

**INNOVATIVE RECORDINGS, LLC D/B/A POTOMAC FOOD AND BEVERAGES**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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	<u><b>2021</b></u>
<b>Operating Income</b>	
Sales	\$ 654,269
Cost of Goods Sold	160,400
<b>Gross Profit</b>	<hr/> 493,869
<b>Operating Expense</b>	
Research & Development	110,000
Legal & Professional	82,500
Payroll	75,263
General & Administrative	58,479
Depreciation	30,484
Rent	30,001
Advertising & Marketing	10,121
	<hr/> 396,848
<b>Net Income from Operations</b>	97,021
<b>Other Expense</b>	
Loss on Disposal of Equipment	(91,453)
<b>Net Income</b>	<hr/> <u>\$ 5,568</u>

**INNOVATIVE RECORDINGS, LLC D/B/A POTOMAC FOOD AND BEVERAGES**  
**BALANCE SHEET**  
**DECEMBER 31, 2021**

	<u><b>2021</b></u>
<u><b>ASSETS</b></u>	
<b>CURRENT ASSETS</b>	
Cash	73,151
Accounts Receivable	41,011
Prepaid Expenses	4,567
TOTAL CURRENT ASSETS	118,729
<b>NON-CURRENT ASSETS</b>	
Intangible Assets	-
Fixed Assets	-
Accumulated Depreciation	-
Inventory	-
TOTAL NON-CURRENT ASSETS	-
TOTAL ASSETS	118,729
<u><b>LIABILITIES AND MEMBERS' EQUITY</b></u>	
<b>CURRENT LIABILITIES</b>	
Accounts Payable	53,626
Deferred Income Taxes	26,280
Other Current Liabilities	-
TOTAL CURRENT LIABILITIES	79,906
TOTAL LIABILITIES	79,906
<b>MEMBERS' EQUITY</b>	
Contributed Capital	(82,537)
Retained Earnings	121,358
TOTAL MEMBERS' EQUITY	38,821
TOTAL LIABILITIES AND MEMBERS' EQUITY	118,729

**INNOVATIVE RECORDINGS, LLC D/B/A POTOMAC FOOD AND BEVERAGES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u><b>2021</b></u>
<b>Cash Flows From Operating Activities</b>	
Net Income For The Period	\$ 5,568
Depreciation	\$ 30,484
Change in Accounts Payable	22,142
Change in Deferred Income Taxes	7,300
Change in Other Current Liabilities	(2,963)
Change in Prepaid Expenses	(4,567)
Change in Accounts Receivable	(36,248)
<b>Net Cash Flows From Operating Activities</b>	<b>21,716</b>
<b>Cash Flows From Investing Activities</b>	
(Acquisition)/Disposal of Fixed Assets	91,453
Acquisition of Intangible Assets	-
<b>Net Cash Flows From Investing Activities</b>	<b>91,453</b>
<b>Cash Flows From Financing Activities</b>	
Increase in Contributed Capital	-
Non-Cash Adjustment	10,258
Issuance of Dividends	(22,142)
Draws on Contributions	(152,421)
<b>Net Cash Flows From Financing Activities</b>	<b>(164,305)</b>
<b>Cash at Beginning of Period</b>	124,288
<b>Net Increase (Decrease) In Cash</b>	<b>(51,136)</b>
<b>Cash at End of Period</b>	<b>\$ 73,151</b>