**MEMORANDUM**

**TO: DISTRICT PERSONNEL**

**FROM: OFFICE OF GENERAL COUNSEL**

**SUBJECT: FINANCIAL AFFIDAVIT FOR A LIMITED LIABILITY COMPANY (“LLC”)**

The following financial information is necessary for an analysis of an LLC:

**OR**

1. Audited or reviewed LLC financial statements for the previous three years (i.e. balance sheet, income statement, and statement of cash flow)

a signed, dated and notarized LLC financial affidavit;

2. Copies of the previous three years’ LLC tax returns, with applicable schedules attached as filed with the Internal Revenue Service;

3. Copies of the Articles of Organization and any amendments thereto;

4. Copies of the LLC’s Operating Agreement (or its equivalent) and any amendments thereto;

5. A signed and dated letter of management representations (this letter is provided by DEP to the LLC - SEE ATTACHMENT I);

6. A management organization document identifying members, managers, officers and directors.

The following affidavit should be completed when an LLC does not have audited or reviewed financial statements and claims an inability to comply with corrective action or pay proposed penalties.

The LLC affidavit should not be used for the analysis of an individual, partnership, sole proprietor, corporation, or s-corporation. Please refer to the financial affidavit designed specifically for each of those entities.

**Forward all financial documentation to Brian Dougherty, with a cover memo describing the estimated costs of compliance, proposed penalties, a brief description of the violation(s), and a request for financial analysis.**

FINANCIAL AFFIDAVIT

FOR A

LIMITED LIABILITY COMPANY (“LLC”)

**COMPLETING THE LLC FINANCIAL AFFIDAVIT**

The following financial affidavit is used by the Department’s financial analyst in determining an LLC’s ability to comply with corrective action or pay proposed penalties when audited or reviewed financial statements are unavailable. The analysis is performed as a response to the LLC’s claim of inability to pay and is voluntary on the Department’s and its part.

In completing the following financial affidavit, be sure to identify revenue, expenses, assets, and liabilities as directed. If revenue, expenses, assets, or liabilities exist for which a line item is not available, then add the item at the end of the appropriate section and include it in the total for that section.

Upon completion of the financial affidavit, at least one manager or managing member, must sign and date, as a LLC representative, the last page of the financial affidavit in the presence of a notary public or attorney.

In addition to completing and submitting the financial affidavit, provide all of the following:

1. copies of the previous three years’ LLC tax returns as filed with the Internal Revenue Service, with applicable schedules attached;

2. a copy of the LLC’s Articles of Organization, Operating Agreement (or its equivalent), and any amendments thereto;

3. a description of the LLC’s management organization that includes a complete and current list of (a) all members and the percentage of their member ship interests, (b) all managing members, (c) all managers, (d) all officers, and (e) all directors;

4. a signed and dated letter of management representations addressed to the appropriate DEP District Office contact or enforcement attorney handling your case (\*this letter is provided by DEP and is attached hereto as ATTACHMENT I);

5. a list ofall of the LLC’s investment, brokerage, insurance, and bank accounts;

6. all investment, brokerage, insurance, and bank account statements of the LLC for the past three years;

7. copies of general ledgers, payroll journals, year end trial balances, depreciation worksheets, canceled checks, and collateral for loans to or from the LLC for the past three years;

8. Copies of any loan or mortgage applications, insurance policies, employment contracts

9. Copies of any agreements for all loans, leases, rentals, promissory notes, purchases (with schedules for asset appraisals), settlements, guarantees, liens, deeds, and agreements to sell or buy receivables for the LLC;

10. a letter authorizing the Department to meet, confer, and communicate with any accountant or bookkeeper regarding the financial statements or records of the LLC and for such accountants or bookkeepers to divulge financial information to the Department;

11. a list of all accountants and bookkeepers who are involved in the LLC’s financial affairs.

12. Copies of any audited Financial Statements that has been prepared for the LLC in the past three years.

Since the requested documentation is essential to performing an analysis, it is important that you supply all requested information to the Department in a complete and timely manner. The Department retains the right to request further information or not perform an analysis if requested documentation is not received. Again, this analysis is voluntary on your part and on the Department’s part. The Department’s goal is to render a complete, correct and fair conclusion as to your ability to pay.

**You are not compelled to produce these documents. This is a voluntary submission that is subject to disclosure as a public record under Section 119, Florida Statutes; therefore, this submittal should not be considered confidential Bank account numbers, and debit, charge and credit card numbers held by an agency, are exempt from public disclosure under Section 119.071, Florida Statutes.**

I hereby authorize the Department of Environmental Protection to verify the earnings, records, bank accounts, stock holdings, pension, credit information (including past and present mortgages), and any other assets, liabilities, revenues, or expenses necessary to perform an analysis of the LLC’s financial position.

I hereby authorize and direct any and all accountants and bookkeepers that have prepared financial statements or records for the LLC to communicate with the Department and to disclose such statements and records and all supporting documentation to the Department.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC

By:

Sign Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**BEFORE THE STATE OF FLORIDA**

**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

NAME OF LLC: IN THE OFFICE OF THE

\_\_\_\_\_\_\_\_\_\_\_\_ DISTRICT

**FINANCIAL AFFIDAVIT**

STATE OF FLORIDA )

)

COUNTY OF )

BEFORE ME this day personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

who being duly sworn, deposes and says that the following information is true and correct according to his/her best knowledge and belief:

INFORMATION

NAME OF LLC: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(a limited liability company organized under the laws of the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

ADDRESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

EMPLOYER ID NUMBER #: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

BUSINESS ACTIVITY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(e.g. tanks operator, hazardous waste generator, wastewater treatment plant, etc.)

ACCOUNTING METHOD: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(e.g. cash basis, accrual, tax basis, other comprehensive basis of accounting (OCBOA))

TOTAL NUMBER OF MEMBERS: \_\_\_\_\_

NAMES & ADDRESSES OF MANAGING MEMBERS:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NAMES & ADDRESSES OF NON-MANAGING MEMBERS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NOTE: The remaining information (i.e. balance sheet, income and expense, and statement of cash flow) may be supplied by attaching audited or reviewed LLC financial statements for the previous three years that were prepared by an independent, certified public accountant.**

**BALANCE SHEET INFORMATION**

**ASSETS:**

Cash and cash equivalents:

Petty cash $ \_\_\_\_\_\_\_\_\_\_\_\_\_

Cash in bank- general \_\_\_\_\_\_\_\_\_\_\_\_\_

Cash in bank- payroll \_\_\_\_\_\_\_\_\_\_\_\_\_

Cash in bank- tax account \_\_\_\_\_\_\_\_\_\_\_\_\_

Cash in bank- savings \_\_\_\_\_\_\_\_\_\_\_\_\_

Money market \_\_\_\_\_\_\_\_\_\_\_\_\_

Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Certificate(s) of Deposits \_\_\_\_\_\_\_\_\_\_\_\_\_

Treasury Bills \_\_\_\_\_\_\_\_\_\_\_\_\_

Stocks \_\_\_\_\_\_\_\_\_\_\_\_\_

Bonds \_\_\_\_\_\_\_\_\_\_\_\_\_

Accounts Receivable:

Trade Accounts \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Allowance for bad debts \_\_\_\_\_\_\_\_\_\_\_\_\_

Officers \_\_\_\_\_\_\_\_\_\_\_\_\_

Employees \_\_\_\_\_\_\_\_\_\_\_\_\_

Member(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

Dividends \_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Allowance for bad debts \_\_\_\_\_\_\_\_\_\_\_\_\_

Prepaid Assets:

Prepaid Insurance \_\_\_\_\_\_\_\_\_\_\_\_\_

Prepaid Rent \_\_\_\_\_\_\_\_\_\_\_\_\_

Other Prepaid Assets: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Inventory \_\_\_\_\_\_\_\_\_\_\_\_\_

Supplies \_\_\_\_\_\_\_\_\_\_\_\_\_

Trade notes \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Allowance for bad debts \_\_\_\_\_\_\_\_\_\_\_\_\_

Federal and state obligations \_\_\_\_\_\_\_\_\_\_\_\_\_

Investments:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

**FIXED ASSETS:**

Buildings & other depreciable assets (describe):

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Furniture and Fixtures: \_\_\_\_\_\_\_\_\_\_\_\_\_

Transportation:

Automobiles:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Trucks \_\_\_\_\_\_\_\_\_\_\_\_\_

Tractors \_\_\_\_\_\_\_\_\_\_\_\_\_

Forklifts \_\_\_\_\_\_\_\_\_\_\_\_\_

Recreational vehicles:

Aircraft \_\_\_\_\_\_\_\_\_\_\_\_\_

Boats \_\_\_\_\_\_\_\_\_\_\_\_\_

Other watercraft \_\_\_\_\_\_\_\_\_\_\_\_\_

Other land vehicle(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

OTHER FIXED ASSETS:

Tanks \_\_\_\_\_\_\_\_\_\_\_\_\_ Treatment Plants \_\_\_\_\_\_\_\_\_\_\_\_\_

Lift Stations \_\_\_\_\_\_\_\_\_\_\_\_\_

Drainfields \_\_\_\_\_\_\_\_\_\_\_\_\_

Filters \_\_\_\_\_\_\_\_\_\_\_\_\_

Pumps \_\_\_\_\_\_\_\_\_\_\_\_\_

Blowers \_\_\_\_\_\_\_\_\_\_\_\_\_

Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Accumulated Depreciation \_\_\_\_\_\_\_\_\_\_\_\_\_

OTHER ASSETS:

Leasehold Improvements \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Accumulated depreciation \_\_\_\_\_\_\_\_\_\_\_\_\_

Depletable assets (describe): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Accumulated depletion \_\_\_\_\_\_\_\_\_\_\_\_\_

Intangible Assets (describe): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Patents \_\_\_\_\_\_\_\_\_\_\_\_\_

Trademarks \_\_\_\_\_\_\_\_\_\_\_\_\_

Goodwill \_\_\_\_\_\_\_\_\_\_\_\_\_

License \_\_\_\_\_\_\_\_\_\_\_\_\_

Other Intangibles \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Accumulated amortization \_\_\_\_\_\_\_\_\_\_\_\_\_

Natural Resources \_\_\_\_\_\_\_\_\_\_\_\_\_ Property:

Rental \_\_\_\_\_\_\_\_\_\_\_\_\_

Investment \_\_\_\_\_\_\_\_\_\_\_\_\_

Timberland \_\_\_\_\_\_\_\_\_\_\_\_\_

Other Land: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Construction In Progress \_\_\_\_\_\_\_\_\_\_\_\_\_

Life Insurance Policy- cash surrender value \_\_\_\_\_\_\_\_\_\_\_\_\_

Livestock \_\_\_\_\_\_\_\_\_\_\_\_\_

Machinery and equipment \_\_\_\_\_\_\_\_\_\_\_\_\_

Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

**TOTAL NET ASSETS** $ **\_\_\_\_\_\_\_\_\_\_\_\_\_**

LIABILITIES

Accounts payable \_\_\_\_\_\_\_\_\_\_\_\_\_

Accrued salaries \_\_\_\_\_\_\_\_\_\_\_\_\_

Bonus payable \_\_\_\_\_\_\_\_\_\_\_\_\_

Accrued income tax \_\_\_\_\_\_\_\_\_\_\_\_\_

Loans:

Line(s) of credit \_\_\_\_\_\_\_\_\_\_\_\_\_

Mortgage(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

Automobile(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

From member(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

Other loan(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

Bonds payable \_\_\_\_\_\_\_\_\_\_\_\_\_

Notes payable \_\_\_\_\_\_\_\_\_\_\_\_\_

Franchise fees payable \_\_\_\_\_\_\_\_\_\_\_\_\_

Liens \_\_\_\_\_\_\_\_\_\_\_\_\_

Other liabilities:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

**TOTAL LIABILITIES** **\_\_\_\_\_\_\_\_\_\_\_\_\_**

**EQUITY:**

LLC Capital Accounts: % Ownership Type (general/limited)

Member: \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Member: \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Member: \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Member: \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Member: \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

Member: \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_

**TOTAL LIABILITIES & OWNER’S EQUITY $ \_\_\_\_\_\_\_\_\_\_\_\_\_**

|  |
| --- |
|  |
| NOTE: Prior to forwarding this affidavit to the Department, please ensure that the |
| balance sheet does in fact balance: |
|  |
| TOTAL ASSETS = TOTAL LIABILITIES + OWNERS EQUITY |

**INCOME AND EXPENSE INFORMATION**

**REVENUE:** MONTHLY

Gross Sales $ \_\_\_\_\_\_\_\_\_\_\_\_\_

Less: Sales returns and allowances \_\_\_\_\_\_\_\_\_\_\_\_\_

Gross Receipts from services \_\_\_\_\_\_\_\_\_\_\_\_\_

**OTHER REVENUE:**

Commissions \_\_\_\_\_\_\_\_\_\_\_\_\_

Rental income \_\_\_\_\_\_\_\_\_\_\_\_\_

Interest income:

Bonds \_\_\_\_\_\_\_\_\_\_\_\_\_

Certificate of Deposit(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Proceeds from life insurance \_\_\_\_\_\_\_\_\_\_\_\_\_

Gross Royalties \_\_\_\_\_\_\_\_\_\_\_\_\_

Other Revenue:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

**TOTAL REVENUE $ \_\_\_\_\_\_\_\_\_\_\_\_\_**

**EXPENSES:**

Cost of Goods Sold $ \_\_\_\_\_\_\_\_\_\_\_\_\_

Members’ salaries paid at fixed rate

(guaranteed payments) \_\_\_\_\_\_\_\_\_\_\_\_\_

Other salaries and wages \_\_\_\_\_\_\_\_\_\_\_\_\_

Commission \_\_\_\_\_\_\_\_\_\_\_\_\_

Travel, meals, etc. \_\_\_\_\_\_\_\_\_\_\_\_\_

Supplies \_\_\_\_\_\_\_\_\_\_\_\_\_

Rent Expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Lease Expense:

Buildings \_\_\_\_\_\_\_\_\_\_\_\_\_

Equipment \_\_\_\_\_\_\_\_\_\_\_\_\_

Automobile \_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_

Loan payments:

Mortgage(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

Automobile(s) \_\_\_\_\_\_\_\_\_\_\_\_\_

Machinery \_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_

Repairs and maintenance \_\_\_\_\_\_\_\_\_\_\_\_\_

Bad debt expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Utilities:

Electricity \_\_\_\_\_\_\_\_\_\_\_\_\_

Gas / Propane \_\_\_\_\_\_\_\_\_\_\_\_\_

**MONTHLY EXPENSES:**

Taxes:

Property \_\_\_\_\_\_\_\_\_\_\_\_\_

Payroll \_\_\_\_\_\_\_\_\_\_\_\_\_

General \_\_\_\_\_\_\_\_\_\_\_\_\_

Interest expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Insurance \_\_\_\_\_\_\_\_\_\_\_\_\_

Contributions \_\_\_\_\_\_\_\_\_\_\_\_\_

Depreciation expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Amortization expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Depletion \_\_\_\_\_\_\_\_\_\_\_\_\_

Advertising \_\_\_\_\_\_\_\_\_\_\_\_\_

Subcontractor expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Permits \_\_\_\_\_\_\_\_\_\_\_\_\_

Employee benefit programs \_\_\_\_\_\_\_\_\_\_\_\_\_

Pension, profit-sharing, etc., plans \_\_\_\_\_\_\_\_\_\_\_\_\_

Manufacturing expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Management fees \_\_\_\_\_\_\_\_\_\_\_\_\_

Other:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

**OTHER EXPENSES:**

Security expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Premium on life insurance \_\_\_\_\_\_\_\_\_\_\_\_\_

(identify the insured)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Inspection expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Penalties \_\_\_\_\_\_\_\_\_\_\_\_\_

Professional Fees:

Audit expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Legal expense \_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

**TOTAL EXPENSES $ \_\_\_\_\_\_\_\_\_\_\_\_\_**

**TOTAL REVENUE (refer to page 9)** \_\_\_\_\_\_\_\_\_\_\_\_\_

**LESS: TOTAL EXPENSES (above)** \_\_\_\_\_\_\_\_\_\_\_\_\_

**NET INCOME $ \_\_\_\_\_\_\_\_\_\_\_\_\_**

**STATEMENT OF CASH FLOWS**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net Income $ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Adjustments to reconcile net income to net cash

provided by operating activities:

Gain (loss) on sale/disposition of asset(s) \_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Increase (Decrease) in Non-Cash Items:*

Depreciation \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Amortization \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Depletion \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Deferred Taxes \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Provision for bad debts \_\_\_\_\_\_\_\_\_\_\_\_\_\_

*(Increase) decrease in assets:*

Trade accounts receivable \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notes Receivable \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Interest Receivable \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Inventory \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Prepaid Expenses \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

*Increase (decrease) in liabilities:*

Trade accounts payable \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other accounts payable \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Income taxes payable \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NET CASH PROVIDED BY OPERATING ACTIVITIES** \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**CASH FLOWS FROM INVESTING ACTIVITIES:**

(Purchase) Sale of equipment $ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Purchase) Sale of other fixed asset(s) \_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Increase) Decrease in outstanding advances \_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Increase) Decrease in restricted cash \_\_\_\_\_\_\_\_\_\_\_\_\_

(Increase) Decrease in other short-term investments,

maturities less than 90 days \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NET CASH (USED) PROVIDED BY INVESTING ACTIVITIES \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Proceeds (Repayment) of short-term borrowings \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Proceeds (Repayment) of notes payable and

long-term debt \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Proceeds from stock issue \_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Purchase) Sale of Treasury Stock \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dividends (paid) \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Loans from Stockholders \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**NET (DECREASE) INCREASE IN CASH** \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**CASH AT BEGINNING OF YEAR** \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**CASH AT THE END OF THE YEAR** \_\_\_\_\_\_\_\_\_\_\_\_\_

**GIFTS AND RELATED PARTY SALES**

List any assets either gifted or sold, within the previous twenty-four months, to a related party if the asset value individually exceeded $500. “Related party” is defined as any entity that can control or significantly influence the management or operating policies of another entity to the extent that one of the entities may be prevented from pursuing its own interests. Related parties for this purpose include, but are not limited to:

1. Members, managing members, managers and their immediate families or others who reside in the same household;

2. Affiliated companies;

3. Investments accounted for under the equity method;

4. Trusts for the benefit of employees.

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**LETTER OF MANAGEMENT REPRESENTATIONS**

**ATTACHMENT I**

In connection with the Department’s analysis of the balance sheet, income statement, statement of cash flow, and supplemental financial information of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“LLC”) as of \_\_\_\_\_\_\_ and for the period of \_\_\_\_\_\_\_\_\_\_\_\_\_ for the purpose of determining the LLC’s ability to comply with corrective action or pay proposed penalties, I/WE HEREBY CERTIFY under penalty of perjury, that to the best of my/our knowledge, information and belief, the following representations made to the Department during its analysis of the financial affidavit or financial statements provided, and as supplemented, are true and correct:

1. I/We accept responsibility for the fair presentation in the foregoing financial affidavit, of the LLC’s financial position, results of operations, and cash flow regarding it (including any statements attached hereto and incorporated by reference).

2. The basis of accounting (e.g. cash basis, accrual, tax basis, other comprehensive basis of accounting (“OCBOA”)) has been identified.

3. I/We have no knowledge of pending or imminent events that may materially affect the carrying value or classification of assets and liabilities, which have not been identified.

4. The following have been properly recorded or disclosed in the financial statement or affidavit:

a. Related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.

b. Arrangements with financial institutions involving compensating balances or arrangements involving restrictions on cash balances and line-of-credit or similar arrangements.

c. Agreements to repurchase assets previously sold.

5. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements or financial affidavit.

6. Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.

7. The LLC has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged, where such lien, encumbrance, or pledge was not clearly identified in the financial statements, affidavit or information provided to the Department.

8. All accountants and bookkeepers that have prepared financial statements or records for the LLC are authorized to communicate with the Department and to disclose such statements and records and all supporting documentation to the Department.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature of Person making Signature of Person making acknowledgment acknowledgment

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name (typed, printed, or stamped) Name (typed, printed, or stamped)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Position (typed, printed, or stamped) Position (typed, printed, or stamped)

**STATE OF FLORIDA**

**COUNTY OF**

The foregoing instrument was acknowledged before me this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, member/managing member) on behalf of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, LLC. He/She is personally known to me or has produced \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ as identification.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NOTARY PUBLIC**

My Commission Expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of this financial affidavit was furnished by

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to:

on the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**AFFIANT OR AFFIANT REPRESENTATIVE**