

QUICKBOOKS OVERVIEW

2020-2021



Temp-a-Ware

your food - your temperature - your way

Company Overview

Temp-A-Ware is a growing company in the housewares industry that offers revolutionary heating/cooling products for an improved dining experience. Using Temp-A-Ware's products, our customers are able to make their food their temperature, which allows for increased productivity and overall happiness. Our company is designed not only for large restaurants and businesses but as well as families and individuals. Temp-A-Ware operates out of Room 206 of Paul D. Schreiber High School, located on 101 Campus Drive. Temp-A-Ware consists of 12 employees, with only 2 total working in our finance and accounting departments. Our company registered as an S-Corporation in October 2020, which allowed us to receive a small business loan and get our company off the ground.

Together as a company, we decided to contribute to fixing a problem that faces nearly everyone on this planet. Food is something that is a necessity for man, and the temperature of that food can be just as crucial. What Temp-A-Ware does is regulates the temperature in common household utensils to then heat up or cool down the consumer's food or beverage. Through our innovative technology that sends radio waves through food solids and liquids, our bowls and utensils change food temperature within minutes allowing customers to enjoy their food at their temperature anywhere anytime.

Our products are revolutionary and have never been seen before. The industry of food temperature regulation is slim to nothing, and that is why we see a clear path to become a predominant power in the market. We have a variety of products that help us encourage our market to have interest in our company's mission. We offer a large variety of products ranging from a typical simplistic bowl to an Ice Cream scooper. This variation proved to be extremely successful and led to many sales in our first trade show. To deal with food temperature on the go, thousands of products exist to keep food trays hot or cold over extended periods of time including hot plates, thermoses, coolers and more. Customers need a more convenient, cost effective solution. Our most popular products that have sold in large amounts are our heating and cooling bowls, our smart charges, the kid bowl, and our heating mug. People choose us because they know they will appreciate our products when they leave the house in the morning. Our products improve the dining experience for people of all ages and are affordable for the mass market.

Profit and Loss

Temp-A-Ware

Profit and Loss

November 1, 2020 - January 14, 2021

	NOV 2020	DEC 2020	JAN 1-14, 2021	TOTAL
▼ Income				
Sales	177,830.06	31,756.72		\$209,586.78
Total Income	\$177,830.06	\$31,756.72	\$0.00	\$209,586.78
▼ Cost of Goods Sold				
Supplies & Materials - COGS	71,132.02	12,702.69		\$83,834.71
Total Cost of Goods Sold	\$71,132.02	\$12,702.69	\$0.00	\$83,834.71
GROSS PROFIT	\$106,698.04	\$19,054.03	\$0.00	\$125,752.07
▼ Expenses				
*Payroll Expense (Salaries & W...	41,250.00	41,250.00	45,000.00	\$127,500.00
Depreciation 2	54.00	54.00		\$108.00
Insurance Expense	1,250.00	1,250.00	1,250.00	\$3,750.00
Rent Expense	11,000.00	11,000.00	11,000.00	\$33,000.00
Supplies Expense	175.00	175.00		\$350.00
Tradeshow Expense		5,000.00		\$5,000.00
Utilities	592.50	592.50		\$1,185.00
Total Expenses	\$54,321.50	\$59,321.50	\$57,250.00	\$170,893.00
NET OPERATING INCOME	\$52,376.54	\$ -40,267.47	\$ -57,250.00	\$ -45,140.93
NET INCOME	\$52,376.54	\$ -40,267.47	\$ -57,250.00	\$ -45,140.93

Balance Sheet

Temp-A-Ware

BALANCE SHEET

As of January 14, 2021

	NOV 2020	DEC 2020	JAN 1-14, 2021
ASSETS			
Current Assets			
Bank Accounts			
Checking	183,724.28	301,345.50	226,923.30
Total Bank Accounts	\$183,724.28	\$301,345.50	\$226,923.30
Other Current Assets			
Inventory	18,830.32	46,127.63	58,127.63
Supplies	1,750.00	1,575.00	1,575.00
Total Other Current Assets	\$20,580.32	\$47,702.63	\$59,702.63
Total Current Assets	\$204,304.60	\$349,048.13	\$286,625.93
Fixed Assets			
Accumulated Depreciation	-81.00	-135.00	-135.00
Office Equipment	2,543.00	2,543.00	2,543.00
Total Fixed Assets	\$2,462.00	\$2,408.00	\$2,408.00
TOTAL ASSETS	\$206,766.60	\$351,456.13	\$289,033.93
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable (A/P)	106,828.00	144,285.00	141,742.00
Total Accounts Payable	\$106,828.00	\$144,285.00	\$141,742.00
Other Current Liabilities			
Insurance Payable	2,500.00	0.00	0.00
Loan Payable		150,000.00	147,370.80
Salaries Payable	41,250.00	41,250.00	41,250.00
Total Other Current Liabilities	\$43,750.00	\$191,250.00	\$188,620.80
Total Current Liabilities	\$150,578.00	\$335,535.00	\$330,362.80
Total Liabilities	\$150,578.00	\$335,535.00	\$330,362.80
Equity			
Common Stock	20,000.00	20,000.00	20,000.00
Retained Earnings			
Net Income	36,188.60	-4,078.87	-61,328.87
Total Equity	\$56,188.60	\$15,921.13	\$ -41,328.87
TOTAL LIABILITIES AND EQUITY	\$206,766.60	\$351,456.13	\$289,033.93

Income Statement and Balance Sheet Review

Our balance sheet and our income statement provide us with a view of our actual performance on profit/(loss) from operations and our financial position over the three months ended January 14, 2021. For the period November 1, 2020 through January 14, 2021, we earned \$209,586.78 in revenues and had a negative net operating income throughout these three months. Our gross profit over that period was \$125,752.07 which represents a gross margin of 60%. Our fixed expenses for the total period were \$170,893, which represented 39.7% of sales.

Our business was funded with \$20,000 of seed capital received in October 2020. We funded \$89,962 worth of inventory with accounts payable with 90 day terms in October 2020. We were able to continue funding our business in November with a trade show that yielded \$177,832 of cash along with deferred payment of inventory and salaries payable. We've made approximately \$31,000 in sales during the month of December. Our application for a loan of \$150,000 was approved in December 2020, which has since been used to reduce accounts payable to suppliers and wages payable to employees. Our accounts payable total is fairly large, because of our inventory and insurance that we purchased on account before we received the business loan. We also have a salaries payable account due to our insufficient funds before the loan.

Bank Reconciliation Preparation and Review

Our bank reconciliation report serves to ensure that our balances in Quickbooks balance with the balance in our Virtual Enterprise bank account. We made sure that when the transactions came into Quickbooks we categorized them into their right accounts. We also checked these balances within our income statement and our balance sheet as we sorted through our financial statements. Bank reconciliation statements ensure that payments have been processed and cash sales have been deposited into the bank checking account. Our bank reconciliation statements are balanced and normal from these past three months. Below you can see that our balances match at \$183,724.28.

Reconcile Checking
Statement ending date: November 27, 2020

\$183,724.28
STATEMENT ENDING BALANCE

\$183,724.28
Cleared Balance

\$0.00
Beginning Balance

\$15,199.92
14 Payments

\$198,924.20
128 Deposits

\$0.00
Difference

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DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO
10/02/2020		Journal	2	- Split -	Seed capital from VEI	
10/22/2020	10/22/2020	Deposit		Checking	LONG ISLAND CENTRAL O...	
10/22/2020		Deposit		Checking	LONG ISLAND CENTRAL O...	
10/29/2020	10/29/2020	Deposit		Sales	naysa escobar-rizo.25706.2...	
10/30/2020	10/30/2020	Deposit		Sales	Anna Ferri.28483.28483 (US...)	
10/30/2020	10/30/2020	Expense		*Payroll Expense...	YouSo Lee.26806.26806 (US...)	13.90
10/30/2020	10/30/2020	Expense		*Payroll Expense...	Olivia Kerrane.26805.26805...	80.24
10/30/2020	10/30/2020	Expense		*Payroll Expense...	Nate Chicoy.26802.26802 (...)	266.66
10/30/2020	10/30/2020	Expense		*Payroll Expense...	Mareks Woodside.26811.26...	266.66
10/30/2020	10/30/2020	Expense		*Payroll Expense...	Joseph Asselta.26801.2680...	266.66
10/30/2020	10/30/2020	Expense		*Payroll Expense...	John Southard.26809.2680...	266.66

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Bank Balance

Date	Name/Description/Acct#	Ref#	Amount	Balance
Jan. 6, 2021	VEI-NYC Supplies, New York, NY beginning inventory Acct #630074461	5347512	-\$12,000.00	\$226,923.30
Jan. 6, 2021	LONG ISLAND- NY LENDING, New York, NY rent payment Acct #610315331	5347510	-\$2,629.20	\$238,923.30
Jan. 6, 2021	VEI-NYC Supplies, New York, NY office supplies Acct #630074461	5346600	-\$2,543.00	\$241,552.50
Jan. 6, 2021	YouSo Lee.26806.26806 (US012608), PORT WASHINGTON, NY december Acct #630829667	5346594	-\$3,750.00	\$244,095.50
Jan. 6, 2021	Olivia Kerrane.26805.26805 (US012608), PORT WASHINGTON, NY december Acct #630849374	5346592	-\$3,750.00	\$247,845.50
Jan. 6, 2021	Nate Chicoy.26802.26802 (US012608), PORT WASHINGTON, NY december Acct #630865027	5346590	-\$3,750.00	\$251,595.50
Jan. 6, 2021	Mareks Woodside.26811.26811 (US012608), PORT WASHINGTON, NY december Acct #630849323	5346584	-\$3,750.00	\$255,345.50
Jan. 6, 2021	Joseph Asselta.26801.26801 (US012608), PORT WASHINGTON, NY december Acct #630849331	5346582	-\$3,750.00	\$259,095.50
Jan. 6, 2021	John Southard.26809.26809 (US012608), PORT WASHINGTON, NY december Acct #630864969	5346580	-\$3,750.00	\$262,845.50

Internal Controls

We fully understand the importance of maintaining our internal controls. We have only two of our employees running and editing our Quickbooks, our company CFO and our Accounting Manager, as well as our CEO only being able to view reports and financial statements. We make sure the account is secure by only letting two employees have access to editing numbers. Our Accounting and Finance departments are both really small, with only two people running both departments. This has both of its benefits and harms -- with a small number of employees able to edit but also a large amount of work. Our CFO runs meetings almost every day which keeps her and the whole rest of the firm updated on what Finance and Accounting have been up to. We ensure that every employee knows what's happening in every department even if they are not in it. Both members of the department have gained enough background knowledge and know what Quickbooks is all about. We also know how to split the work. With only two employees it's obviously either to designate tasks on and off Quickbooks. The most important fact of separating the work however is knowing that it's done. We set up dates when each report or task should be completed so that the other Accounting employee and the company CEO can ensure that the statements and the numbers make sense and are correct. We will ensure that the numbers in Quickbooks match the numbers in our company bank account by always going back and forth and ensuring that each number from our firm bank account is being placed in the right characteristic and account on Quickbooks. Sometimes, we will also check to see if our basic Accounting equation is balanced as well, especially on a balance sheet.

