



Example Construction Co., Inc.

	Projected	Projected	Projected	Projected
<u>Income Statement Assumptions</u>				
Annual Sales Growth	3.47%	3.47%	3.47%	3.47%
Gross Profit Margins	10.25%	10.25%	10.25%	10.25%
Annual Overhead Growth	-15.40%	-15.40%	-15.40%	-15.40%
Income Statement	12/31/2012	12/31/2013	12/31/2014	12/31/2015
Sales (Income)	\$37,132,543	\$38,421,042	\$39,754,252	\$41,133,725
COGS/Depreciation				
Cost of Sales (COGS)	\$33,326,457	\$34,482,885	\$35,679,441	\$36,917,518
Gross Profit Margin	10.25%	10.25%	10.25%	10.25%
Gross Profit	\$3,806,086	\$3,938,157	\$4,074,811	\$4,216,207
Depreciation	\$0	\$0	\$0	\$0
Amortization	\$0	\$0	\$0	\$0
Overhead or S,G,& A Expenses	\$2,531,874	\$2,141,966	\$1,812,103	\$1,533,039
Other Operating Income	\$0	\$0	\$0	\$0
Other Operating Expenses	\$138,792	\$138,792	\$138,792	\$138,792
Total Operating Expenses	\$2,670,666	\$2,280,758	\$1,950,895	\$1,671,831
Operating Profit	\$1,135,420	\$1,657,399	\$2,123,916	\$2,544,376
Interest Expense	\$112,995	\$112,328	\$111,631	\$110,902
Other Income	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0
EBITDA	\$1,135,420	\$1,657,399	\$2,123,916	\$2,544,376
Net Profit Before Taxes	\$1,022,425	\$1,545,071	\$2,012,285	\$2,433,474
Adjusted Owner's Compensation	\$0	\$0	\$0	\$0
Adjusted Net Profit Before Taxes	\$1,022,425	\$1,545,071	\$2,012,285	\$2,433,474
Taxes Paid	\$82,882	\$125,250	\$163,124	\$197,267
Extraordinary Gain	\$0	\$0	\$0	\$0
Extraordinary Loss	\$0	\$0	\$0	\$0
Net Income	\$939,543	\$1,419,821	\$1,849,161	\$2,236,207

Balance Sheet Assumptions

Accounts Receivable Days	76.00	76.00	76.00	76.00
Accounts Payable Days	57.00	57.00	57.00	57.00
Inventory Days	0.00	0.00	0.00	0.00

Balance Sheet	12/31/2012	12/31/2013	12/31/2014	12/31/2015
Cash (Bank Funds)	\$8,129,487	\$9,446,209	\$11,188,533	\$13,314,025
Accounts Receivable	\$7,731,708	\$7,999,998	\$8,277,598	\$8,564,830
Inventory	\$0	\$0	\$0	\$0
Other Current Assets	\$20,461	\$20,461	\$20,461	\$20,461
Costs and Earnings in Excess of Billings	\$20,461	\$20,461	\$20,461	\$20,461
Other	\$0	\$0	\$0	\$0
Total Current Assets	\$15,881,656	\$17,466,668	\$19,486,592	\$21,899,316
Gross Fixed Assets	\$12,093,186	\$12,093,186	\$12,093,186	\$12,093,186
Accumulated Depreciation	\$11,189,451	\$11,189,451	\$11,189,451	\$11,189,451
Net Fixed Assets	\$903,735	\$903,735	\$903,735	\$903,735
Gross Intangible Assets	\$0	\$0	\$0	\$0
Accumulated Amortization	\$0	\$0	\$0	\$0
Net Intangible Assets	\$0	\$0	\$0	\$0
Other Assets	\$243,353	\$243,353	\$243,353	\$243,353
Total Assets	\$17,028,744	\$18,613,756	\$20,633,680	\$23,046,404
Accounts Payable	\$5,204,406	\$5,384,998	\$5,571,858	\$5,765,201
Short Term Debt	\$0	\$0	\$0	\$0
Current Portion of Long Term Debt	\$15,400	\$16,097	\$16,826	\$17,587
Other Current Liabilities	\$2,786,422	\$2,786,422	\$2,786,422	\$2,786,422
Billings in Excess of Costs	\$2,760,534	\$2,760,534	\$2,760,534	\$2,760,534
Other	\$25,888	\$25,888	\$25,888	\$25,888
Total Current Liabilities	\$8,006,228	\$8,187,517	\$8,375,106	\$8,569,210
Notes Payable / Senior Debt	\$2,524,432	\$2,508,335	\$2,491,509	\$2,473,922
Notes Payable / Subordinated Debt	\$0	\$0	\$0	\$0
Other Long Term Liabilities	\$1,276	\$1,276	\$1,276	\$1,276
Total Long Term Liabilities	\$2,525,708	\$2,509,611	\$2,492,785	\$2,475,198
Total Liabilities	\$10,531,937	\$10,697,128	\$10,867,891	\$11,044,408
Preferred Stock	\$0	\$0	\$0	\$0
Common Stock	\$0	\$0	\$0	\$0
Additional Paid-in Capital	\$0	\$0	\$0	\$0
Other Stock / Equity	\$0	\$0	\$0	\$0

Ending Retained Earnings	\$6,496,807	\$7,916,628	\$9,765,789	\$12,001,995
Total Equity	\$6,496,807	\$7,916,628	\$9,765,789	\$12,001,995
Total Liabilities + Equity	\$17,028,744	\$18,613,756	\$20,633,680	\$23,046,404
Total Assets - (Total Liabilities + Equity)	\$0	\$0	\$0	\$0

Statement of Equity	12/31/2012	12/31/2013	12/31/2014	12/31/2015
Preferred Stock	\$0	\$0	\$0	\$0
Common Stock	\$0	\$0	\$0	\$0
Additional Paid-in Capital	\$0	\$0	\$0	\$0
Other Stock / Equity	\$0	\$0	\$0	\$0
Total Stock	\$0	\$0	\$0	\$0
Beginning Retained Earnings	\$5,557,264	\$6,496,807	\$7,916,628	\$9,765,789
Net Income	\$939,543	\$1,419,821	\$1,849,161	\$2,236,207
Dividends Paid / Withdrawals	\$0	\$0	\$0	\$0
Other Changes to Retained Earnings	\$0	\$0	\$0	\$0
Unexplained Changes to RE	\$0	\$0	\$0	\$0
Ending Retained Earnings	\$6,496,807	\$7,916,628	\$9,765,789	\$12,001,995
Ending Equity as Calculated Above	\$6,496,807	\$7,916,628	\$9,765,789	\$12,001,995
Actual Equity from Balance Sheet	\$6,496,807	\$7,916,628	\$9,765,789	\$12,001,995
Difference (Unexplained Change in Equity)	\$0	\$0	\$0	\$0

UCA Cash Flow Statement	12/31/2012	12/31/2013	12/31/2014	12/31/2015
Sales (Income)	\$37,132,543	\$38,421,042	\$39,754,252	\$41,133,725
Decrease (Increase) in Accounts Receivable	\$111,860	(\$268,290)	(\$277,600)	(\$287,232)
Cash Collected from Sales	\$37,244,403	\$38,152,752	\$39,476,652	\$40,846,493
Cost of Sales (COGS)	(\$33,326,457)	(\$34,482,885)	(\$35,679,441)	(\$36,917,518)
Depreciation (COGS-related)	\$0	\$0	\$0	\$0
Decrease (Increase) in Inventory	\$0	\$0	\$0	\$0
Increase (Decrease) in Accounts Payable	\$245,279	\$180,592	\$186,860	\$193,343
Cash Paid to Suppliers	(\$33,081,178)	(\$34,302,293)	(\$35,492,581)	(\$36,724,175)
Cash from Trading Activities	\$4,163,225	\$3,850,459	\$3,984,071	\$4,122,318
Overhead or S,G,&A Expenses	(\$2,531,874)	(\$2,141,966)	(\$1,812,103)	(\$1,533,039)

Other Operating Expenses	(\$138,792)	(\$138,792)	(\$138,792)	(\$138,792)
Other Operating Income	\$0	\$0	\$0	\$0
Decrease (Increase) in Other Current Assets	\$0	\$0	\$0	\$0
Increase (Decrease) in Other Current Liabilities	\$0	\$0	\$0	\$0
Cash Paid for Operating Costs	(\$2,670,666)	(\$2,280,758)	(\$1,950,895)	(\$1,671,831)
Cash after Operations	\$1,492,559	\$1,569,701	\$2,033,176	\$2,450,487
Other Income	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0
Taxes Paid	(\$82,882)	(\$125,250)	(\$163,124)	(\$197,267)
Other Income (Expense) and Taxes Paid	(\$82,882)	(\$125,250)	(\$163,124)	(\$197,267)
Net Cash after Operations	\$1,409,677	\$1,444,451	\$1,870,052	\$2,253,220
Dividends Paid / Withdrawals	\$0	\$0	\$0	\$0
Interest Expense	(\$112,995)	(\$112,328)	(\$111,631)	(\$110,902)
Cash Paid for Dividends and Interest	(\$112,995)	(\$112,328)	(\$111,631)	(\$110,902)
Net Cash Income	\$1,296,682	\$1,332,123	\$1,758,421	\$2,142,318
Current Portion Long Term Debt	\$0	(\$15,400)	(\$16,097)	(\$16,826)
Cash after Debt Amortization	\$1,296,682	\$1,316,723	\$1,742,324	\$2,125,492
Decrease (Increase) in Gross Fixed Assets	\$0	\$0	\$0	\$0
Increase (Decrease) in Accumulated Depreciation	\$0	\$0	\$0	\$0
Total Depreciation Expense	\$0	\$0	\$0	\$0
Change in Net Fixed Assets	\$0	\$0	\$0	\$0
Decrease (Increase) in Intangible Assets	\$0	\$0	\$0	\$0
Decrease (Increase) in Other Assets	\$0	\$0	\$0	\$0
Change in Investments	\$0	\$0	\$0	\$0
Cash Paid for Plant and Investments	\$0	\$0	\$0	\$0
Extraordinary Gain	\$0	\$0	\$0	\$0
Extraordinary Loss	\$0	\$0	\$0	\$0
Extraordinary and Non-Cash Items	\$0	\$0	\$0	\$0
Financing Surplus (Requirements)	\$1,296,682	\$1,316,723	\$1,742,324	\$2,125,492
Increase (Decrease) in Short Term Debt	(\$125,113)	\$0	\$0	\$0
Increase (Decrease) in Long Term Liabilities	(\$14,733)	\$0	(\$0)	(\$0)
Increase (Decrease) in Preferred Stock	\$0	\$0	\$0	\$0
Increase (Decrease) in Common Stock	\$0	\$0	\$0	\$0
Increase (Decrease) in Additional Paid-in Capital	\$0	\$0	\$0	\$0
Increase (Decrease) in Other Stock	\$0	\$0	\$0	\$0

Other Changes to Retained Earnings	\$0	\$0	\$0	\$0
Unexplained Changes to Retained Earnings	\$0	\$0	\$0	\$0
Total External Financing	(\$139,846)	\$0	(\$0)	(\$0)

Cash after Financing	\$1,156,836	\$1,316,723	\$1,742,324	\$2,125,492
Total Change in Cash & Equivalents	\$1,156,836	\$1,316,723	\$1,742,324	\$2,125,492
Beginning Cash & Equivalents	\$6,972,651	\$8,129,487	\$9,446,209	\$11,188,533
Ending Cash & Equivalents	\$8,129,487	\$9,446,209	\$11,188,533	\$13,314,025
Unexplained Change in Cash on Balance Sheet	\$0	\$0	\$0	\$0

Cash Flow Statement	12/31/2012	12/31/2013	12/31/2014	12/31/2015
Cash Flow from Operations				
Sales (Income)	\$37,132,543	\$38,421,042	\$39,754,252	\$41,133,725
Cost of Sales (COGS)	\$33,326,457	\$34,482,885	\$35,679,441	\$36,917,518
Gross Profit	\$3,806,086	\$3,938,157	\$4,074,811	\$4,216,207
Depreciation	\$0	\$0	\$0	\$0
Amortization	\$0	\$0	\$0	\$0
Overhead or S,G,&A Expenses	\$2,531,874	\$2,141,966	\$1,812,103	\$1,533,039
Other Operating Income	\$0	\$0	\$0	\$0
Other Operating Expenses	\$138,792	\$138,792	\$138,792	\$138,792
Operating Profit	\$1,135,420	\$1,657,399	\$2,123,916	\$2,544,376
Interest Expense	\$112,995	\$112,328	\$111,631	\$110,902
Other Income	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0
Net Profit Before Taxes	\$1,022,425	\$1,545,071	\$2,012,285	\$2,433,474
Taxes Paid	\$82,882	\$125,250	\$163,124	\$197,267
Extraordinary Gain	\$0	\$0	\$0	\$0
Extraordinary Loss	\$0	\$0	\$0	\$0
Net Income	\$939,543	\$1,419,821	\$1,849,161	\$2,236,207
Add Back Depreciation	\$0	\$0	\$0	\$0
Add Back Amortization	\$0	\$0	\$0	\$0
Decrease (Increase) in Accounts Receivable	\$111,860	(\$268,290)	(\$277,600)	(\$287,232)
Decrease (Increase) in Inventory	\$0	\$0	\$0	\$0
Decrease (Increase) in Other Current Assets	\$0	\$0	\$0	\$0
Increase (Decrease) in Accounts Payable	\$245,279	\$180,592	\$186,860	\$193,343
Increase (Decrease) in Other Current Liabilities	\$0	\$0	\$0	\$0

Cash Flow from Operations	\$1,296,682	\$1,332,123	\$1,758,421	\$2,142,318
Cash Flow from Investments				
Capital Expenditures	\$0	\$0	\$0	\$0
Decrease (Increase) in Intangible Assets	\$0	\$0	\$0	\$0
Decrease (Increase) in Other Assets	\$0	\$0	\$0	\$0
Cash Flow from Investments	\$0	\$0	\$0	\$0
Cash Flow from Financing Activities				
Increase (Decrease) in Short Term Debt	(\$125,113)	\$0	\$0	\$0
Increase (Decrease) in Current Long Term Debt	\$15,400	\$697	\$729	\$762
Increase (Decrease) in Senior Debt	(\$30,134)	(\$16,097)	(\$16,826)	(\$17,587)
Increase (Decrease) in Subordinated Debt	\$0	\$0	\$0	\$0
Increase (Decrease) in Other Long Term Liabilities	\$0	\$0	\$0	\$0
Increase (Decrease) in Preferred Stock	\$0	\$0	\$0	\$0
Increase (Decrease) in Common Stock	\$0	\$0	\$0	\$0
Increase (Decrease) in Additional Paid-in Capital	\$0	\$0	\$0	\$0
Increase (Decrease) in Other Stock	\$0	\$0	\$0	\$0
Dividends Paid / Withdrawals	\$0	\$0	\$0	\$0
Other Changes to Retained Earnings	\$0	\$0	\$0	\$0
Unexplained Changes to Retained Earnings	\$0	\$0	\$0	\$0
Cash Flow from Financing Activities	(\$139,846)	(\$15,400)	(\$16,097)	(\$16,826)
Net Free Cash Flow	\$1,156,836	\$1,316,723	\$1,742,324	\$2,125,492
Beginning Total Cash	\$6,972,651	\$8,129,487	\$9,446,209	\$11,188,533
Ending Total Cash	\$8,129,487	\$9,446,209	\$11,188,533	\$13,314,025
Unexplained Change in Cash on Balance Sheet	\$0	\$0	\$0	\$0