

COMPANIES

COMBINED FINANCIAL STATEMENTS

For the Year Ended December 31, 2018

Companies

INDEX

Independent Auditors' Report	1
Balance Sheet	2-3
Statement of Income and Retained Earnings	4
Statement of Cash Flows	5-6
Notes to Financial Statements	7-14

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders
of Companies

We have audited the accompanying financial statements of Companies (an Ohio Corporation), which comprise the combining and combined balance sheet as of December 31, 2018, and the related combining and combined statements of income and retained earnings, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Companies as of December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

YOUR COMPANY NAME

Tiffin, Ohio

Date (OUR DUE DATE)

Companies
Notes to Financial Statements
December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Activities

Describe the company's business

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Equivalents

For the purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents. At certain times, the Company may have balances in bank accounts that are in excess of federal insured limits. The Company utilizes a sweep account to keep the amounts at lower balances.

Inventory

The inventory consists of various items priced at average cost of production and at the lower of cost (first-in, first-out method) or market.

Companies
Notes to Financial Statements
December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful life of the respective assets ranging from 5 to 25 years. Depreciation amounted to \$ _____ for 2018.

Income Taxes

The operation, _____ is a C-corporation.

The Company's evaluation of its tax positions on December 31, 2018 revealed no tax positions that would have a material impact on the financial statements. The 2015 through 2018 tax years remain subject to examination by the IRS. The Company does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

NOTE H – LONG-TERM DEBT

\$ <u>3,928,564</u>	<u>\$2,256,051</u>
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Future Maturities of Long-Term Debt

	\$ 686,444
2014	705,878
2015	444,286
2016	367,242
2017	244,908
2018	<u>1,479,806</u>
Thereafter	<u>\$ 3,928,564</u>
Total	

NOTE M – SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 30, 2019, the date on which the financial statements were available to be issued. (THIS SHOULD BE SAME DATE AS YOUR REPORT, MAKE IT OUR DUE DATE).