



**VIRTUAL
ENTERPRISES
INTERNATIONAL**

**Virtual Enterprises International
Annual Report Financial Scorecard
FY 2015/2016
Qualifications for Firm Financial Certification**

Firm Name: _____

In order for firms to attain financial certification, end of year financial statements will be audited and reviewed for accuracy. Below are the main criteria that will be used for these reviews. Benefits of financial certification include a higher firm stock price, and the ability to have your financials available for public view online. Certified financial statements are deemed to have met certain standards, and can be reasonably relied upon to provide a faithful representation of the firms' financial condition.

Scoring Key	3 = meets minimum standards
1 = no evidence; below standard	4 = well executed; few minor omissions; met standards; knowledge of accounting practices observable in most places
2 = little evidence or major flaws in numbers, incorrect calculations	5= research well done; exceeds standards; numbers are precise & accounts reconcile

COMPONENT & EXPLANATION	Circle one	Enter point value
Payroll and Salaries: 20% <ul style="list-style-type: none"> Payroll tax expense and salaries expense should not equal \$0 Does payroll tax expense reported on Income Statement represent 7.65% of salaries expense? Does salaries expense match the 941 reports submitted? 	1 2 3 4 5 (x 4)	
Loan Data: 15% <ul style="list-style-type: none"> Loan payment details should consistent with loan payment details maintained by VEI, including: <ul style="list-style-type: none"> Cash payment breakout of principal and interest Long Term and Short Term liabilities Interest account expensed correctly 	1 2 3 4 5 (x 3)	
Cash Balances: 15%* <ul style="list-style-type: none"> Ending cash balance on cash budget should equal cash balance on balance sheet as of the same period Are the beginning and ending balances consistent with company check register details? 	1 2 3 4 5 (x 3)	
Stockholder's Equity: 10% <ul style="list-style-type: none"> Common Stock balance should be consistent with VEI records Paid in Capital in excess of par value consistent with VEI records 	1 2 3 4 5 (x 2)	
Miscellaneous: 20% <ul style="list-style-type: none"> Supplies expense ≠ \$0 Cost of Goods Sold/Cost of Services Provided ≠ \$0 Fixed asset balance sheet details consistent with Asset Log filed Corporate tax expense should equal Taxable Income * R, where R = applicable tax rate Non-VE sales reported should match what was paid by VEC Acceptance Corporation 	1 2 3 4 5 (x 4)	
Overall Accuracy: 20% <ul style="list-style-type: none"> Three complete financial statements provided Balance Sheet: Assets = Liabilities + Equity Income Statement: Revenues – Expenses = Net Income <ul style="list-style-type: none"> Revenue – COGS = Gross Profit Gross Profit – Expenses = Net Income Cash Budget: beginning balance + receipts – payments = ending balance Notes to financial statements that explain or provide additional details about the assumptions and/or methods used in the event of details requiring clarification 	1 2 3 4 5 (x 4)	

*Firms may elect to report ending cash balance as of 5/1/15 due to Trade Show deposits