

Pro Forma Financial Statements

HEMP VOICE INC

Pro forma Profit and Loss Statement

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Sales-Newsstand, Subs, Ads	8,370,000.0	12,555,000.0	18,832,500.0	28,248,750.0	31,073,625.0
Less: Returns & allowances	2,092,500.0	3,138,750.0	4,708,125.0	7,062,187.5	7,768,406.3
Net Sales	6,277,500.0	9,416,250.0	14,124,375.0	21,186,562.5	23,305,218.8
Cost of Sales					
Printing	1,620,000.0	3,600,000.0	6,000,000.0	8,400,000.0	12,000,000.0
Production Costs	420,108.0	840,216.0	1,680,432.0	3,360,864.0	6,721,728.0
Total Cost of Sales	2,040,108.0	8,160,750.0	12,241,125.0	18,361,687.5	18,644,175.0
Gross Profit	4,237,392.0	1,255,500.0	1,883,250.0	2,824,875.0	4,661,043.8
Selling Expense					
Wages	75,000.0	30,303.0	45,454.5	68,181.8	75,000.0
Commissions	25,000.0	10,101.0	15,151.5	22,727.3	25,000.0
Marketing	25,000.0	10,101.0	15,151.5	22,727.3	25,000.0
Total Selling Expenses	125,000.0	50,505.1	75,757.6	113,636.4	125,000.0
Operating Expenses					
Salaries	225,000.0	238,500.0	252,810.0	267,978.6	284,057.3
Payroll taxes	29,000.0	30,740.0	32,584.4	34,539.5	36,611.8
Benefits	27,000.0	28,620.0	30,337.2	32,157.4	34,086.9
Office Supplies	500.0	500.0	500.0	500.0	500.0
Postage	250.0	250.0	250.0	250.0	250.0
Professional Fees	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
Telephone	850.0	850.0	850.0	850.0	850.0
Utilities	950.0	383.8	575.8	863.6	950.0
Training & Education	250.0	250.0	250.0	250.0	250.0
Miscellaneous	50.0	50.0	50.0	50.0	50.0
Total Operating Expenses	285,850.0	302,143.8	320,207.4	339,439.1	359,606.0
Operating Profit	5,866,650.0	9,063,601.1	13,728,410.1	20,733,487.0	22,820,612.7
Pre-Tax Profit	5,866,650.0	9,063,601.1	13,728,410.1	20,733,487.0	22,820,612.7
Income Tax Allowance	118,093.0	258,009.0	390,799.7	590,209.7	649,622.9
Net Profit	5,748,557.0	8,805,592.1	13,337,610.3	20,143,277.3	22,170,989.8

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HEMP VOICE INC Proforma Balance Sheet

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Assets					
Current Assets					
Cash	2,000,000	10,350,592.1	14,586,610.3	20,845,877.3	21,879,189.8
Total Current Assets	2,000,000	10,350,592	14,586,610	20,845,877	21,879,190
Fixed Assets					
Property - net depreciation	215,000	387,000.0	696,600.0	1,253,880.0	2,256,984.0
Equipment - net depreciation	80,000	64,000.0	51,200.0	40,960.0	32,768.0
Vehicles - net depreciation	5,000	4,000.0	3,200.0	2,560.0	2,048.0
Total Fixed Assets	300,000	455,000	751,000	1,297,400	2,291,800
Total Assets	2,300,000	10,805,592	15,337,610	22,143,277	24,170,990
Liabilities					
Current Liabilities	3,380	-	-	-	-
Stockholders Equity					
Common Stock	1,000,000	1,000,000.0	1,000,000.0	1,000,000.0	1,000,000.0
Additional Paid-in Capital	1,000,000	1,000,000.0	1,000,000.0	1,000,000.0	1,000,000.0
Retained Earnings	5,748,557	8,805,592	13,337,610	20,143,277	22,170,990
Total Stockholders Equity	7,748,557	10,805,592	15,337,610	22,143,277	24,170,990