

# ABSINTHIA BOTTLING SPIRITS FINANCIAL STATEMENTS



March 25, 2019

To Absinthia Bottling Spirits Management:

We have reviewed the accompanying financial statements of Absinthia Bottling Spirits, which comprise the balance sheet as of December 31, 2018 and 2017 and the related statements of profit and loss, cash flows and changes in stockholders' equity for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

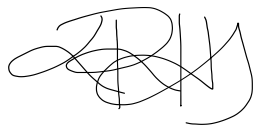
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA). Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



Keila Hill-Trawick, CPA  
Little Fish Accounting

**Balance Sheet**

For Periods Ending December 31, 2018 and December 31, 2017

Prepared By: **Keila Hill-Trawick, CPA**  
**Little Fish Accounting**  
For: Absinthia's Bottled Spirits

<b>ASSETS</b>	<b>2018</b>	<b>2017</b>
Current Assets		
Cash	1,796	4,326
Accounts Receivable	3,246	1,248
Inventory	1,500	1,500
<b>Total Current Assets</b>	<b>\$ 6,542</b>	<b>\$ 7,074</b>
<b>Total Fixed Assets</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Assets</b>	<b>\$ 6,542</b>	<b>\$ 7,074</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
<u>Current Liabilities</u>		
Credit Card Debt Balance	7,106	5,299
<u>Long-term Liabilities</u>		
Loan Payable	11,654	-
Interest Payable	816	-
<b>Total Liabilities</b>	<b>\$ 19,576</b>	<b>\$ 5,299</b>
Equity		
Owners Equity	40,133	18,549
Net Income	(53,167)	(16,774)
<b>Total Equity</b>	<b>\$ (13,034)</b>	<b>\$ 1,775</b>
<b>Total Liabilities and Equity</b>	<b>\$ 6,542</b>	<b>\$ 7,074</b>

<b>Profit + Loss Statement</b> For Periods Ending December 31, 2018 and December 31, 2017
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 For: Absinthia's Bottled Spirits

<b>Revenue</b>	<b>2018</b>	<b>2017</b>
Sales	21,962	5,355
Cost of Goods Sold	(26,710)	(10,164)
<b>Total Revenue</b>	<b>\$ (4,748)</b>	<b>\$ (4,809)</b>
<b>Operating Expenses</b>		
Advertising	19,953	1,783
Bank Charges	203	205
Contract Labor (Not included in payroll)	500	-
Dues and Subscriptions	30	50
Insurance	422	1,875
Legal and Professional Services	16,965	3,079
Meals and Entertainment	1,841	79
Office Expense	987	497
Other General and Administrative Expenses	(217)	470
Printing	-	308
Shipping and Delivery	4,328	266
Supplies	1,044	1,891
Taxes and Licenses	2,396	1,446
Travel, Meals and Entertainment	543	16
<b>Total Operating Expenses</b>	<b>\$ 48,995</b>	<b>\$ 11,965</b>
<b>Income (Before Other Expenses)</b>	<b>\$ (53,743)</b>	<b>\$ (16,774)</b>
<b>Other Expenses</b>		
Interest		
Credit Card Debt	279	-
Line of Credit	816	-
Reconciliation Discrepancy	(1,671)	-
<b>Total Other Expenses</b>	<b>\$ (576)</b>	<b>\$ -</b>
<b>Net Income Before Income Tax</b>	<b>\$ (53,167)</b>	<b>\$ (16,774)</b>
<b>Income Tax</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Income/Loss</b>	<b>\$ (53,167)</b>	<b>\$ (16,774)</b>



<b>Statement of Changes in Stockholders' Equity</b> For Periods Ending December 31, 2018 and December 31, 2017
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		<u>Common Stock</u>		<u>Additional Paid-In Capital</u>		<u>Retained Earnings</u>		<u>Treasury Stock</u>		<u>Total Stockholders' Equity</u>
<b>Balance as of January 1, 2017</b>	\$	-	\$	-	\$	-	\$	-	\$	-
Changes in Accounting Policy		-		-		-		-		-
Correction of Prior Period Error(s)		-		-		-		-		-
<b>Restated Balance</b>	\$	-	\$	-	\$	-	\$	-	\$	-
Issue of Share Capital		-		-		-		-		-
Purchase of Treasury Stock		-		-		-		-		-
Net income		-		-	\$	(16,774)		-	\$	(16,774)
Reevaluation Gain		-		-		-		-		-
Dividends		-		-		-		-		-
<b>Balance as of December 31, 2017</b>	\$	-	\$	-	\$	(16,774)		-	\$	(16,774)
		<u>Common Stock</u>		<u>Additional Paid-In Capital</u>		<u>Retained Earnings</u>		<u>Treasury Stock</u>		<u>Total Stockholders' Equity</u>
<b>Balance as of January 1, 2018</b>	\$	-	\$	-	\$	-	\$	-	\$	-
Changes in Accounting Policy		-		-		-		-		-
Correction of Prior Period Error(s)		-		-		-		-		-
<b>Restated Balance</b>	\$	-	\$	-	\$	-	\$	-	\$	-
Issue of Share Capital		-		-		-		-		-
Purchase of Treasury Stock		-		-		-		-		-
Net income (Loss)		-		-	\$	(53,167)		-	\$	(53,167)
Reevaluation Gain		-		-		-		-		-
Dividends		-		-		-		-		-
<b>Balance as of December 31, 2018</b>	\$	-	\$	-	\$	(53,167)		-	\$	(53,167)

**ABSINTHIA BOTTLING SPIRITS**  
**NOTES TO THE FINANCIAL STATEMENTS**

For Periods Ending December 31, 2018 and December 31, 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

UNAUDITED (See Review Report)

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NATURE OF OPERATIONS**

Absinthia Bottling Spirits creates and sells small batch, artisanal, hand crafted Swiss style absinthe blanche. Produced in California, the spirits are made with certified biodynamic and organic grapes, certified organic star anise, fennel seed, coriander seed, and fresh wormwood. The product is available in 375 ml glass bottles and sold in six pack cases at \$150 or \$162 per pack.

**BASIS OF ACCOUNTING**

These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**BALANCE SHEET CLASSIFICATION**

The Company includes in current assets and liabilities retainage amounts receivable and short-term payables. A one-year time period is used as the basis for classifying all other current assets and liabilities.

**CASH AND CASH EQUIVALENTS**

For purposes of the consolidated statements of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

**ABSINTHIA BOTTLING SPIRITS**  
**NOTES TO THE FINANCIAL STATEMENTS (cont.)**

For Periods Ending December 31, 2018 and December 31, 2017

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**INVENTORY**

Inventory consisting of bottled products available for sale and are valued at the lower of cost or market value. Inventory is estimated based on management count as of December 31 of the applicable year under review, and is reviewed annually to identify any products expired or in otherwise unsellable condition in order to write off any considered disposable. Cost includes all supplies and freight associated with the preparation of products for sale, and is determined on a first-in, first-out basis.

**CASH INFLOWS**

Cash inflows consist of receipts from customers for sales, owner's contributions, and short-term loan receipts (i.e. credit cards, lines of credit).

**OPERATING ACTIVITIES**

Operating activities consist of changes in ending balances of current assets and liabilities, and cash flows from normal business expenses.

**INVESTING ACTIVITIES**

Investing activities include making and collecting loans, purchasing and selling debt or equity instruments of other reporting entities, and acquiring and disposing of property, plant, and equipment and other productive assets used in the production of goods or services.

**FINANCING ACTIVITIES**

Financing activities include borrowing money and repaying or settling the obligation, and obtaining equity from owners and providing owners with a return on, or return of, their investment.

**STOCKHOLDERS' EQUITY**

No stock was issued, nor dividends paid for the periods under review.



**ABSINTHIA BOTTLING SPIRITS**  
**NOTES TO THE FINANCIAL STATEMENTS (cont.)**

For Periods Ending December 31, 2018 and December 31, 2017

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UNAUDITED (See Review Report)

**NOTE 2: FINANCING ACTIVITIES**

Loan payable to Paul Nathan of \$11,654 at 7% interest, due in monthly installments of \$1,250. Debt to be paid in full by December 31, 2019