

**INNOVATIVE RECORDINGS, LLC D/B/A POTOMAC FOOD AND BEVERAGES**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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	<u><b>2022</b></u>
<b>Operating Income</b>	
Sales	\$ 733,942
Cost of Goods Sold	273,832
<b>Gross Profit</b>	<hr/> 460,109
<b>Operating Expense</b>	
Research & Development	131,354
Legal & Professional	5,000
Payroll	81,459
General & Administrative	122,818
Depreciation	-
Rent	57,240
Advertising & Marketing	33,785
	<hr/> 431,655
<b>Net Income from Operations</b>	28,454
<b>Other Expense</b>	
Loss on Disposal of Equipment	-
<b>Net Income</b>	<hr/> <u>\$ 28,454</u>

**INNOVATIVE RECORDINGS, LLC D/B/A POTOMAC FOOD AND BEVERAGES**  
**BALANCE SHEET**  
**DECEMBER 31, 2022**

	<u>2022</u>
<u><b>ASSETS</b></u>	
<b>CURRENT ASSETS</b>	
Cash	263,409
Accounts Receivable	102,222
Prepaid Expenses	7,265
TOTAL CURRENT ASSETS	372,895
<b>NON-CURRENT ASSETS</b>	
Intangible Assets	-
Fixed Assets	198,646
Accumulated Depreciation	
Inventory	69,806
TOTAL NON-CURRENT ASSETS	268,452
TOTAL ASSETS	641,347
<u><b>LIABILITIES AND MEMBERS' EQUITY</b></u>	
<b>CURRENT LIABILITIES</b>	
Accounts Payable	56,371
Deferred Income Taxes	19,502
Other Current Liabilities	70,037
SMBX 225,230 @ 7.5% for 84months	204,503
TOTAL CURRENT LIABILITIES	350,413
TOTAL LIABILITIES	350,413
<b>MEMBERS' EQUITY</b>	
Contributed Capital	141,122
Retained Earnings	149,812
TOTAL MEMBERS' EQUITY	290,934
TOTAL LIABILITIES AND MEMBERS' EQUITY	641,347

**INNOVATIVE RECORDINGS, LLC D/B/A POTOMAC FOOD AND BEVERAGES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022**

	<u><b>2022</b></u>
<b>Cash Flows From Operating Activities</b>	
Net Income For The Period	\$ 28,454
Depreciation	-
Change in Accounts Payable	-
Change in Deferred Income Taxes	19,502
Change in Other Current Liabilities	4,397
Change in Prepaid Expenses	-
Change in Accounts Receivable	121,438
<b>Net Cash Flows From Operating Activities</b>	<u>173,791</u>
<b>Cash Flows From Investing Activities</b>	
(Acquisition)/Disposal of Fixed Assets	(188,036)
Acquisition of Intangible Assets	-
<b>Net Cash Flows From Investing Activities</b>	<u>(188,036)</u>
<b>Cash Flows From Financing Activities</b>	
SMBX 225,230 @ 7.5% for 84months	204,503
Increase in Contributed Capital	-
Non-Cash Adjustment	-
Issuance of Dividends	-
Draws on Contributions	-
<b>Net Cash Flows From Financing Activities</b>	<u>204,503</u>
<b>Cash at Beginning of Period</b>	73,151
<b>Net Increase (Decrease) In Cash</b>	<u>190,258</u>
<b>Cash at End of Period</b>	<u><u>\$ 263,409</u></u>