



KAY IVEY
GOVERNOR

ALABAMA BOARD OF FUNERAL SERVICES

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CHARLES PERINE
DIRECTOR

PRENEED CERTIFICATE OF AUTHORITY CONFIDENTIAL ANNUAL FINANCIAL STATEMENT

NAME OF CERTIFICATE OF AUTHORITY:											
D/B/A NAME (if applicable):											
TYPE OF BUSINESS ENTITY (check one):											
<input type="checkbox"/>	Funeral Establishment	<input type="checkbox"/>	Cemetery Authority	<input type="checkbox"/>	Combination Funeral and Cemetery	<input type="checkbox"/>	Third-Party Seller				
TYPE OF ORGANIZATION (check one):											
<input type="checkbox"/>	Sole Proprietorship	<input type="checkbox"/>	Partnership	<input type="checkbox"/>	LLC	<input type="checkbox"/>	LLP	<input type="checkbox"/>	C Corporation	<input type="checkbox"/>	S Corporation
FULL MAILING ADDRESS (street number, street name, city, state, zip code):						CERTIFICATE OF AUTHORITY LICENSE NUMBER:					
						BUSINESS ENTITY'S FISCAL YEAR END DATE:					
CERTIFICATE OF AUTHORITY'S E-MAIL ADDRESS:					CERTIFICATE OF AUTHORITY'S TELEPHONE NUMBER:						

CONFIDENTIALITY NOTICE

This Annual Financial Statement contains confidential and proprietary information intended solely for the use of the authorized recipient(s). The data provided may include sensitive financial information and is subject to confidentiality obligations.

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Any unauthorized review or use of this document may violate applicable laws and regulations. By receiving this document, you acknowledge and agree to uphold its confidentiality and handle the information in accordance with the relevant privacy and data protection laws.

MAIL TO:
Alabama Board of Funeral Services
4276 Lomac Street
Montgomery, Alabama 36106

INSTRUCTIONS

READ THE INFORMATION CONTAINED IN THIS DOCUMENT CAREFULLY BEFORE COMPLETING THIS FINANCIAL STATEMENT.

1. Preparation of the attached financial statement by a Certified Public Accountant is preferred but not required. If prepared by a Certified Public Accountant, the proper report must be completed. Each report must be personally signed by the preparer together with indication of State of Registration and Certificate or License Number. Firm signatures will not be accepted.
2. The Alabama Board of Funeral Services will accept only this form or a compiled, reviewed or audited financial statement prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) to include any departures adopted by the Board. No other form of financial statement will be accepted. Each item, when applicable, must be set forth in full. Wherever explanations are requested, they must be given in detail. Please round amounts to the nearest dollar.
3. This form is to follow the statutory basis of accounting for preneed entities as prescribed by the Alabama Board of Funeral Services. The statutory basis prescribed by the Alabama Board of Funeral Services differs from measurements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) as noted in a. through c. below:
 - a. GAAP requires the consolidation of certain equity investments and of variable interest entities under FIN 46(R), entitled Consolidation of Variable Interest Entities. The Alabama Board of Funeral Services requires that only the primary reporting entity's accounts and activities be reported on this form. Investments in trusts are to be marked-to-market as of the financial statement date. Closely held investments should be recorded using the equity method.
 - b. Deferred revenue for preneed contracts incurred prior to May 1, 2002 (pre-law) is to be equal to the current cost of providing the preneed services and merchandise.
 - c. A noncurrent receivable is to be recorded for the face amount of life insurance policies used to fund preneed contracts, with the offset being a credit to deferred revenue.
4. The signatory statement on page 2 must be signed by the individual if the applicant is an individual, by the duly authorized officer if a corporation, managing member if a limited liability entity, or by a general partner if a partnership.
5. The attached financial statement is to be prepared for the Certificate of Authority as of the entity's most recent fiscal year-end and is due annually in order to renew the Certificate of Authority license. Preneed applications will not be accepted if more than twelve (12) months have transpired since the date of the financial statement.
6. All preneed entities must have at least the required minimum equity required by the Alabama Board of Funeral Services Preneed Regulation Chapter 395-X-9-.08:

Total Preneed Deferred Revenue	Minimum Equity Required
\$100,000.00 or less	\$10,000.00
\$100,000.01 or greater	Not less than 10% x the total preneed deferred revenue

7. Notes are an integral part of this financial statement and should be attached. The Board has provided sample notes to aid the preparer with some of the more common notes required. These sample disclosures may include notes that do not apply to the filing entity or provide information that is applicable to the entity's circumstances. **If the sample notes do not apply to the Certificate of Authority, please indicate by marking N/A through the sample note that is not applicable to the Certificate of Authority.** Please do not omit any of the notes from this financial statement to comply with the statutory basis prescribed by the Alabama Board of Funeral Services for the Individual or Company for which you are filing. The Alabama Board of Funeral Services requires certain disclosures it deems necessary to its understanding of the filing entity's financial position and operations. **These notes are marked with an asterisk (*) and must be completed.**

SIGNATORY STATEMENT

The undersigned hereby declares that the following is a true statement of the financial condition, and cash flows of the Individual, Partnership, Corporation, or Limited Liability Company herein first names as of the date herein first given and that this statement is for the express purpose of securing a preneed Certificate of Authority license (either initial or renewal).

DATED THIS _____ DAY OF _____, 20____	CERTIFICATE OF AUTHORITY LICENSE NUMBER:
NAME OF CERTIFICATE OF AUTHORITY:	
NAME OF AUTHORIZED REPRESENTATIVE OF CERTIFICATE OF AUTHORITY:	
SIGNATURE OF AUTHORIZED REPRESENTATIVE OF CERTIFICATE OF AUTHORITY:	

NAME OF CERTIFICATE OF AUTHORITY: _____

STATEMENT OF ASSETS, LIABILITIES, AND NET WORTH – STATUTORY BASIS

AS OF (Month, Day, Year): _____

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents \$ _____

Investments _____

Receivables:

Accounts Receivable \$ _____

Other Receivables _____

Less Allowance for Doubtful Accounts (_____) _____

Inventories _____

Prepaid Expenses _____

Deferred Tax Assets _____

Other Current Assets _____

TOTAL CURRENT ASSETS

PROPERTY AND EQUIPMENT

Office Furniture and Equipment _____

Automobiles and Other Vehicles _____

Leasehold Improvements _____

Land and Buildings _____

Less Accumulated Depreciation (_____) _____

NET PROPERTY AND EQUIPMENT

OTHER ASSETS

Receivables _____

Deferred Tax Asset _____

Assets Held in Trust _____

Long-Term Investments _____

Intangible Assets _____

Preneed Receivables _____

TOTAL OTHER ASSETS

TOTAL ASSETS \$ _____

See accountant's report and notes to financial statement

NAME OF CERTIFICATE OF AUTHORITY: _____

STATEMENT OF ASSETS, LIABILITIES, AND NET WORTH – STATUTORY BASIS

AS OF (Month, Day, Year): _____

LIABILITIES AND NET WORTH

CURRENT LIABILITIES

Accounts Payable \$ _____

Notes Payable _____

Current Maturities of Long-Term Debt _____

Commissions Payable _____

Taxes Payable:
Payroll _____

Real Property _____

Federal and State _____

Other _____

Deferred Tax Liability _____

Other Accrued Expenses _____

TOTAL CURRENT LIABILITIES _____

OTHER LIABILITIES

Noncurrent Maturities of Long-Term Debt _____

Deferred Tax Liability _____

Pre-Law Preneed Deferred Revenue _____

Post-Law Preneed Deferred Revenue _____

TOTAL OTHER LIABILITIES _____

TOTAL LIABILITIES

NET WORTH

Individual or Partnership Capital

Capital Stock

Additional Paid-In Capital

Retained Earnings

Accumulated Other Comprehensive Income

Treasury Stock at Cost _____ Shares

TOTAL NET WORTH _____

TOTAL LIABILITIES AND NET WORTH \$ _____

See accountant's report and notes to financial statement

NAME OF CERTIFICATE OF AUTHORITY: _____

STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS

FOR THE YEAR ENDED (Month, Day, Year): _____

INCOME AND EXPENSES

INCOME

Preneed Merchandise and Services Fulfilled	\$ _____
At-Need Merchandise and Services	_____
Interest Income	_____
Other Income	_____
_____	_____
TOTAL INCOME	_____

EXPENSES

Cost of Sales	_____
Operating Expenses:	
Administrative Fees – Trusts	_____
Advertising	_____
Bank Charges	_____
Commissions	_____
Contract Labor	_____
Depreciation and Amortization	_____
Dues and Subscriptions	_____
Insurance	_____
Interest	_____
Meals and Entertainment	_____
Miscellaneous	_____
Office Supplies and Expense	_____
Payroll Taxes	_____
Professional Fees	_____
Profit-Sharing	_____
Rent	_____
Repairs and Maintenance	_____
Salaries	_____
Supplies	_____
Taxes and Licenses	_____
Telephone	_____
Travel	_____
Utilities	_____
Other	_____
TOTAL EXPENSES	_____

See accountant's report and notes to financial statement

NAME OF CERTIFICATE OF AUTHORITY: _____

STATEMENT OF INCOME AND EXPENSES – STATUTORY BASIS

FOR THE YEAR ENDED (Month, Day, Year): _____

INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	_____
PROVISION FOR INCOME TAXES	_____
NET INCOME (LOSS)	\$ _____

NAME OF CERTIFICATE OF AUTHORITY: _____

STATEMENT OF COMPREHENSIVE INCOME – STATUTORY BASIS

FOR THE YEAR ENDED (Month, Day, Year): _____

NET INCOME (LOSS)	\$ _____
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:	
Unrealized Gains (Losses) on Securities:	
Unrealized Holding Gains (Losses) Arising During Period	_____
Less Reclassification Adjustment for Gains (Losses) Included in Net Income	_____
TOTAL OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX	_____
COMPREHENSIVE INCOME (LOSS)	\$ _____

See accountant's report and notes to financial statement

NAME OF CERTIFICATE OF AUTHORITY: _____

STATEMENT OF CASH FLOWS – STATUTORY BASIS

FOR THE YEAR ENDED (Month, Day, Year): _____

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss) \$ _____

Adjustments to Reconcile Net Income (Loss) to
Net Cash Provided (Used) by Operations: _____

 Depreciation _____

 Amortization _____

 (Gain) Loss on Sale of Securities _____

 (Gain) Loss on Sale of Property and Equipment _____

 Deferred Income Taxes _____

Changes in Assets and Liabilities:
 Accounts Receivable _____

 Inventories _____

 Prepaid Expenses and Other Assets _____

 Preneed Activity _____

 Accounts Payable _____

 Accrued Expenses _____

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES _____

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sale of Securities _____

Purchase of Securities _____

Proceeds from Sale of Property and Equipment _____

Purchase of Property and Equipment _____

NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES _____

See accountant's report and notes to financial statement

NAME OF CERTIFICATE OF AUTHORITY: _____

STATEMENT OF CASH FLOWS – STATUTORY BASIS

FOR THE YEAR ENDED (Month, Day, Year): _____

CASH FLOWS FROM FINANCING ACTIVITIES

Borrowing on Notes Payable _____

Repayment of Notes Payable _____

Borrowing on Long-Term Debt _____

Repayment of Long-Term Debt _____

Distributions to Stockholders _____

NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES _____

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS \$ _____

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR \$ _____

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ _____

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION \$ _____

Cash Paid During the Year for: _____

Interest \$ _____

Income Taxes \$ _____

See accountant's report and notes to financial statement

Please note: These reports are to be completed only by a Certified Public Accountant (Audit or Compilation Report) or a Public Accountant (Compilation Report only)

INDEPENDENT AUDITORS' REPORT		
<p>We have audited the accompanying Statement of Assets, Liabilities, and Net Worth – Statutory Basis of _____ as of _____, and the related Statements of Income and Cash Flows – Statutory Basis for the year ended _____. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.</p> <p>We conducted our audit with auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.</p> <p>These financial statements were prepared in conformity with the accounting practices prescribed or permitted by the Alabama Board of Funeral Services, which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles (GAAP).</p> <p>In our opinion, the financial statements referred to above present fairly, in all material respects, the Assets, Liabilities, and Net Worth of _____ as of _____, and the results of its operations and its cash flows for the year ended _____, on the basis of accounting described in Note 1.</p> <p>This report is intended solely for the information and use of the management of _____, and the Alabama Board of Funeral Services is not intended to be and should not be used by anyone other than the specified parties.</p>		
FIRM NAME:		
CERTIFICATE NUMBER:	STATE OF CERTIFICATION:	FEDERAL IDENTIFICATION NUMBER:
SIGNATURE (FIRM SIGNATURES NOT ACCEPTED):		

ACCOUNTANT'S COMPILATION REPORT		
<p>We have audited the accompanying Statement of Assets, Liabilities, and Net Worth – Statutory Basis of _____ as of _____, and the related Statements of Income and Cash Flows – Statutory Basis for the year ended _____, then ended in the accompanying prescribed form in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute for Certified Public Accountants</p> <p>Our compilation was limited to presenting in the form prescribed by the Alabama Board of Funeral Services information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.</p> <p>This report is intended solely for the information and use of the management of _____, and the Alabama Board of Funeral Services is not intended to be and should not be used by anyone other than the specified parties.</p>		
FIRM NAME:		
CERTIFICATE NUMBER:	STATE OF CERTIFICATION:	FEDERAL IDENTIFICATION NUMBER:
SIGNATURE (FIRM SIGNATURES NOT ACCEPTED):		

AFFADAVIT FOR INDIVIDUAL	
STATE OF _____	
COUNTY OF _____	
_____, being duly sworn, deposes and says that the foregoing financial statements, taken from his or her books, are a true and accurate statement of his or her financial condition, results of operation, and cash flows as of the date thereof and the period then ended.	
SIGNATURE OF INDIVIDUAL:	
SOCIAL SECURITY NUMBER:	Sworn to and subscribed before me this _____ day of _____, 20_____.
SIGNATURE OF NOTARY PUBLIC:	

AFFADAVIT FOR PARTNERSHIP OR LIMITED LIABILITY COMPANY	
STATE OF _____	
COUNTY OF _____	
_____, being duly sworn, deposes and says that he or she is a partner (member) of the firm of _____, and that the foregoing financial statements, taken from the books of said firm, are a true and accurate statement of its financial condition, results of operation, and cash flows as of the date thereof and the period then ended.	
SIGNATURE OF PARTNER OR MEMBER:	
Sworn to and subscribed before me this _____ day of _____, 20_____.	
SIGNATURE OF NOTARY PUBLIC:	

AFFADAVIT FOR CORPORATION	
STATE OF _____	
COUNTY OF _____	
_____, being duly sworn, deposes and says that he or she is a partner (member) of the firm of _____, the corporation described in and which executed the foregoing financial statements; that he or she is familiar with the books of said corporation showing its financial condition, results of operation, and cash flows; and that the foregoing financial statements taken from the books of said corporation are a true and accurate statement of the financial condition, results of operation, and cash flows of the corporation as of the date thereof and the period then ended.	
SIGNATURE OF OFFICER:	
Sworn to and subscribed before me this _____ day of _____, 20_____.	
SIGNATURE OF NOTARY PUBLIC:	

Notes are an integral part of this financial statement and should be attached. The Board has provided sample notes to aid the preparer with some of the more common notes required. These sample disclosures may include notes that do not apply to the filing entity or provide information that is applicable to the entity's circumstances. **If the sample notes do not apply to the Certificate of Authority, please indicate by marking N/A through the sample note that is not applicable to the Certificate of Authority.** Please do not omit any of the notes from this financial statement to comply with the statutory basis prescribed by the Alabama Board of Funeral Services for the Individual or Company for which you are filing. The Alabama Board of Funeral Services requires certain disclosures it deems necessary to its understanding of the filing entity's financial position and operations. **These notes are marked with an asterisk (*) and must be completed.**

NAME OF CERTIFICATE OF AUTHORITY: _____

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED (Month, Day, Year): _____

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

_____ (the Company) provides at-need funeral services and related products, as well as cemetery lot sales and prearranged funeral and cemetery contract sales in the state of Alabama.

Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Company considers all highly liquid debt instruments and certificates of deposit purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

The Company reports trade receivables at net realized value. Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. On a continuing basis, management analyzes delinquent receivables, and once these receivables are determined to be uncollectible, they are written off through a charge against the allowance or against earnings.

Inventories

Inventories consist of cemetery plots, mausoleum vaults, and crypts, and are valued at the lower of cost or market, using the first-in, first-out method.

Property and Equipment

Major additions of property and equipment are capitalized at cost. Maintenance and repairs are charged to expenses as incurred. The cost and accumulated depreciation of property and equipment disposed of are removed from their respective accounts, and any related gain or loss is reflected in income. For financial reporting purposes, depreciation is provided using the straight-line and accelerated methods over the estimated useful lives of the assets.

Basis of Accounting

The accompanying financial statements present the financial results on the Statutory Basis of Accounting as prescribed by the Alabama Board of Funeral Services, which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles (GAAP). This basis differs from GAAP in the following material areas:

- a. GAAP requires the consolidation of certain variable interest entities under FIN 46(R), entitled Consolidation of Variable Interest Entities. However, the Board requires that only the filing entity's accounts and activities be reported in the accompanying statements. Therefore, investments in trust are marked-to-market as of the financial statement date and closely held investments are recorded using the equity method.
- b. The Board also requires a noncurrent receivable to be recorded for the face amount of life insurance policies used to fund preneed contracts, with the offset being a credit to deferred revenue. Further, the Board requires deferred revenue for preneed contracts incurred prior to May 1, 2002 (pre-law) to be equal to the current cost of providing preneed services and merchandise.

Revenue Recognition

The Company's operation is subject to the Code of Alabama 1975, Title 34, Chapter 13, as enacted by the 2023 Legislature of Alabama under Act Number 2022-339 and cited as the "Alabama Preneed Funeral and Cemetery Act of 2023." The Company recognizes revenue from two main sources: at-need and preneed sales.

- a. At-need sales are recorded as a completed contract; therefore, income and related expenses are recognized currently.
- b. Preneed sales are recorded as deferred revenue when the sales contract is accepted.

Current Alabama law requires that any preneed arrangement made on or after May 1, 2002, be transferrable or refundable to the consumer, therefore, management believes that the proper method for accounting is as deferred revenue. Following this method, revenue would not be recognized until the contracted goods and services are used. Additionally, the cost of goods sold would be recognized at that time.

The current state law requires a facility licensed to sell preneed arrangements to fund state approved trusts within thirty (30) days of the last day of the calendar month in which the sum of the monies collected on the preneed contract exceeds the amount that is not required to be deposited in trust. Further required deposits on the contract shall thereafter be made not later than thirty (30) days after the end of the calendar month in which each contract payment is collected by the seller. The funding rate is generally between 60% and 75% of the contract price.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$ _____ for the year ended _____ (month, day, year).

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The Company's differences relate to marketable equity securities and to depreciable assets and the use of different depreciation methods for financial statement and income tax purposes. The resulting deferred tax asset or liability represents the future tax return consequences of these differences.

Use of Estimates in the Preparation of Financial Statements

In preparing financial statements in conformity with the statutory basis of accounting as prescribed by the Alabama Board of Funeral Services, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

The Company maintains its cash in bank deposit amounts, which, at times, may exceed Federal Deposit Insurance Corporation limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to significant credit risk in regard to cash.

NAME OF CERTIFICATE OF AUTHORITY: _____

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED (Month, Day, Year): _____

3. INVESTMENTS

Equity securities have been classified in the balance sheet according to management's intent. The carrying of securities and approximate fair values as of _____ are as follows:

Cost	\$ _____
Gross Unrealized Gains	_____
Gross Unrealized Losses	_____
FAIR VALUE	\$ _____

Proceeds and gross realized gains on sales of available-for-sale securities using the specific identification method were \$ _____ and \$ _____, respectively for the year ended _____.

4. LONG-TERM DEBT

Long-term debt as of _____ consisted of the following:

Installment Notes Payable to Banks, Bearing Interest Rates Ranging From _____ % to _____ %, Payable in Monthly Installments Totaling \$ _____ Including Interest, maturing from _____ to _____, Secured by Certain Equipment	\$ _____
Unsecured Note Payable to Related Party, Bearing an Interest Rate of _____ %, Maturing _____.	_____
Total Long-Term Debt	_____
Current Maturities of Long-Term Debt	_____

NONCURRENT MATURITIES OF LONG-TERM DEBT \$ _____

5. INCOME TAXES

The provision for income taxes consisted of the following for the year ended _____:

Federal:	
Current	\$ _____
Deferred	_____
State:	
Current	_____
Deferred	_____
TOTAL PROVISION FOR INCOME TAXES	\$ _____

The provision for income taxes for the year ended _____ is included in the financial statement as follows:

Statement of Income Expenses – Continuing Operations	\$ _____
Statement of Comprehensive Income – Unrealized Holding Gains on Securities	_____
TOTAL PROVISION FOR INCOME TAXES	\$ _____

NAME OF CERTIFICATE OF AUTHORITY: _____

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED (Month, Day, Year): _____

6. EQUITY

Capital stock consisted of ____ shares of common stock authorized, issued, and outstanding. Changes in the Company's retained earning accounts during _____ consisted of the following:

Beginning Balance – Retained Earnings	\$ _____
Net Income (Loss)	_____
Distribution to Owners	_____
Ending Balance – Retained Earnings	<u>\$ _____</u>

Changes in the Company's accumulated other comprehensive income during _____ consisted of the following:

Beginning Balance	\$ _____
Other Comprehensive Income	_____
Ending Balance	<u>\$ _____</u>

7. PRENEED RECEIVABLES*

The amount of preneed receivables to be shown in the Statement of Assets, Liabilities and Net Worth – Statutory Basis depends upon the method of funding. For those entities using a Letter of Credit or Surety Bond, the amount of preneed receivables is the sum of the future preneed payments to be made by the preneed purchaser at the date of the financial statement. For those entities that fund using a trust, the amount of the preneed receivables is the sum of the future preneed payments to be made by the preneed purchaser plus the amount in trust on the date of the financial statement (The amount in trust may be different than the amount required by the preneed law to be deposited in the trust because of any gains or losses on the trust). For those entities that fund using life insurance contracts, the amount of preneed receivables is the face amount of the life insurance contract purchased to fund the preneed services and merchandise. For those preneed entities that utilize more than one of the above methods of funding, each of the above procedures must be followed for each method of funding.

Preneed receivables as of _____ consisted of the following:

Pre-Law:

Funded by Letter of Credit	\$ _____
Funded by Surety Bond	_____
Funded by Life Insurance	_____
Funded by Trust	_____
Not Funded	_____
TOTA PRE-LAW PRENEED RECEIVABLES	_____

Post-Law:

Funded by Letter of Credit - _____	_____
Funded by Letter of Credit - _____	_____
Funded by Letter of Credit - _____	_____
Funded by Surety Bond - _____	_____
Funded by Surety Bond - _____	_____
Funded by Surety Bond - _____	_____
Funded by Life Insurance - _____	_____
Funded by Life Insurance - _____	_____
Funded by Life Insurance - _____	_____
Funded by Trust - _____	_____
Funded by Trust - _____	_____
Funded by Trust - _____	_____
TOTA POST-LAW PRENEED RECEIVABLES	_____

TOTAL PRENEED RECEIVABLES \$ _____

NAME OF CERTIFICATE OF AUTHORITY: _____

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED (Month, Day, Year): _____

8. PRENEED DEFERRED REVENUE*

Regardless of the funding method of funding, the amount of preneed deferred revenue to be shown in the financial statements is as follows:

- a. For preneed contracts incurred prior to May 1, 2002, the current cost of providing preneed services and merchandise, and
- b. For preneed contracts incurred subsequent to April 30, 2002, the retail value of the preneed services and merchandise.

Preneed deferred revenue as of _____ consisted of the following:

Pre-Law:

Funded by Letter of Credit \$ _____

Funded by Surety Bond _____

Funded by Life Insurance _____

Funded by Trust _____

Not Funded _____

TOTA PRE-LAW PRENEED DEFERRED REVENUE _____

Post-Law:

Funded by Letter of Credit \$ _____

Funded by Surety Bond _____

Funded by Life Insurance _____

Funded by Trust _____

TOTA POST-LAW PRENEED DEFERRED REVENUE _____

TOTAL PRENEED DEFERRED REVENUE \$ _____