

**B&R Liquid Adventure**

**P&L Reporting**

**Sales Revenues**

**Direct Costs**

**Broker Commissions**

**Ingredient - Cost of Goods Sold**

**Fruit Juices/colors/flavorings**

**Erythritol**

**Essential Oils/Extracts**

**Culture/Sour & Ingred**

**GoFerm Yeast nutrient**

**Sugar**

**Tea**

**Yeast**

**Other**

**Total Ingredient - Cost of Goods Sold**

**Packaging Costs**

**Pallets**

**Cartons**

**Bottles/caps**

**Labels**

**Total Packaging Costs**

**Consummable Supplies**

**Cleaning Supplies**

**Gloves, Aprins, etc**

**Mesh Tea Bags/other bags**

**Carbon Dioxide**

**Propane**

**Fabric/Elastic**

**Filters**

**Total Consummable Supplies**

**Outside Lab Analysis**

**Sample Expenses**

**Competitor's Products**

**Total Sample Expenses**

**Fermentation Facility**

**Devil's Canyon Brewing Co costs**

**Golden Star Tea Facility**

**Total Contract Brewing**

**Direct Labor**

**Casual Labor**

**Total Direct Labor**

**Total Fermentation Facility**

**Bottling Facility**

**Bottling Line Changes**

**Bottling Charges**

**Total Bottling Facility**

**Transport/Freight Costs**

**Glass, packaging etc to Bottler**

**búcha to Bottler**

**Bottler to Cold Storage**

**To Distributor/Retail Location**

**Actual P&L for these months**

	2009	Jan-Mch'10	Apr'10	May '10	Jun' 10	July'10	Aug'10	Sep'10	Oct'10	Nov'10	Dec'10	Total 2010
Sales Revenues							\$1,604	\$19,247	\$97	\$2,485	\$3,881	\$27,315
Direct Costs												
Broker Commissions				\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,926	\$8,926
Ingredient - Cost of Goods Sold												
Fruit Juices/colors/flavorings		\$18		\$918	\$1,137	\$2,110	\$392	\$1,345	\$109	\$988	\$238	\$7,256
Erythritol	\$68	\$231		\$8,960	\$7,550							\$16,741
Essential Oils/Extracts	\$39	\$1,309					\$96		\$14			\$1,419
Culture/Sour & Ingred	\$7				\$52					\$241		\$292
GoFerm Yeast nutrient	\$54			\$55	\$81			\$38				\$173
Sugar	\$219			\$1,050	\$38	\$254	\$1,631	\$2,574		\$2,610		\$8,157
Tea	\$819	\$277	\$1,940	\$1,229	\$5,611			\$5,366	\$3,591	\$3,962		\$21,976
Yeast	\$20				\$589			\$663		\$182	\$32	\$1,466
Other	\$185								\$105			\$105
<b>Total Ingredient - Cost of Goods Sold</b>	<b>\$1,435</b>	<b>\$1,834</b>	<b>\$1,940</b>	<b>\$12,213</b>	<b>\$15,058</b>	<b>\$2,364</b>	<b>\$2,119</b>	<b>\$9,987</b>	<b>\$3,819</b>	<b>\$7,983</b>	<b>\$270</b>	<b>\$57,586</b>
Packaging Costs												
Pallets				\$132		\$247		\$195	\$379			\$953
Cartons				\$2,663			\$4,514		\$7,759			\$14,936
Bottles/caps	\$688		\$169	\$9,010			\$14,593		\$11,231	\$11,231		\$46,235
Labels			\$484	\$3,234	\$1,058	\$1,039	\$4,860	\$1,180	\$4,329		\$6,353	\$22,538
<b>Total Packaging Costs</b>	<b>\$688</b>	<b>\$0</b>	<b>\$653</b>	<b>\$15,040</b>	<b>\$1,058</b>	<b>\$1,286</b>	<b>\$23,968</b>	<b>\$1,374</b>	<b>\$23,699</b>	<b>\$11,231</b>	<b>\$6,353</b>	<b>\$84,662</b>
Consummable Supplies												
Cleaning Supplies	\$75				\$194			\$96	\$424	\$89		\$803
Gloves, Aprins, etc					\$45	\$328	\$4				\$193	\$570
Mesh Tea Bags/other bags	\$7			\$59	\$400	\$14				\$50		\$522
Carbon Dioxide	\$28				\$188		\$195	\$58	\$191	\$143	\$197	\$971
Propane	\$49				\$30							\$30
Fabric/Elastic	\$17											\$0
Filters	\$237	\$45		\$529	\$2,683		\$154	\$1,605	\$888	\$3,400		\$9,304
<b>Total Consummable Supplies</b>	<b>\$412</b>	<b>\$45</b>	<b>\$0</b>	<b>\$588</b>	<b>\$3,539</b>	<b>\$342</b>	<b>\$353</b>	<b>\$1,759</b>	<b>\$1,502</b>	<b>\$3,681</b>	<b>\$391</b>	<b>\$12,201</b>
Outside Lab Analysis	\$248	\$82	\$906	\$336	\$351	\$76	\$530	\$590	\$616	\$262	\$577	\$4,326
Sample Expenses												
Competitor's Products		\$9	\$30		\$92				\$17	\$266		\$413
<b>Total Sample Expenses</b>	<b>\$0</b>	<b>\$9</b>	<b>\$30</b>	<b>\$0</b>	<b>\$92</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17</b>	<b>\$266</b>	<b>\$0</b>	<b>\$413</b>
Fermentation Facility												
Devil's Canyon Brewing Co costs			\$1,012	\$3,663	\$2,625	\$810		\$207	\$1,076	\$1,942	\$624	\$11,960
Golden Star Tea Facility		\$1,000		\$1,061	\$14,862	\$570	\$12,670	\$428	\$526	\$11,338	\$10,594	\$53,047
<b>Total Contract Brewing</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$1,012</b>	<b>\$4,724</b>	<b>\$17,487</b>	<b>\$1,380</b>	<b>\$12,670</b>	<b>\$635</b>	<b>\$1,601</b>	<b>\$13,280</b>	<b>\$11,218</b>	<b>\$65,007</b>
Direct Labor												
Casual Labor					\$60						\$20	\$80
<b>Total Direct Labor</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20</b>	<b>\$80</b>
<b>Total Fermentation Facility</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$1,012</b>	<b>\$4,724</b>	<b>\$17,547</b>	<b>\$1,380</b>	<b>\$12,670</b>	<b>\$635</b>	<b>\$1,601</b>	<b>\$13,280</b>	<b>\$11,238</b>	<b>\$65,087</b>
Bottling Facility												
Bottling Line Changes				\$13,959		\$1,394						\$15,353
Bottling Charges				\$12,800		\$6,200	\$20,820		\$15,951	\$88	\$14,491	\$70,350
<b>Total Bottling Facility</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,759</b>	<b>\$0</b>	<b>\$7,594</b>	<b>\$20,820</b>	<b>\$0</b>	<b>\$15,951</b>	<b>\$88</b>	<b>\$14,491</b>	<b>\$85,702</b>
Transport/Freight Costs												
Glass, packaging etc to Bottler				\$2,675			\$1,350		\$2,645	\$2,645		\$9,315
búcha to Bottler				\$770			\$2,455		\$1,652		\$1,568	\$6,444
Bottler to Cold Storage					\$1,922	(\$4)	\$1,535	\$374	\$3,265		\$5,705	\$12,796
To Distributor/Retail Location												\$0

**B&R Liquid Adventure**

**P&L Reporting**

Other Freight Costs

Total Transport/Freight Costs

Storage Costs

Cold Storage

Warehouse Rental

Total Storage Costs

Year End Inventory Adjust for GAAP

Total Direct Costs

Gross Margin

Overheads

Marketing

Main Street

Store Demos

Markets/Fairs

Total Main Street

Media

Web Development

PR Services/ Press

Digital Media Plan

Total Media

CRM- Print Prod Design Printi

Market Test Supplies

Design & Label Developme

Business Cards

Printing & Reproduction

Other

Total CRM- Print Prod Design P

Conventions Conferences Seminar

Total Marketing

Management G&A Compensation

Salaries

Employer PRT

Workers Comp Insur

Medical Insur

Total Management G&A Compens

Communications Costs

Telephone and Fax

Postage, Courier & Delivery

Web Hosting/Email service

Total Communications Costs

Occupancy

Rent

Repairs & Maintenance

Insurance

Product Recall

General Liability Insurance

D&O, Product Liability

Licenses and Permits

Total Occupancy

**Actual P&L for these months**

	2009	Jan-Mch'10	Apr'10	May '10	Jun' 10	July'10	Aug'10	Sep'10	Oct'10	Nov'10	Dec'10	Total 2010
Other Freight Costs				\$504						\$477		\$981
Total Transport/Freight Costs	\$0	\$0	\$0	\$3,949	\$1,922	(\$4)	\$5,340	\$374	\$7,562	\$3,122	\$7,272	\$29,536
Storage Costs												
Cold Storage						\$311	\$1,696	\$2,553	\$1,542	\$2,473		\$8,575
Warehouse Rental					\$895		\$945		\$2,503			\$4,343
Total Storage Costs	\$0	\$0	\$0	\$0	\$895	\$311	\$2,641	\$2,553	\$4,045	\$2,473	\$0	\$12,918
Year End Inventory Adjust for GAAP											(\$146,633)	(\$146,633)
Total Direct Costs	\$2,783	\$2,970	\$4,540	\$64,609	\$41,461	\$14,349	\$69,440	\$18,271	\$59,813	\$43,385	(\$104,115)	\$214,724
Gross Margin	(\$2,783)	(\$2,970)	(\$4,540)	(\$64,609)	(\$41,461)	(\$14,349)	(\$67,836)	\$976	(\$59,716)	(\$40,900)	\$107,996	(\$187,410)
<u>Overheads</u>												
Marketing												
Main Street												
Store Demos									\$27	\$507	\$320	\$854
Markets/Fairs												
Total Main Street	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$507	\$320	\$854
Media												
Web Development						\$3,600	\$2,000	\$400		\$150		\$6,150
PR Services/ Press					\$140			\$5,000	\$200	\$709		\$6,049
Digital Media Plan											\$4	\$4
Total Media	\$0	\$0	\$0	\$0	\$140	\$3,600	\$2,000	\$5,400	\$200	\$859	\$4	\$12,203
CRM- Print Prod Design Printi												
Market Test Supplies	\$239	\$10	\$115	\$9	\$40				\$60			\$235
Design & Label Developme	\$1,750		\$2,500	\$3,419	\$4,900	\$2,600			\$1,425		\$2,850	\$17,694
Business Cards		\$147										\$147
Printing & Reproduction	\$20			\$12				\$320		\$417		\$749
Other	\$120							\$1,949	\$4			\$1,953
Total CRM- Print Prod Design P	\$2,129	\$157	\$2,615	\$3,440	\$4,940	\$2,600	\$0	\$2,269	\$1,488	\$417	\$2,850	\$20,778
Conventions Conferences Seminar		\$230					\$600					\$830
Total Marketing	\$2,129	\$387	\$2,615	\$3,440	\$5,080	\$6,200	\$2,600	\$7,669	\$1,715	\$1,783	\$3,175	\$34,665
Management G&A Compensation												
Salaries			\$20,000	\$10,000	\$10,000	\$10,700	\$6,728	\$6,000	\$6,000	\$9,000	\$8,400	\$86,828
Employer PRT			\$2,390	\$1,195	\$980	\$848	\$501	\$502	\$502	\$502	\$502	\$7,922
Workers Comp Insur				\$434	\$436	\$448	\$439	\$447	\$441	\$150	\$854	\$3,649
Medical Insur				\$2,500	\$2,500	\$1,500	\$2,000	\$1,500	\$2,000	\$1,500	\$1,500	\$15,000
Total Management G&A Compens	\$0	\$0	\$22,390	\$14,129	\$13,916	\$13,497	\$9,668	\$8,449	\$8,943	\$11,152	\$11,256	\$113,399
Communications Costs												
Telephone and Fax	\$71	\$197	\$371	\$356	\$707	\$516	\$458	\$348	\$398	\$347	\$1,132	\$4,830
Postage, Courier & Delivery		\$29	\$374	\$670	\$307	\$113	\$229	\$651	\$192	\$112	\$490	\$3,168
Web Hosting/Email service	\$115	\$30	\$30			\$30	\$30		\$30		\$442	\$592
Total Communications Costs	\$186	\$256	\$774	\$1,026	\$1,014	\$659	\$717	\$999	\$620	\$459	\$2,064	\$8,589
Occupancy												
Rent									\$1,529	\$725	\$600	\$2,854
Repairs & Maintenance						\$302				\$734	\$153	\$1,189
Insurance												\$0
Product Recall							\$6,195					\$6,195
General Liability Insurance												\$0
D&O, Product Liability				\$2,875		\$8,044						\$10,919
Licenses and Permits	\$275		\$505		\$200	\$72				\$100	\$20	\$897
Total Occupancy	\$275	\$0	\$505	\$2,875	\$200	\$14,613	\$0	\$0	\$1,529	\$1,559	\$773	\$22,054

**B&R Liquid Adventure**

**P&L Reporting**

**Financial**

Bank Service Charges

Interest/Finance Chgs

Payroll Services

Taxes

**Total Financial**

**Professional Fees**

Legal Fees

**Total Professional Fees**

**Travel & Entertainment**

Car/Truck Expense

Parking/Tolls

Rental

Gas/Mileage

Repairs & Maintenance

**Total Car/Truck Expense**

**Travel**

Fares

Accommodation

**Total Travel**

Meals & Enter. - out of town

**Total Travel & Entertainment**

**Office Expenses**

Software & upgrades

Data Storage & Backup

Office - General/Meals

Office Supplies

**Total Office Expenses**

**Equipment Costs**

Brewing Urns

Cambros

Commercial Fridge

Office Equipment

Control Equipment

Process Equipment

Miscellaneous

**Total Equipment Costs**

**Total Overheads**

Other/Misc.

**Total Costs (Direct + Overhead)**

**Net Profit/(Loss)**

**Cum Profit/(Loss)**

**Actual P&L for these months**

	2009	Jan-Mch'10	Apr'10	May '10	Jun' 10	July'10	Aug'10	Sep'10	Oct'10	Nov'10	Dec'10	Total 2010
Bank Service Charges	\$23				\$28	\$15	\$80		\$15	\$19	\$71	\$228
Interest/Finance Chgs							\$7,695					\$7,695
Payroll Services			\$250	\$154	\$89	\$194	\$459	\$151	\$160	\$4	\$39	\$1,500
Taxes	\$824	\$800				\$119						\$919
<b>Total Financial</b>	<b>\$847</b>	<b>\$800</b>	<b>\$250</b>	<b>\$154</b>	<b>\$117</b>	<b>\$328</b>	<b>\$8,234</b>	<b>\$151</b>	<b>\$175</b>	<b>\$23</b>	<b>\$110</b>	<b>\$10,342</b>
<b>Professional Fees</b>												
Legal Fees	\$3,510		\$2,000	\$6,040	\$4,955	\$15,196	\$25,170	\$3,927	\$107			\$57,395
<b>Total Professional Fees</b>	<b>\$3,510</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$6,040</b>	<b>\$4,955</b>	<b>\$15,196</b>	<b>\$25,170</b>	<b>\$3,927</b>	<b>\$107</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,395</b>
<b>Travel &amp; Entertainment</b>												
Car/Truck Expense												
Parking/Tolls		\$24		\$36	\$58		\$38	\$7	\$92	\$49	\$75	\$379
Rental		\$124							\$423		\$150	\$698
Gas/Mileage	\$269	\$199	\$488	\$1,057	\$775		\$907	\$143	\$751		\$136	\$4,455
Repairs & Maintenance	\$228											\$0
<b>Total Car/Truck Expense</b>	<b>\$497</b>	<b>\$347</b>	<b>\$488</b>	<b>\$1,093</b>	<b>\$833</b>	<b>\$0</b>	<b>\$945</b>	<b>\$150</b>	<b>\$1,266</b>	<b>\$49</b>	<b>\$361</b>	<b>\$5,532</b>
<b>Travel</b>												
Fares			\$171	\$129	\$429	\$184			\$300	\$359	\$216	\$1,790
Accommodation	\$166	\$166								\$194		\$361
<b>Total Travel</b>	<b>\$166</b>	<b>\$166</b>	<b>\$171</b>	<b>\$129</b>	<b>\$429</b>	<b>\$184</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300</b>	<b>\$554</b>	<b>\$216</b>	<b>\$2,151</b>
Meals & Enter. - out of town	\$362	\$269	\$58	\$242	\$364		\$169		\$287		\$110	\$1,498
<b>Total Travel &amp; Entertainment</b>	<b>\$1,026</b>	<b>\$782</b>	<b>\$718</b>	<b>\$1,464</b>	<b>\$1,626</b>	<b>\$184</b>	<b>\$1,113</b>	<b>\$150</b>	<b>\$1,853</b>	<b>\$603</b>	<b>\$688</b>	<b>\$9,182</b>
<b>Office Expenses</b>												
Software & upgrades		\$275	\$100	\$99				\$892	\$10	\$40		\$1,416
Data Storage & Backup	\$22							\$99	\$198			\$297
Office - General/Meals			\$71		\$154	\$21	\$77	\$76	\$341	\$254	\$151	\$1,145
Office Supplies	\$15		\$651	\$101	\$605		\$60	\$30	\$28	\$463		\$1,938
<b>Total Office Expenses</b>	<b>\$37</b>	<b>\$275</b>	<b>\$822</b>	<b>\$200</b>	<b>\$759</b>	<b>\$21</b>	<b>\$137</b>	<b>\$1,096</b>	<b>\$578</b>	<b>\$757</b>	<b>\$151</b>	<b>\$4,796</b>
<b>Equipment Costs</b>												
Brewing Urns	\$291											\$0
Cambros	\$237											\$0
Commercial Fridge	\$400											\$0
Office Equipment	\$76	\$1,313	\$2,082	\$34				\$1,137				\$4,565
Control Equipment	\$194											\$0
Process Equipment	\$688		\$382	\$357	\$111	\$121			\$235		\$43	\$1,249
Miscellaneous	\$13			\$858		\$33	\$78				(\$220)	\$748
<b>Total Equipment Costs</b>	<b>\$1,898</b>	<b>\$1,313</b>	<b>\$2,464</b>	<b>\$1,248</b>	<b>\$111</b>	<b>\$154</b>	<b>\$78</b>	<b>\$1,137</b>	<b>\$235</b>	<b>(\$220)</b>	<b>\$43</b>	<b>\$6,563</b>
<b>Total Overheads</b>	<b>\$9,907</b>	<b>\$3,812</b>	<b>\$32,538</b>	<b>\$30,576</b>	<b>\$27,777</b>	<b>\$50,852</b>	<b>\$47,717</b>	<b>\$23,579</b>	<b>\$15,757</b>	<b>\$16,117</b>	<b>\$18,260</b>	<b>\$266,985</b>
Other/Misc.	\$26	(\$253)										(\$253)
<b>Total Costs (Direct + Overhead)</b>	<b>\$12,665</b>	<b>\$7,035</b>	<b>\$37,078</b>	<b>\$95,185</b>	<b>\$69,238</b>	<b>\$65,201</b>	<b>\$117,157</b>	<b>\$41,851</b>	<b>\$75,570</b>	<b>\$59,502</b>	<b>(\$85,855)</b>	<b>\$481,962</b>
<b>Net Profit/(Loss)</b>	<b>(\$12,665)</b>	<b>(\$7,035)</b>	<b>(\$37,078)</b>	<b>(\$95,185)</b>	<b>(\$69,238)</b>	<b>(\$65,201)</b>	<b>(\$115,553)</b>	<b>(\$22,603)</b>	<b>(\$75,472)</b>	<b>(\$57,017)</b>	<b>\$89,735</b>	<b>(\$454,648)</b>
<b>Cum Profit/(Loss)</b>	<b>(\$12,665)</b>	<b>(\$7,035)</b>	<b>(\$44,113)</b>	<b>(\$139,298)</b>	<b>(\$208,537)</b>	<b>(\$273,737)</b>	<b>(\$389,290)</b>	<b>(\$411,894)</b>	<b>(\$487,366)</b>	<b>(\$544,383)</b>	<b>(\$454,648)</b>	