

MALIBU COMPOST INC  
INCOME STATEMENT  
FOR THE YEAR ENDING DECEMBER 31 2017

**2017**

**Operating Income**

Sales, Net	1,207,460
Cost of Goods Sold	673,672

**Gross Profit**

533,788

**Operating Expense**

General & Administrative	347,512
Marketing	114,316
Depreciation	19,946
Rent	42,582

524,356

**Net Income from Operations**

9,432

Interest Income	30
Interest Expense	12,491
State and Local Taxes	10,300

22,761

**Net Income**

-13,329

## MALIBU COMPOST INC

## BALANCE SHEET

DECEMBER 31 2017

2017

**ASSETS****CURRENT ASSETS**

Cash	\$33,759
Accounts Receivable	\$47,229
Inventory	\$254,626
Other Current Assets	\$4,805

TOTAL CURRENT ASSETS	\$340,419
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**NON-CURRENT ASSETS**

Fixed Assets	\$126,652
Less: Accumulated Depreciation	-\$88,724
Security Deposit	\$4,100
Advance Partners	\$63,000

TOTAL NON-CURRENT ASSETS	\$105,028
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TOTAL ASSETS	\$445,447
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**LIABILITIES AND EQUITY****CURRENT LIABILITIES**

Accounts Payable	\$181,028
Reserve for Litigation	\$28,401
Line of Credit	\$98,878
State and Local Tax Payable	\$3,845
Loans Payable-Related Party	\$0
Loans Payable-Current	\$0

TOTAL CURRENT LIABILITIES	\$312,152
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**NON-CURRENT LIABILITIES**

Loans Payable-Noncurrent	\$75,051
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TOTAL NON-CURRENT LIABILITIES	\$75,051
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TOTAL LIABILITIES	\$387,203
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**STOCKHOLDER'S EQUITY**

Class F Common Stock	\$31,241
Series A Preferred Stock	\$72,583
Retained Earnings	-\$45,580

TOTAL SHAREHOLDER'S EQUITY	\$58,244
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TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$445,447
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MALIBU COMPOST INC  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDING DECEMBER 31 2017

	<b>2017</b>
Net Income (Loss) For The Period	-\$13,329
<b>Cash Flows From Operating Activities</b>	
Depreciation	\$19,946
Change in Accounts Receivable	\$47,058
Change in Inventory	-\$113,990
Change in Prepaid Expenses	\$3,000
Change of Advance Partners	-\$63,000
Change in Accounts Payable	\$79,970
Change in Reserve for Litigation	-\$3,850
Change in Taxes Payable	\$1,527
<b>Net Cash Flows From Operating Activities</b>	-\$42,668
<b>Cash Flows From Investing Activities</b>	
Purchase of Fixed Assets	-\$1,765
Change in Security Deposit	\$0
Change in Loans to Members	\$169
<b>Net Cash Flows From Investing Activities</b>	-\$1,596
<b>Cash Flows From Financing Activities</b>	
Change in Line of Credit	\$10,639
Change in Member's Loans Payable	\$0
Change in Loans Payable-Current	-\$21,593
Change in Loans Payable-Noncurrent	\$0
US Bank Claim	\$0
Series A Preferred	\$72,583
Conversion LLC Members to F Series	\$36,990
Retained Earnings	-\$36,990
<b>Net Cash Flows From Financing Activities</b>	\$61,629
<b>Cash at Beginning of Period</b>	\$16,394
<b>Net Increase (Decrease) in Cash</b>	\$17,365
<b>Cash at End of Period</b>	\$33,759