

SAMPLE CLIENT
Compiled Financial Statements
Sample Date

Prepared by:

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ACCOUNTANTS' COMPILATION REPORT WITH NOTES

Wednesday, August 27, 2014

Cort Arlint, Esq., CPA, MBA
License #: CPA-4456

I have compiled the accompanying statement of financial condition of Sample Company as of Sample Date in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the individuals whose financial statements are present. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Cort Arlint, Esq., CPA, MBA
President

**Sample Company
Balance Sheet**

Sample Date

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$304,400	\$221,300
Contracts receivables	3,789,200	3,334,100
Costs and estimated earnings in excess of billings on uncompleted contracts	156,900	100,600
Inventory	89,700	99,100
Prepaid charges and other assets	<u>118,400</u>	<u>83,200</u>
Total current assets	4,458,600	3,838,300
Advances to and equity in joint venture	205,600	130,700
Note receivable, related company	175,000	150,000
Property and equipment, net of accumulated depreciation and amortization	976,400	1,019,200
Total long term assets	<u>1,357,000</u>	<u>1,299,900</u>
Total assets	<u>\$5,815,600</u>	<u>\$5,138,200</u>

(See accountants' compilation report and accompanying notes to financial statements)

**Sample Company
Income Statement**

Sample Date

	<u>2013</u>	<u>2012</u>
Contract revenues earned	\$9,630,800	\$6,225,400
Cost of revenues earned	<u>7,436,100</u>	<u>4,951,300</u>
Gross profit	2,194,700	1,274,100
Selling, general, and administrative expense	<u>895,600</u>	<u>755,600</u>
Income from operations	1,299,100	518,500
Other income (expense)		
Equity in earnings from unconsolidated joint venture	49,900	5,700
Gain on sale of equipment	10,000	2,000
Interest expense (net of interest income of \$8,800 in 2013 and \$6,300 in 2012)	<u>(69,500)</u>	<u>(70,800)</u>
Total other expense	<u>(9,600)</u>	<u>(63,100)</u>
Income before current year tax expense	1,289,500	455,400
Income tax expense	<u>451,700</u>	<u>300,900</u>
Net income	837,800	154,500
Retained earnings, beginning of year	<u>1,057,500</u>	<u>1,053,000</u>

(See accountants' compilation report and accompanying notes to financial statements)

**Sample Company
Cash flow Statement**

Sample Date

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Net income	\$837,800	\$154,500
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	167,800	153,500
Provision for losses on contract receivables	6,300	1,100
Gain on sale of equipment	(10,000)	(2,000)
Equity earnings from unconsolidated joint venture	(49,900)	(5,700)
Increase in long-term accrued liabilities	128,000	26,200
Increase in contract receivables	(461,400)	(10,200)
Increase in costs and estimated earnings in excess of billings on uncompleted contracts	(56,300)	(8,000)
Increase in billings in excess of costs and estimated earnings on uncompleted contracts	20,300	18,500
Decrease (increase) in inventory	9,400	(3,600)
(Increase) decrease in prepaid charges and other assets	(35,200)	16,100
(Decrease) increase in accounts and retentions payable	(45,400)	113,200
Increase in accrued loss on uncompleted contract	76,700	
(Decrease) increase in other accrued liabilities	<u>(26,000)</u>	<u>18,800</u>
Net cash provided by operating activities	562,100	472,400

(See accountants' compilation report and accompanying notes to financial statements)

NOTES TO THE FINANCIAL STATEMENTS

ENDING SAMPLE DATE

Note 1 - Organization:

SAMEPLE NAME is an SAMPLE TYPE in Nevada. SAMPLE NAME's primary business is SAMPLE BUSINESS in Nevada.

Note 2 - Summary of Significant Accounting Policies:

Basis of Accounting

These financial statements are presented on the cash method of accounting in accordance with accounting principles generally accepted in the United States.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking accounts, cash in money market accounts with maturities of ninety days or less, and precious metals held in by brokers or dealers for safekeeping.

Note 3 - Bank Accounts:

The bank accounts consist of the following:

Note 4 - Accounts Receivable:

The accounts receivable consist of the following:

Note 5 – Related Transactions:

The related transactions consist of the following:

END OF REPORT

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