder Loans	-52,757
Additional paid-in capital	19,137
Capital Stock	1,272
Net cash provided by Financing Activities	16,252
Net cash increase for period	-34,736
Cash at beginning of period	204,010
Cash at end of period	169,274

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