

**SINGER FINANCIAL CORP.
UNAUDITED, INTERNALLY PREPARED
FINANCIAL STATEMENTS*
FOR YEARS ENDING
December 31, 2016 and 2015**

* These financial statements were internally prepared by Singer Financial Corp. They are unaudited. They cover the years ending December 31, 2016 and 2015.

Singer Financial Group
Unaudited Balance Sheet
As of December 31, 2016

	December 31, 2016	December 31, 2015
Assets		
Cash	\$ 504,125	\$ 460,439
Prepaid expenses and other assets	-	10,575
Accounts receivable	5,906	15,173
Financing costs	13,053	19,844
Receivable from shareholder*	3,542,274	3,726,572
Notes receivable	3,220,140	3,526,122
Property and equipment, net of accumulated depreciation	862,448	1,025,629
Total assets	\$ 8,147,946	\$ 8,784,354
Liabilities and Members' Equity		
Other current liabilities	\$ 6,000	\$ -
Deferred revenue	134,167	83,486
Subordinated debt	1,760,899	2,066,810
Notes payable	4,892,793	4,848,047
Total liabilities	6,793,859	6,998,343
Members' Equity		
Capital stock	600,000	600,000
Accumulated equity	754,087	1,186,011
Total Members' Equity	1,354,087	1,786,011
Total Liabilities and Members' Equity	\$ 8,147,946	\$ 8,784,354

* Includes receivables from Shareholder and all affiliates owned by shareholder (Leah One, Inc., Julia Two, Inc. and Vass, Inc.)

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Singer Financial Group		
Unaudited Statement of Operations		
December 31, 2016		
	Year Ended December 31,	
	2016	2015
Revenues:		
Interest and other income	\$ 557,914	\$ 645,776
Rental income	10,406	15,000
Total revenues	568,320	660,776
Expenses:		
Payroll	235,612	219,713
Professional fees	111,311	83,516
Travel	12,012	12,312
Meals & Entertainment	62	3,513
Rent	9,750	9,000
Advertising and promotion	3,851	10,987
Insurance	17,718	15,453
Postage	995	4,063
Printing	100	832
Office expenses	29,140	33,261
Dues and subscriptions	1,668	2,155
Utilities	22,033	18,723
Repairs	4,835	13,301
Telephone	3,967	5,954
Auto	18,561	10,209
Interest and bank charges	506,166	502,901
Depreciation and amortization	45,366	41,104
Miscellaneous	4,258	-
Tax	38,465	41,537
Total expenses	1,065,870	1,028,534
Other income:		
Gain on sale	65,626	-
Net income (loss)	\$ (431,924)	\$ (367,758)

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Singer Financial Group	
Unaudited Statement of Cash Flows	
December 31, 2016	
	Year Ended December 31, 2016
Operating Activities	
Net loss	\$ (431,924)
Adjustments to reconcile net loss to net cash used in operating activities	
Depreciation and amortization	45,366
Changes in operating assets and liabilities:	
Accounts receivable	9,267
Prepaid expenses and other assets	10,575
Interest receivable	-
Intercompany receivables	-
Deferred revenue	50,681
Other liabilities	6,000
Intercompany payables	-
Net cash provided by (used in) operating activities	(310,035)
Investing Activities	
Sale of property and equipment	169,284
Purchases of property and equipment	(44,678)
Net cash used in investing activities	124,606
Financing Activities	
(Decrease) increase of note payable	44,746
Increase in notes receivable	305,982
Repayment of amounts owed by SH	184,298
Subordinated debt	(305,911)
Net cash (used in) provided by financing activities	229,115
Net increase (decrease) in cash	43,686
Cash, beginning of period	460,439
Cash, end of period	\$ 504,125

Internally prepared by Singer Financial Corp. This Cashflow Statement is unaudited. This Cashflow Statement covers the years ending December 31, 2016 and 2015.

Singer Financial Group				
Unaudited Statement of Members' Equity				
December 31, 2016				
	Capital Stock		Accumulated	Total Members'
	Number of	Amount	equity	Equity
	Shares			
Balance at December 31, 2015	2,000	\$ 600,000	\$ 1,186,011	\$ 1,786,011
Plus: Net loss	-	-	(431,924)	(431,924)
Balance as December 31, 2016	2,000	\$ 600,000	\$ 754,087	\$ 1,354,087

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