

CONSOLIDATED TELECOM, INC. Balance Sheet

Assets	
Current assets:	12/31/2014
Cash	58,071.04
Investments	310,000.00
Equipment Inventories	450,251.15
Accounts receivable	29,235.11
Current Contracts Net Present Value	4,695,250.00
Other	-
Total current assets	5,542,807.30
Fixed assets:	12/31/2014
Property and equipment	525,250.00
Leasehold improvements	-
Equity and other investments	-
Less accumulated depreciation	-
Total fixed assets	525,250.00
Other assets:	12/31/2014
Intellectual Property & Web Sites	550,000.00
Goodwill	-
Total other assets	550,000.00
Total assets	6,618,057.30
Liabilities and owner's equity	
Current liabilities:	12/31/2014
Accounts payable	21,268.17
Accrued wages	-
Accrued compensation	15,200.00
Income taxes payable	-
Unearned revenue	10,000.00
Other	-
Total current liabilities	46,468.17
Long-term liabilities:	12/31/2014
Loans Payable	132,122.18
Total long-term liabilities	132,122.18
Owner's equity:	12/31/2014
Investment capital	845,532.09
Accumulated retained earnings	5,593,934.86
Total owner's equity	6,439,466.95
Total liabilities and owner's equity	6,618,057.30

CONSOLIDATED TELECOM, INC.
INCOME STATEMENT
January 1, 2014 thru December 31, 2014

	Year Ending 12/31/2014	Actual %
REVENUE		
10001 Collect Call Revenue	40,289.22	1.9%
10040 Pre-Paid Account Revenue	1,385,286.00	64.9%
10050 Pre-Paid Debit Revenue	270,466.29	12.7%
10050 Pre-Paid Phone Card Revenue	408,304.90	19.1%
10090 Other Revenue	30,291.00	1.4%
TOTAL REVENUE	2,134,637.41	100.0%
COST OF REVENUE		
60006 Facility Commissions	517,787.56	24.3%
60007 Facility LEC Cost	155,062.32	7.3%
60008 Facility Long Distance Cost	133,113.99	6.2%
60010 Facility Technical Service Cost	79,222.21	3.7%
60004 Credit Card Processing and Billing Cost	34,155.41	1.6%
60005 Equipment & Phone Cost	144,849.02	6.8%
TOTAL OPERATING COST OF REVENUE	1,064,190.51	49.9%
GROSS PROFIT	1,070,446.90	50.1%
G & A EXPENSES		
7000 Charitable Contributions	7,778.88	0.4%
7100 Payroll	258,240.14	12.1%
7100 Payroll Taxes	33,979.94	1.6%
7100 Temporary Help	0.00	0.0%
7020 Rent Corporate	47,898.66	2.2%
7700 Sales Commission	4,200.00	0.2%
7020 Office Utilities, Telephone, Internet	31,825.51	1.5%
7015 Liability & Casualty Insurance	4,964.50	0.2%
7016 Health Insurance	49,662.40	2.3%
7200 Bank Interest	7,154.23	0.3%
3100 Long Term Note & Bank Payments	72,544.92	3.4%
7800 Property & Franchise Taxes	2,486.42	0.1%
7800 Sales Taxes	8,820.48	0.4%
7021 Postage & Delivery	47,898.66	2.2%
7600 Legal & Professional	12,924.09	0.6%
7017 Certification Fees, Licenses & Permits	8,759.85	0.4%
7016 Web Development & Technology Expense	7,000.00	0.3%
7900 Travel & Entertainment Expense	154,686.42	7.2%
Total Operating Expense	753,046.22	35.3%
Cumulative Pre-Tax Net Income	317,400.68	14.9%