

<p style="text-align: center;">FINANCIAL STATEMENT INSTRUCTIONS Division of Funeral, Cemetery, and Consumer Services Form DFS-PNL R2 (Instructions for Forms R2A & R2B)</p>
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General Information

- (1) Pursuant to Rule 69K-5.0026, F.A.C., preneed licensees desiring to renew their preneed license must submit with their application for renewal the following two financial statements: A) Balance Sheet, and B) Income Statement.
- (2) The Balance Sheet and Income Statement must be prepared in accordance with generally accepted accounting principles (GAAP). See subsection 69K-5.0016(2), F.A.C.
- (3) GAAP requires accrual basis financial statements; cash basis financial statements are not acceptable.
- (4) The financial statements must be for the preneed licensee's most recently completed fiscal year.
- (5) Financial statements must be specifically for, and in the name of, the preneed licensee. Financial statements showing the preneed licensee's parent firm, or consolidated financial statements for a group of firms including the preneed licensee, are not acceptable.
- (6) Enclosed are a blank Balance Sheet of Preneed Licensee (form R2A), and a blank Income Statement (form R2B). A preneed licensee may use and submit financial statements on the attached forms, in satisfaction of the financial statements requirements, subject to the requirement that GAAP must be complied with in using the attached forms. Alternatively, pursuant to Rule 69K-5.0026, F.A.C., a preneed licensee may have its Balance Sheet and Income Statement prepared by a Certified Public Accountant (CPA), in a form determined by the CPA to comply with GAAP.
- (7) Please assure that the phrase "Net Worth" and the related dollar figure appears on the Balance Sheet.