

APPENDIX B:  
FINANCIAL STATEMENTS  
(Unaudited)

**J.K. Williams**  
**Balance Sheet - unaudited**  
**For the period ended 12/31/2019**

	<b>Current Period</b>
	<b>31-Dec-19</b>
<b>ASSETS</b>	
<b>Current Assets:</b>	
Cash	\$ 160,000.00
Other current assets	10,000.00
<b>Total Current Assets</b>	<b>170,000.00</b>
<b>Fixed Assets:</b>	
Land	-
Buildings	32,000.00
Furniture and Equipment	
Less: Accumulated Depreciation	(3,200.00)
<b>Total Fixed Assets</b>	<b>28,800.00</b>
<b>Other Assets:</b>	
Trademarks	-
Patents	-
Intangible Assets	8,000.00
Less amortization	(356.00)
<b>Total Other Assets</b>	<b>7,644.00</b>
<b>TOTAL ASSETS</b>	<b>\$ 206,444.00</b>
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Loans from Partners	\$ 51,640.00
Current Portion of Long-Term Debt	-
<b>Total Current Liabilities</b>	<b>51,640.00</b>
<b>Total Long-Term Liabilities</b>	<b>-</b>
<b>EQUITY</b>	
<b>Loan equity</b>	
Partner's Capital Accounts	154,804.00
<b>Total Equity</b>	<b>154,804.00</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 206,444.00</b>

**J.K. Williams**  
**Income Statement - unaudited**  
**For the periods ended 12/31/2019**

	<u>Current Period</u>
	<u>1/1/2019 -</u> <u>12/31/2019</u>
<b>REVENUES</b>	
Sales	
Other Revenue	
<b>TOTAL REVENUES</b>	-
<b>COST OF GOODS SOLD</b>	
Cost of Sales	3,200.00
Supplies	-
Other Direct Costs	-
<b>TOTAL COST OF GOODS SOLD</b>	3,200.00
<b>GROSS PROFIT (LOSS)</b>	(3,200.00)
<b>OPERATING EXPENSES</b>	
Advertising and Promotion	2,108.00
Bank Service Charges	
Business Licenses and Permits	4,030.00
Computer and Internet	1,318.00
Depreciation	356.00
Dues and Subscriptions	400.00
Insurance	
Meals and Entertainment	-
Miscellaneous Expense	1,962.00
Office Supplies	1,408.00
Payroll Processing	-
Professional Services - Legal, Accounting	16,254.00
Occupancy	-
Rental Payments	19,216.00
Salaries	-
Payroll Taxes and Benefits	-
Travel	1,278.00
Utilities	714.00
Website Development	217.00

<b>TOTAL OPERATING EXPENSES</b>	49,261.00
<b>OPERATING PROFIT (LOSS)</b>	(52,461.00)
<b>INTEREST (INCOME), EXPENSE &amp; TAXES</b>	
Interest (Income)	-
Interest Expense	449.00
Income Tax Expense	-
<b>TOTAL INTEREST (INCOME), EXPENSE &amp; TAXES</b>	<u>449.00</u>
<b>NET INCOME (LOSS)</b>	<u><u>\$ (52,910.00)</u></u>

JK Williams Distilling, LLC  
**Balance Sheet**  
As of December 31, 2020

	<u>Dec 31, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
F & M Bank - Checking	22,860.21
<b>Total Checking/Savings</b>	22,860.21
Accounts Receivable	
Accounts Receivable	3,802.60
<b>Total Accounts Receivable</b>	3,802.60
<b>Other Current Assets</b>	
Earnest Money	20,000.00
Inventory - Barrel	120,000.00
Inventory - Finished Goods	56,425.00
Inventory - Merchandise	3,471.00
Inventory - Unused materials	3,195.00
Security Deposit	6,250.00
<b>Total Other Current Assets</b>	209,341.00
<b>Total Current Assets</b>	236,003.81
<b>Fixed Assets</b>	
Accumulated Depreciation	-19,251.18
Equipment & Furniture	76,352.85
Leasehold Improvements	16,891.63
<b>Total Fixed Assets</b>	73,993.30
<b>Other Assets</b>	
Accumulated Amortization	-4,875.00
Goodwill	131,959.00
Intangible - Brand Development	35,450.00
<b>Total Other Assets</b>	162,534.00
<b>TOTAL ASSETS</b>	<b><u>472,531.11</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Loan from A Faris	315,848.90
<b>Total Other Current Liabilities</b>	315,848.90
<b>Total Current Liabilities</b>	315,848.90
<b>Total Liabilities</b>	315,848.90
<b>Equity</b>	
Partner's Paid In Capital	225,000.00
Partners' Paid in Capital	207,265.00
Retained Earnings	-28,501.82
Net Income	-247,080.97
<b>Total Equity</b>	156,682.21
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>472,531.11</u></b>

**JK Williams Distilling, LLC**  
**Profit & Loss**  
January through December 2020

	Jan - Dec 20
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Sales</b>	
Gold Zephyr Sales	16,727.11
Stormy River Sales	12,762.28
<b>Total Sales</b>	29,489.39
<b>Total Income</b>	29,489.39
<b>Cost of Goods Sold</b>	
Cost of Goods Sold	23,083.00
<b>Total COGS</b>	23,083.00
<b>Gross Profit</b>	6,406.39
<b>Expense</b>	
Accounting Services	2,730.00
<b>Advertising &amp; Marketing</b>	
Award Ratings	220.00
Public Relations/Promotions	3,418.95
Advertising & Marketing - Other	28,089.64
<b>Total Advertising &amp; Marketing</b>	31,728.59
Alarm system	1,043.00
Alcohol Freight	1,468.06
Amortization	4,519.00
Auto Expense	5,736.25
Bank Fees	462.15
Charitable Contribution	400.00
COMPUTER/TECHNICAL SUPPORT	4,112.68
Consulting	22,500.00
Continuing Education	1,500.00
Depreciation	16,051.18
Dues & Subscriptions	1,936.99
Entertainment	1,576.01
Federal Excise Tax	444.86
Freight	999.25
<b>Insurance</b>	
General Policy	383.00
Liquor Liability Insurance	4,096.00
Insurance - Other	9,682.36
<b>Total Insurance</b>	14,161.36
Internet Services	2,229.27
Investment Services	9,990.00
Legal fees	26,476.14
Office Supplies	2,683.30
Permits and Licenses	4,543.75
<b>Postage</b>	
OVERNIGHT DELIVERY	1,854.68
Postage - Other	68.45
<b>Total Postage</b>	1,923.13
Printing	5,394.92
Professional Services	26,252.00
Promotions	2,473.26
Recruitment	538.09
Rent	33,750.00
Repairs & Maintenance	6,142.24
Shipping Supplies	2,808.74
State of IL Liquor Tax	279.45
Telephone	2,382.29
Travel	7,025.23
Utilities	5,448.68
Warehouse Tools & Supplies	4,274.92

**JK Williams Distilling, LLC**  
**Profit & Loss**  
January through December 2020

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	<u>Jan - Dec 20</u>
Waste & Recycling	15.61
<b>Total Expense</b>	<u>256,000.40</u>
<b>Net Ordinary Income</b>	-249,594.01
<b>Other Income/Expense</b>	
<b>Other Income</b>	
Interest Income	2.04
Misc Income	2,511.00
<b>Total Other Income</b>	<u>2,513.04</u>
<b>Net Other Income</b>	<u>2,513.04</u>
<b>Net Income</b>	<u><u>-247,080.97</u></u>

I, Andrew L. Faris, certify that:

1. The financial statements of Jk Williams Distilling, LLC included in this Form are true and complete in all material respects; and
2. The tax return information of Jk Williams Distilling, LLC included in this Form reflects accurately the information reported on the tax return for Jk Williams Distilling, LLC for the fiscal years ended 2018 and 2019 (most recently available as of the Date of this Form C).

Signature     Andrew L. Faris

Name:         Andrew L. Faris

Title:         President and Managing Member