

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

---

	<b><u>2021</u></b>
<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/> <hr/> \$ 5,568

**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	<u>118,729</u>
<b>NON-CURRENT ASSETS</b>	
Intangible Assets	-
Fixed Assets	-
Accumulated Depreciation	-
Inventory	-
TOTAL NON-CURRENT ASSETS	<u>-</u>
TOTAL ASSETS	<u><u>118,729</u></u>
<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	<u>79,906</u>
TOTAL LIABILITIES	<u><u>79,906</u></u>
<b>MEMBERS' EQUITY</b>	
Contributed Capital	(82,537)
Retained Earnings	121,358
TOTAL MEMBERS' EQUITY	<u>38,821</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>118,729</u></u>

**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>	<u>21,716</u>	
<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>	<u>91,453</u>	
<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>	<u>(164,305)</u>	
<b>Cash at Beginning of Period</b>	124,288	
<b>Net Increase (Decrease) In Cash</b>	<u>(51,136)</u>	
<b>Cash at End of Period</b>	<u><u>\$ 73,151</u></u>	