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Public Utilities Commission of Ohio
Docketing Division
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180 East Broad St
Columbus, OH 45215-3793

Re: Case Number 11-4420-EL-AGG

To Whom It May Concern,

Enclosed please find the requested forecasted financial statements for Alternative Utility Services, Inc. in accordance with section C-5 of the renewal application for aggregators/power brokers. Please include it in our application in Case Number 11-4420-EL-AGG.

Thank you,

Alternative Utility Services, Inc.
750 Veterans Pkwy
Suite 104
Lake Geneva, WI 53148
262-248-0930

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Exhibit C-5 "Forecasted Financial Statements"

**ALTERNATIVE UTILITY SERVICES, INC.
LAKE GENEVA, WI**

FORECASTED FINANCIAL STATEMENTS

**FOR THE THREE YEARS ENDING
DECEMBER 31, 2013, 2014 AND 2015**

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Carlson & Halpern CPAs, S.C.

Certified Public Accountants

To Management:
Alternative Utility Services, Inc.
Lake Geneva, WI

We have compiled the accompanying forecasted statements of assets, liabilities, and equity – modified cash basis of Alternative Utility Services, Inc (a C-corporation) for the next three years, December 31, 2013, 2014 and 2015, and the related statements of revenues, expenses, and retained earnings – modified cash basis for the periods then ended in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecasts and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.


CARLSON & HALPERN CPAs, S.C.

Lake Geneva, WI
August 27, 2013

ALTERNATIVE UTILITY SERVICES, INC
FORECASTED STATEMENTS OF ASSETS, LIABILITIES, AND EQUITY - MODIFIED CASH BASIS
As of December 31, 2013, 2014 and 2015

<u>ASSETS</u>				
CURRENT ASSETS		<u>2013</u>	<u>2014</u>	<u>2015</u>
Checking		\$ 106,022	\$ 174,272	\$ 243,883
Note Receivable		-	-	-
Total Current Assets		<u>106,022</u>	<u>174,272</u>	<u>243,883</u>
 FIXED ASSETS				
Fixed Assets		166,100	166,100	166,100
Less: Accumulated Depreciation		<u>66,215</u>	<u>75,840</u>	<u>85,946</u>
Total Fixed Assets		<u>99,885</u>	<u>90,260</u>	<u>80,154</u>
 OTHER ASSETS				
Payroll Exchange		6,000	7,500	8,500
Security Deposits		<u>1,200</u>	<u>1,200</u>	<u>1,200</u>
Total Other Assets		<u>7,200</u>	<u>8,700</u>	<u>9,700</u>
 TOTAL ASSETS		<u>\$ 213,107</u>	<u>\$ 273,232</u>	<u>\$ 333,737</u>
 <u>LIABILITIES</u>				
CURRENT LIABILITIES				
Accrued 401K		\$ 17,160	\$ 18,800	\$ 19,820
Accounts Payable		-	-	-
Total Current Liabilities		<u>17,160</u>	<u>18,800</u>	<u>19,820</u>
 LONG TERM LIABILITIES				
Shareholder Loan		<u>33,400</u>	<u>24,000</u>	<u>12,000</u>
Total Long Term Liabilities		<u>33,400</u>	<u>24,000</u>	<u>12,000</u>
 TOTAL LIABILITIES		<u>50,560</u>	<u>42,800</u>	<u>31,820</u>
 <u>STOCKHOLDER'S EQUITY</u>				
STOCKHOLDER'S EQUITY				
Common Stock		40,072	40,072	40,072
Retained Earnings		60,595	122,475	190,360
Net Income		<u>61,880</u>	<u>67,885</u>	<u>71,485</u>
Total Stockholder's Equity		<u>162,547</u>	<u>230,432</u>	<u>301,917</u>
 TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY		<u>\$ 213,107</u>	<u>\$ 273,232</u>	<u>\$ 333,737</u>

See Summary of Significant Assumptions and Accounting Policies and Accountants' Report

ALTERNATIVE UTILITY SERVICES, INC
 STATEMENTS OF FORECASTED REVENUES, EXPENSES, AND RETAINED EARNINGS -MODIFIED CASH BASIS
 For Year End December 31, 2013, 2014 and 2015

REVENUES	<u>2013</u>	<u>2014</u>	<u>2015</u>
Sales	\$ 1,370,000	\$ 1,507,000	\$ 1,582,350
Commissions	270,000	297,000	311,850
Refunds	2,500	2,750	2,800
Lease Income	2,400	2,400	2,520
Net Revenues	<u>1,644,900</u>	<u>1,809,150</u>	<u>1,899,520</u>
 COST OF GOODS SOLD			
Cost of Good Sold	24,500	26,950	28,300
Outside Services	678,000	745,800	783,090
Total Cost of Goods Sold	<u>702,500</u>	<u>772,750</u>	<u>811,390</u>
 GROSS PROFIT	 \$ 942,400	 \$ 1,036,400	 \$ 1,088,130

See Summary of Significant Assumptions and Accounting Policies and Accountants' Report

ALTERNATIVE UTILITY SERVICES, INC
STATEMENTS OF FORECASTED REVENUES, EXPENSES, AND RETAINED EARNINGS -MODIFIED CASH BASIS
For Year End December 31, 2013, 2014 and 2015

EXPENSES			
Administration	\$ 700	\$ 770	\$ 800
Advertising	29,900	32,890	34,535
Bank Service Charges	700	770	800
Bond Renewal	100	110	115
Building Repairs	370	400	420
Depreciation	8,750	9,625	10,106
Donation	2,000	2,200	2,310
Dues and Subscriptions	4,700	5,170	5,430
Employee Reimbursements	100	110	115
Insurance	39,500	43,450	45,620
Lease Payments	2,000	2,200	2,310
Maintenance	21,500	23,650	24,800
Management Fee	30,000	33,000	34,650
Office	27,500	30,250	31,750
Outside Payroll Service	572,000	629,200	660,660
Postage and Shipping	900	990	1,040
Registration	5,600	6,160	6,460
Rent	6,600	7,260	7,620
Repairs	300	330	350
Taxes and Licenses	3,550	3,905	4,100
Technical Services	64,400	70,840	74,380
Training & Recruitment	4,150	4,565	4,800
Travel and Entertainment	15,900	17,490	18,365
Utilities	23,800	26,180	27,500
Total Expenses	865,020	951,515	999,035
NET ORDINARY INCOME	77,380	84,885	89,095
OTHER INCOME (EXPENSE)			
Other Income	1,200	1,320	1,390
Income Tax	(15,500)	(17,000)	(17,800)
Nondeductible Expense	(1,200)	(1,320)	(1,200)
NET INCOME	61,880	67,885	71,485
BEGINNING RETAINED EARNINGS	60,595	122,475	190,360
ENDING RETAINED EARNINGS	\$ 122,475	\$ 190,360	\$ 261,845

See Summary of Significant Assumptions and Accounting Policies and Accountants' Report

ALTERNATIVE UTILITY SERVICES, INC.
 STATEMENTS OF FORECASTED CASH FLOWS
 For the Next Three Years Ending December 31, 2013, 2014 and 2015

	<u>12/31/2013</u>	<u>12/31/2014</u>	<u>12/31/2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income (loss)	\$ 61,880	\$ 67,885	\$ 71,485
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities			
Depreciation	8,750	9,625	10,106
(Increase) decrease in:			
Accounts Receivable	10,000	-	-
Inventory	-	-	-
Payroll Exchange	115	(1,500)	(1,000)
Increase (decrease) in:			
Accounts Payable	-	-	-
401K Payable	9,392	1,640	1,020
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>90,137</u>	<u>77,650</u>	<u>81,611</u>
 CASH FLOWS FROM INVESTING ACTIVITIES			
 NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>-</u>	<u>-</u>
 CASH FLOWS FROM FINANCING ACTIVITIES			
Officer Loan	25,394	(9,400)	(12,000)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>25,394</u>	<u>(9,400)</u>	<u>(12,000)</u>
NET INCREASE (DECREASE) IN CASH	115,531	68,250	69,611
CASH AT BEGINNING OF YEAR	\$ (9,509)	\$ 106,022	\$ 174,272
ENDING CASH	<u>\$ 106,022</u>	<u>\$ 174,272</u>	<u>\$ 243,883</u>

See Summary of Significant Assumptions and Accounting Policies and Accountants' Report

ALTERNATIVE UTILITY SERVICES, INC. (AUS)
SUMMARY OF SIGNIFICANT FORECAST ASSUMPTIONS AND ACCOUNTING POLICIES

NOTE A – NATURE OF THE BUSINESS

AUS incorporated in the State of Illinois in 1993 and is currently based in Wisconsin. The primary purpose is to market utilities across the country. It grew out of a research and development group designing and building modular cogeneration units which burned natural gas and generated electricity onsite (now called distributed generation). AUS markets deregulated utilities across the country through independent agents and consultants. AUS reviews the client's needs and then source suppliers and pricing from multiple sources for the Agent to present.

NOTE B – NATURE OF THE FORECASTS

These financial forecasts present, to the best of management's knowledge and belief, the company's expected financial position, results of operations, and cash flows for the forecast periods. Accordingly, the forecasts reflect its judgment as of August 27, 2013, the date of these forecasts, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecasts. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

NOTE C – BASIS OF ACCOUNTING

The accompanying forecasts use the modified accrual method of accounting that the Company intends to use for federal income tax and financial reporting purposes, which differs from generally accepted accounting principles.

NOTE D – NATURE OF OPERATIONS DURING THE FORECAST PERIOD

The company will gradually change its operation to the following:

1. Increase annual sales by expanding its current market
2. Increase marketing exposure by expanding the number of independent agents and consultants
3. Develop new sources of revenue by increasing the number of referral partners

NOTE E – SALES

The accompanying forecasts assume that sales will increase on an annual basis and takes into consideration the potential increase in demand for green energy. Contracts with energy suppliers and customers are entered into and renewed on an annual basis. These forecasted financials include commission income received from nationally-located suppliers for services provided to Ohio end-users and are reported as income in the State of Wisconsin.

NOTE F – FIXED ASSETS

The Company's fixed assets include equipment, office furniture and leasehold improvements. All assets reflected in the accompanying forecast are listed as book value. All assets reflected in these statements are depreciated using the straight-line method of depreciation.

NOTE G – DEBT

The accompanying forecast reflects a long term debt payable to the shareholder and is projected to be paid by the year ended December 31, 2016.

NOTE H – ACCRUED 401(K)

The accrued 401(k) liability reflected in the accompanying forecasts consist of an estimated amount due to the outside payroll and human resource company that provide all contracted services for the Company's operations.

NOTE I – EXPENSES

The following summarizes significant assumptions for forecasted expenses other than interest:

1. All salaries and related expenses are serviced by ADP. ADP is considered the employer and the Company is currently under contract with ADP.
2. All independent agents, referral partners and associates are paid a commission based upon a rate schedule of generated revenue.
3. The Company has contracted with an outside firm to provide technical support services.
4. The Company is anticipating an increase in advertising in order to generate additional revenues.