

Annual Financial Statement Audit Report

For the Year Ended December 31, 2023

Prepared for: Example Company, Inc.

Prepared by: ABC Audit & Co.

Independent Auditor's Report

To the Board of Directors and Shareholders of Example Company, Inc.:

We have audited the accompanying financial statements of Example Company, Inc., which comprise the balance sheet as of December 31, 2023, and the related statements of income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting principles. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Example Company, Inc. as of December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Balance Sheet

Assets	2023	2022
Cash and Cash Equivalents	100,000	80,000
Accounts Receivable	50,000	60,000
Inventory	30,000	35,000
Total Assets	180,000	175,000
Liabilities & Equity		
Accounts Payable	20,000	25,000
Long-term Debt	30,000	20,000

Shareholders' Equity	130,000	130,000
Total Liabilities & Equity	180,000	175,000

Income Statement

Item	2023	2022
Revenue	250,000	220,000
Cost of Goods Sold	120,000	110,000
Gross Profit	130,000	110,000
Operating Expenses	40,000	35,000
Net Income	90,000	75,000

Statement of Cash Flows (Summary)

Category	2023
Net Cash from Operating Activities	85,000
Net Cash from Investing Activities	-10,000
Net Cash from Financing Activities	-5,000
Net Increase in Cash	70,000

Notes to the Financial Statements

- 1. Basis of Preparation:** The financial statements have been prepared in accordance with generally accepted accounting principles.
- 2. Significant Accounting Policies:** Details of policies adopted in the preparation of financial statements.
- 3. Subsequent Events:** No significant events occurred after December 31, 2023, which require disclosure.

Authorized Signature
ABC Audit & Co.
June 30, 2024