

## **Corporate Reorganization Projects**

(Appendix 1)

Several transitional projects were assigned during my employment with Kimberly Clark. One of the most rewarding opportunities came through the analysis of the month end close for one facility in which a brief six month balance sheet will be presented. A data flow chart of the communications between systems as presented to the SOX audit firm was also presented to the Director of Internal Audit. In respect of privacy information, all proper names will be removed.

# Mill A

## Balance Sheet As of June 30, CCYY

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### Cash and Cash Equivalents:

Cash	\$	2,000	
Total Cash and Cash Equivalents			\$ 2,000

### Accounts Receivable:

Trade Receivables - Consolidated Inter-Company	\$	10,000	
Trade Receivables - Other		16,424,000	
Trade Receivables - Total			\$ 16,434,000
Other Receivables - Other	\$	64,000	
Other Receivables - Total			64,000
Allowance for Doubtful Accounts	\$	(36,000)	
Allowance for Cash Discounts		(293,000)	
Total Allowance for Cash Discounts & Doubtful Accounts			(329,000)
Net Accounts Receivable			16,169,000

### Inventory:

Finished Goods	\$	14,972,000	
Work in Process		4,142,000	
Raw Materials		3,502,000	
Supplies & Other		1,588,000	
Total Inventories			24,204,000

### Prepaid Expenses & Other Current Assets

68,000

### Total Current Assets

\$ 40,443,000

### Investments In & N/C Receivable From Consolidated Subsidiaries

\$ 167,000

### Property, Plant, & Equipment

Property, Plant, & Equipment	\$	217,467,000	
Less: Accumulated Depreciation, Depletion, & Amortization		(127,453,000)	
Net Property, Plant & Equipment Totals			90,014,000

### Other Deferred Charges

244,000

### Total Other Assets

90,425,000

### Total Assets

\$ 130,868,000

## Mill A (continued)

### Balance Sheet As of June 30, CCYY

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**Accounts Payable:**

Trade Accounts Payable - Consolidated Inter-Company	\$ 1,189,000	
Trade Accounts Payable - Others	<u>6,094,000</u>	
Total Trade Accounts Payable		\$ 7,283,000
Other Accounts Payable - Others		<u>93,000</u>
Total Accounts Payable		\$ 7,376,000

**Accrued Liabilities - Others** 7,745,000

**Total Current Liabilities** \$ 15,121,000

**Other Noncurrent Liabilities** 326,000

**Total Liabilities** \$ 15,447,000

**Division Equity:**

Division Equity - Division - Beginning Balance	\$ 5,443,000	
DE - Division - Income Before Taxes	32,933,000	
DE - Division - Net Assets (Charges ) Credits	<u>77,678,000</u>	
Total DE - Division - Ending Balance		\$ 116,054,000

**Retained Earnings - Other (Charges) Credits - R/E** (633,000)

**Total Stockholder's Equity** \$ 115,421,000

**Total Liabilities and Stockholder's Equity** \$ 130,868,000

## Mill A (continued)

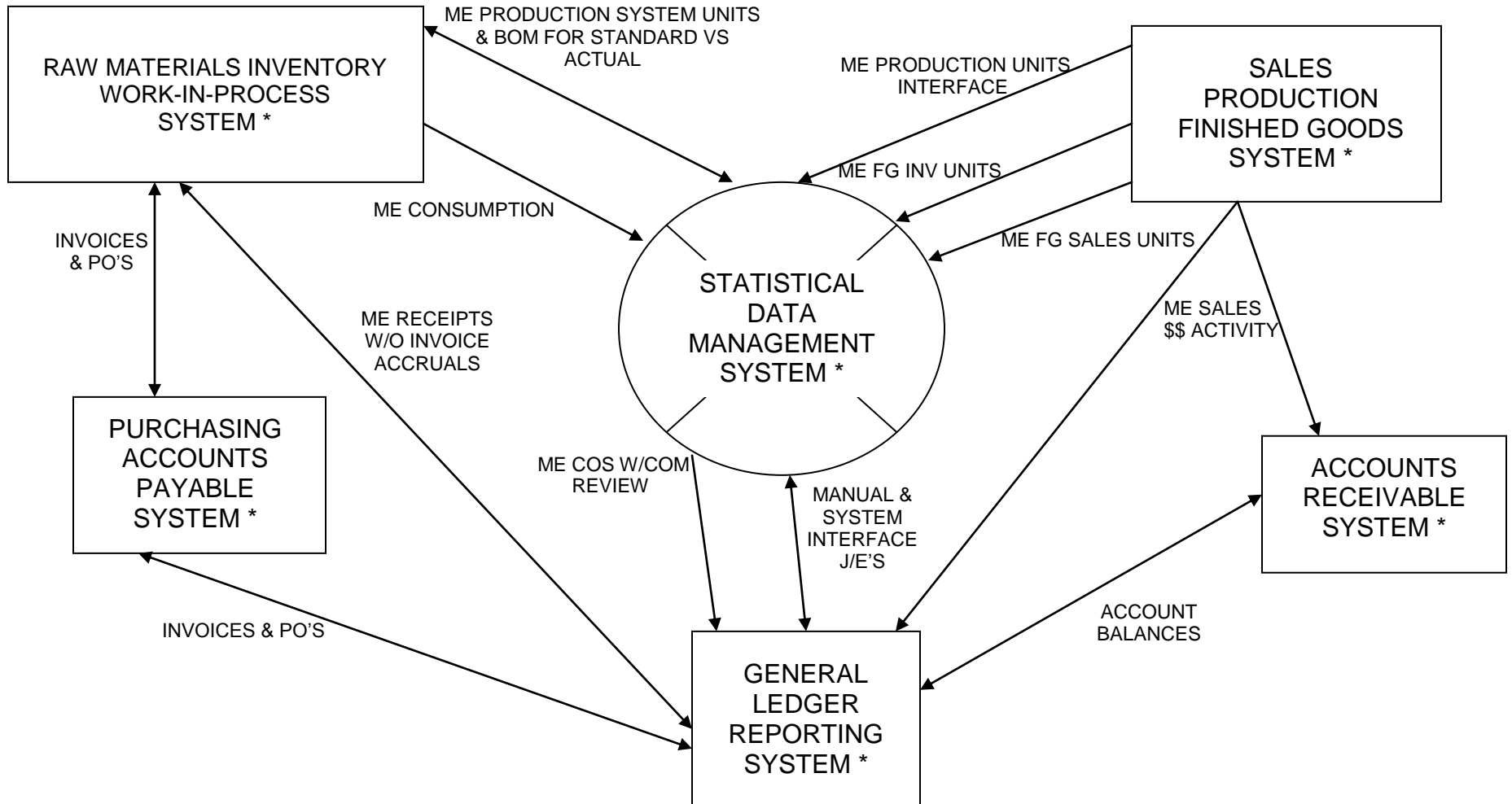
### Income Statement As of Year to Date June 30, CCYY

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<b>Gross Sales - Other</b>		\$ 118,764,000	
Other Sales Deductions - Other	\$ (3,841,000)		
Trade Promo - Reduction of Revenue	<u>(255,000)</u>		
Other Sales Deductions - Total		(4,096,000)	
Intercompany Sales		<u>8,000</u>	
<b>Net Sales</b>			\$ 114,676,000
<b>Cost of Sales</b>			(63,267,000)
<b>Distribution Expense</b>			<u>(7,373,000)</u>
<b>Gross Profit</b>			\$ 44,036,000
<b>Less Expenses:</b>			
Advertising Expense	\$ 3,828,000		
Selling Expense	3,417,000		
General Marketing Expense	703,000		
Other General & Administrative Expense	290,000		
Corporate Overhead Charges	<u>2,814,000</u>		
Total Expenses			<u>11,052,000</u>
<b>Operating Profit</b>			\$ 32,984,000
<b>Interest Expense</b>			<u>16,000</u>
<b>Net Income</b>			<u><u>\$ 32,968,000</u></u>

# Mill A

## Data Processing Flow Chart



ME = MONTH-END

\* = All system interface names have been removed for privacy protection