

CONSOLIDATED TELECOM, INC.
INCOME STATEMENT
January 1, 2018 thru December 31, 2018

	Year Ending 12/31/2018	Actual %
REVENUE		
10001 Collect Call Revenue (discontinued)	0.00	0.0%
10040 Pre-Paid Account Revenue	2,104,051.27	55.4%
10050 Pre-Paid Debit Revenue	1,260,502.66	33.2%
10050 Pre-Paid Phone Card Revenue	215,750.00	5.7%
10060 Video Visitation Revenue	129,254.21	3.4%
10090 Other Revenue (Dev Switch-Lincoln OR)	87,383.04	2.3%
TOTAL REVENUE	3,796,941.18	100.0%
COST OF REVENUE		
60006 Facility Commissions	951,170.55	25.1%
60007 Facility LEC Cost	178,208.80	4.7%
60008 Facility Long Distance Cost	199,694.35	5.3%
60009 Operator Service Cost	40,266.17	1.1%
60010 Facility Technical Service Cost	65,988.39	1.7%
60011 VisiTel Equipment & Installation Expense	72,450.89	1.9%
60004 Credit Card Processing and Billing Cost	87,480.50	2.3%
60005 Equipment & Phone Cost	208,397.00	5.5%
TOTAL OPERATING COST OF REVENUE	1,803,656.65	47.5%
GROSS PROFIT	1,993,284.53	52.5%
G & A EXPENSES		
7000 Charitable Contributions	10,147.50	0.3%
7100 Payroll	183,822.38	4.8%
7100 Payroll Taxes	34,758.91	0.9%
7100 Technology Consultants	169,315.00	4.5%
7020 Rent Corporate	55,934.14	1.5%
7700 Sales Commission	49,860.26	1.3%
7020 Office Utilities, Telephone, Internet	55,934.14	1.5%
7015 Liability & Casualty Insurance	3,837.75	0.1%
7016 Health Insurance	59,737.04	1.6%
7200 Bank Fees	3,073.13	0.1%
3100 Long Term Note & Bank Payments	86,792.86	2.3%
7800 Property & Franchise Taxes	37,540.74	1.0%
7800 Sales Taxes	35,630.02	0.9%
7021 Postage & Delivery	113,532.40	3.0%
7600 Legal & Professional	25,812.67	0.7%
7017 Certification Fees, Licenses & Permits	4,457.83	0.1%
7016 Web Development & Technology Expense	125,221.33	3.3%
7900 Travel & Entertainment Expense	286,723.44	7.6%
Total Operating Expense	1,342,131.54	35.3%
Cumulative Pre-Tax Net Income	651,152.99	17.1%

CONSOLIDATED TELECOM, INC. **Balance Sheet**

Assets	
Current assets:	12/31/2018
Cash	147,310
Investments	1,825,000
Equipment Inventories	913,255
Accounts receivable	45,210
Current Contracts Net Present Value	7,100,000
Other	-
Total current assets	\$ 10,030,775
Fixed assets:	12/31/2018
Property and equipment	710,000
Leasehold improvements	-
Equity and other investments	-
Less accumulated depreciation	-
Total fixed assets	\$ 710,000
Other assets:	12/31/2018
Intellectual Property & Web Sites	1,500,000
Goodwill	-
Total other assets	1,500,000
Total assets	\$ 12,240,775
Liabilities and owner's equity	
Current liabilities:	12/31/2018
Accounts payable	27,655
Accrued wages	-
Accrued compensation	10,500
Income taxes payable	-
Unearned revenue	16,255
Other	-
Total current liabilities	\$ 54,410
Long-term liabilities:	12/31/2018
Loans Payable	212,807
Total long-term liabilities	\$ 212,807
Owner's equity:	12/31/2018
Investment capital	1,200,000
Accumulated retained earnings	10,773,558
Total owner's equity	\$ 11,973,558
Total liabilities and owner's equity	\$ 12,240,775