

Unaudited Financials

SOUR RICE, LLC DBA MOTZE

Unaudited Financial Statements For The Period January 1, 2016 to September 30, 2016

October 12, 2016

Unaudited Financials

**SOUR RICE, LLC DBA MOTZE
BALANCE SHEET
September 30, 2016**

ASSETS

CURRENT ASSETS

| | |
|------|--------------|
| Cash | \$ 35,293 |
| | <hr/> 35,293 |

NON-CURRENT ASSETS

| | |
|----------|-------------------------|
| Deposits | 9,000 |
| | <hr/> 9,000 |
| | TOTAL ASSETS |
| | <u>\$ 44,293</u> |

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

| | |
|------------------|--------------|
| Accounts Payable | \$ 14,323 |
| | <hr/> 14,323 |

NON-CURRENT LIABILITIES

| | |
|----------------|--------------|
| Due to Members | 49,200 |
| | <hr/> 63,523 |

MEMBERS' EQUITY

| | |
|-----------------------------|--|
| Retained Earnings (Deficit) | (19,230) |
| | <hr/> (19,230) |
| | TOTAL LIABILITIES AND MEMBERS' EQUITY |
| | <u>\$ 44,293</u> |

Unaudited Financials

**SOUR RICE, LLC DBA MOTZE
INCOME STATEMENT**
For the Period of January 1, 2016 to September 30, 2016

Operating Income

| | | |
|-------|----|---|
| Sales | \$ | - |
|-------|----|---|

Gross Profit

Operating Expense

| | |
|--------------------------|--------|
| Repairs and Maintenance | 4,878 |
| Professional Fees | 6,820 |
| Startup Costs | 5,286 |
| Advertising | 760 |
| General & Administrative | 455 |
| Smallwares | 203 |
| Travel | 29 |
| | 18,431 |

Net Income from Operations

(18,431)

Other Income (Expense)

| | |
|-----------------------|-------|
| State and Local Taxes | (800) |
|-----------------------|-------|

Net Income

\$ (19,230)

Unaudited Financials

**SOUR RICE, LLC DBA MOTZE
STATEMENT OF CASH FLOWS
For the Period of January 1, 2016 to September 30, 2016**

Cash Flows From Operating Activities

| | |
|---|----------------|
| Net Income (Loss) For The Period | \$ (19,230) |
| Change in Accounts Payable | 14,323 |
| Net Cash Flows From Operating Activities | (4,906) |

Cash Flows From Investing Activities

| | |
|---|----------------|
| Change in Deposits | (9,000) |
| Net Cash Flows From Investing Activities | (9,000) |

Cash Flows From Financing Activities

| | |
|---|---------------|
| Change in Borrowings Due To Related Parties | 49,200 |
| Net Cash Flows From Investing Activities | 49,200 |

Cash at Beginning of Period

| | |
|--|------------------|
| Net Increase (Decrease) In Cash | 35,293 |
| Cash at End of Period | \$ 35,293 |

Unaudited Financials

SOUR RICE, LLC DBA MOTZE
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
JANUARY 1, 2016 TO SEPTEMBER 30, 2016

ORGANIZATION AND NATURE OF ACTIVITIES

Sour Rice, LLC DBA Motze (“the Company”) is a new restaurant concept with a globally-influenced menu located in San Francisco, California.

The Company will conduct an equity crowdfund offering during the fourth quarter of 2016 for the purpose of raising operating capital. The Company’s ability to launch successfully and continue as a going concern may be dependent on the results of the crowdfund offering.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. There were no significant estimates used in the preparation of these financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances and highly liquid investments with maturities of three months or less when purchased.

Amounts Due to Members

The Company’s members have advanced capital to the Company in the form of cash and by payment of certain formation and startup expenses. The amounts due accrue no interest and are payable from current income as the Company’s earnings allow.

Federal Income Taxes

The Company has not completed its first full year of operation, but recorded a net operating loss for the period ended September 30, 2016. Any loss carryforward to which the Company may be entitled will be applied to future income to reduce income taxes payable. Due to the uncertainty associated with the Company’s ability to take advantage of these carryforwards, management has elected not to record an associated valuation allowance. Net operating loss carryforwards expire after twenty years if unused.

The Company’s federal tax filing for fiscal year 2016 will fall within the statutory period of review by the IRS until 2019.

Unaudited Financials

SOUR RICE, LLC DBA MOTZE NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

State Taxes

The Company is subject to income tax in the State of California. The Company's 2016 tax filing for the State of California will be subject to inspection by that State until expiration of the statutory period of limitations in 2020.

The Company paid the minimum tax of \$800 to the State of California for the period between formation at the end of tax year 2015 and commencement of operations in 2016.

CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and cash equivalents with a limited number of high quality financial institutions and at times may exceed the amount of insurance provided on such deposits.

GOVERNMENT PAYMENTS

At the end of the period, the Company owed no amounts with respect to government payments.

SUBSEQUENT EVENTS

Management considered events subsequent to the end of the period but before October 12, 2016, the date that the financial statements were available to be issued.