

# Profit & Loss

## January through December 2021

	Jan - Dec 21
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
47900 · Sales Income	642,769.04
47920 · Shipping and Delivery Income	11,500.00
	654,269.04
<b>Total Income</b>	
<b>Cost of Goods Sold</b>	
50000 · Distribution Account Fees	9,500.00
51700 · Media Purchased for Clients	75,000.00
53500 · Subcontracted Services	75,900.00
	160,400.00
<b>Total COGS</b>	
<b>Gross Profit</b>	493,869.04
<b>Expense</b>	
55000 · Printing and Reproduction	-7,529.77
60000 · Security Expense	25,000.00
60200 · Automobile Expense	4,326.55
60400 · Bank Service Charges	2,633.89
61700 · Computer and Internet Expenses	3,778.63
62400 · Depreciation Expense	30,484.18
62500 · Dues and Subscriptions	263.22
63300 · Insurance Expense	3,500.00
64200 · Marketing Expense	10,121.33
64300 · Meals and Entertainment	9,630.99
64900 · Office Supplies	566.99
66000 · Payroll Expenses	75,263.32
66700 · Professional Fees	82,500.00
67100 · Rent Expense	30,000.99
67200 · Repairs and Maintenance	3,055.61
68100 · Telephone Expense	4,958.33
68400 · Travel Expense	5,147.22
68600 · Utilities	3,147.56
	286,849.04
<b>Total Expense</b>	
<b>Net Ordinary Income</b>	207,020.00
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
70000 · Research & Development	45,000.00
70005 · Capital Kidd Project & Deve.	65,000.00
	110,000.00
<b>Total Other Expense</b>	
<b>Net Other Income</b>	-110,000.00
<b>Net Income</b>	97,020.00

**Balance Sheet**

As of December 31, 2021

	<u>Dec 31, 21</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10000 · Chase Bank	59,763.31
10003 · Chase Bank - Payroll	13,387.47
<b>Total Checking/Savings</b>	<u>73,150.78</u>
<b>Accounts Receivable</b>	
10007 · Accounts Receivable	41,011.34
<b>Total Accounts Receivable</b>	<u>41,011.34</u>
<b>Total Current Assets</b>	114,162.12
<b>Fixed Assets</b>	
15000 · Furniture and Equipment	54,935.22
16000 · Computer Equipment	97,485.66
17000 · Accumulated Depreciation	-96,716.58
<b>Total Fixed Assets</b>	<u>55,704.30</u>
<b>Other Assets</b>	
17300 · Intangible / Patents	4,000,000.00
17500 · Inventories	-48,677.25
<b>Total Other Assets</b>	<u>3,951,322.75</u>
<b>TOTAL ASSETS</b>	<b><u>4,121,189.17</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
18000 · Accounts Payable	53,626.36
<b>Total Accounts Payable</b>	<u>53,626.36</u>
<b>Other Current Liabilities</b>	
18500 · Deferred Income Taxes	26,280.08
24000 · Payroll Liabilities	-4,566.52
<b>Total Other Current Liabilities</b>	<u>21,713.56</u>
<b>Total Current Liabilities</b>	<u>75,339.92</u>
<b>Total Liabilities</b>	75,339.92
<b>Equity</b>	
30000 · Opening Balance Equity	-82,536.39
30100 · Capital Stock	4,000,000.00
30200 · Dividends Paid	-168,514.36
32000 · Retained Earnings	199,880.00
Net Income	97,020.00
<b>Total Equity</b>	<u>4,045,849.25</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>4,121,189.17</u></b>

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**INNOVATIVE RECORDINGS LLC / POTOMAC FOOD AND BEVERAGE**  
**Statement of Cash Flows**  
**January through December 2021**

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	<u>Jan - Dec 21</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	97,020.00
Adjustments to reconcile Net Income to net cash provided by operations:	
10007 · Accounts Receivable	-35,748.22
18000 · Accounts Payable	22,142.36
18500 · Deferred Income Taxes	7,300.00
24000 · Payroll Liabilities	-7,529.77
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Net cash provided by Operating Activities	83,184.37
<b>INVESTING ACTIVITIES</b>	
15000 · Furniture and Equipment	-54,935.22
16000 · Computer Equipment	-97,485.66
17000 · Accumulated Depreciation	66,232.40
17500 · Inventories	-14,291.00
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Net cash provided by Investing Activities	-100,479.48
<b>FINANCING ACTIVITIES</b>	
30000 · Opening Balance Equity	250,153.25
30200 · Dividends Paid	-22,142.36
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Net cash provided by Financing Activities	228,010.89
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Net cash increase for period	210,715.78
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Cash at end of period	<u><u>210,715.78</u></u>