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From: Richard Joslin
Sent: Mon 8/4/2014 12:59:06 PM
Subject: Murphy analysis
ART TRENDS PER JOHN AUG 3 2014.xlsx

Attached was prepared by John Murphy. I think he is producing a report based on Artspace prepared financial report. He has tied out (more or less) to the tax return filing (cash basis). It shows little revenue growth and costs increasing, with annual costs in 2013 and annualized 2014 at \$7.9MM - Labor has been slashed so no idea on what is pay scale for current workforce - financial model has projected costs). I will look to see if I can match cash to bank statements but only a smattering of bank statements were posted or drop box. A quickbooks file should be made available shortly which should show all transactions.

	FY 2013	1H 2014	ANNUALIZED
REVENUE	2,354,257	1,168,483	2,336,966
OPERATING EXPENSES	(6,538,044)	(3,778,211)	(7,556,422)
OTHER PAYMENTS	(157,851)	(14,379)	(28,757)
DEVELOPMENT COSTS; CHANGE IN A/P	(581,720)	(155,669)	(311,339)
TOTAL EXPENDITURES	(7,277,614)	(3,948,259)	(7,896,518)
NET	(4,923,357)	(2,779,776)	(5,559,552)