

BORDER X BREWING. LLC

Unaudited Financial Statements for the Years Ended December 31, 2018 and 2017

April 16, 2019

Border X Brewing LLC
 Balance Sheet
 as of December 31, 2018

	<u>ASSETS</u>	
	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash	\$ 80,531	\$ 25,180
Accounts Receivable	5,185	8,566
Inventory	-	-
Accrued Revenue	3,094	-
Prepaid Expense	<u>8,335</u>	<u>792</u>
Total Current Assets	97,146	34,538
PROPERTY AND EQUIPMENT		
Leasehold Improvements	25,369	25,369
Machinery and Equipmnet	392,078	121,311
Work in process Machinery	<u>62,009</u>	<u>-</u>
	479,456	146,680
Accumulated depreciation	<u>(79,273)</u>	<u>(36,979)</u>
Net property and equipment	<u>400,183</u>	<u>109,700</u>
OTHER ASSETS		
Deposits	<u>44,640</u>	<u>16,000</u>
Total other assets	<u>44,640</u>	<u>16,000</u>
Total assets	\$ 541,970	\$ 160,238

Unaudited: Internally prepared

	<u>2018</u>	<u>2017</u>
<u>LIABILITIES & MEMBERS' EQUITY</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 7,348	\$ 5,025
Other current Liabilities	16,042	19,715
Deferred Rent	<u>10,636</u>	<u>11,001</u>
Total Current Liabilities	<u>34,026</u>	<u>35,741</u>
LONG TERM LIABILITIES		
Notes Payable	<u>452,772</u>	<u>286,091</u>
Total liabilities	<u>486,798</u>	<u>321,832</u>
STOCKHOLDERS' EQUITY		
Contributed Capital	298,186	120,000
Retained earnings	(281,593)	(291,114)
Net Income	38,579	9,521
Retained Earnings (Deficit)	<u>(243,014)</u>	<u>(281,593)</u>
Total Members' Equity	<u>55,172</u>	<u>(161,593)</u>
Total liabilities and stockholders' equity	<u>\$ 541,970</u>	<u>\$ 160,238</u>

Unaudited: Internally prepared

Border X Brewing LLC

Profit and Loss

Period ending December 31, 2018

	<u>2018</u>	<u>2017</u>
NET SALES	\$ 934,509	\$ 694,268
DIRECT EXPENSES	<u>170,787</u>	<u>153,832</u>
GROSS PROFIT	<u>763,722</u>	<u>540,436</u>
 OPERATING EXPENSES		
Payroll	240,363	173,963
Rent	68,486	80,167
Advertising	42,172	94,983
General & Administrative Expense	278,287	157,087
Depreciation	42,293	18,933
Merchant Fees	<u>27,596</u>	<u>19,506</u>
 TOTAL OPERATING EXPENSE	<u>699,197</u>	<u>525,707</u>
 OPERATING INCOME	<u>64,525</u>	<u>14,729</u>
 Other Income/(Expense)		
Other	(14,533)	-
Interest	<u>(11,413)</u>	<u>(5,208)</u>
 NET INCOME	<u>\$ 38,579</u>	<u>\$ 9,521</u>

Unaudited: Internally prepared

Border X Brewing LLC
Statement of Cash Flows
as of December 31, 2018

	<u>2018</u>	<u>2017</u>
Cash Flows From Operating Activities		
Net Income (Loss) For The Period	38,579	9,521
Depreciation	42,293	18,933
Change in Accounts Receivable	3,381	(5,012)
Change In Inventory	-	5,888
Change In Other Assets	(39,277)	(791)
Change in Accounts Payable	2,323	6,476
Changes in Taxes Payable	2,616	5,623
Change in Other Liability	(6,290)	(2,796)
Deferred Rent	(365)	(3,715)
Net Cash Flows From Operating Activities	<u>\$ 43,260</u>	<u>\$ 34,127</u>
Cash Flows From Investing Activities		
Capitalized Assets	(332,776)	(16,000)
Net Cash Flows From Investing Activities	<u>\$ (332,776)</u>	<u>\$ (16,000)</u>
Cash Flows From Financing Activities		
Notes Payable	161,277	531
Contributed Capital	178,186	-
Note interest payable	5,404	2,702
Net Cash Flows From Financing Activities	<u>\$ 344,867</u>	<u>\$ 133,059</u>
Cash at Beginning of Period	25,180	3,820
Net Increase (Decrease) In Cash	55,351	21,360
Cash at End of Period	<u>\$ 80,531</u>	<u>\$ 25,180</u>

Unaudited: Internally prepared

Border X Brewing LLC

Statement of Equity

For the Years Ended December 31, 20017 and 2018

	<u>2018</u>	<u>2017</u>
Beginning Members' Equity	(161,593)	(171,114)
Change in Contributed Capital	178,186	-
Net Income/(Loss)	38,579	9,521
Ending Equity	<u><u>55,172</u></u>	<u><u>(161,593)</u></u>

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