

**OVATION MUSIC & STUDIO--BOCA RATON INC.**  
**STATEMENT OF CASH FLOW**  
**As of December 31, 2015**

|   |                |                    |
|---|----------------|--------------------|
| <b>NET INCOME FROM OPERATIONS</b>                     |                | \$ (148,401)       |
| <b>SOURCES OF CASH:</b>                               |                |                    |
| Increase in Current Liabilities                       | 52,993         |                    |
| Increase in Equity (net of current period net income) | <u>96,715</u>  |                    |
| <b>TOTAL SOURCES OF CASH:</b>                         |                | 149,709            |
| <b>USES OF CASH:</b>                                  |                |                    |
| Increase in Inventory                                 | (9,155)        |                    |
| Increase in Fixed Assets                              | (22,157)       |                    |
| Increase in Other Assets                              | <u>(1,000)</u> |                    |
| <b>TOTAL USES OF CASH</b>                             |                | <u>(32,312)</u>    |
| <b>NET CHANGE IN CASH</b>                             |                | <u>\$ (31,004)</u> |
| <b>OPENING CASH</b>                                   |                | \$ 39,142          |
| <b>CLOSING CASH</b>                                   |                | <u>8,138</u>       |
| <b>NET CHANGE IN CASH, RECONCILED</b>                 |                | <u>\$ (31,004)</u> |