



2018

**INTERIM ANNUAL
FINANCIAL REPORT**



974 Griffin Street Suite C-2
Grover Beach, CA 93433

July 6, 2021

Dear Shareholder,

The following financial reports for Doc Burnstein's Ice Cream Lab and its subsidiaries for the year ending December 31, 2018, are provisional and unaudited.

These reports consolidate the results of Doc Burnstein's Ice Cream Lab, Doc Burnstein's Creamery, and Doc Burnstein's Licensing.

The reports may be revised after the audit is complete.

Sincerely,

A handwritten signature in blue ink that reads "David Long". The signature is written in a cursive style with a large, looped "D" and "L".

David Long
CEO
Doc Burnstein's Ice Cream Lab, Inc.

DOC BURNSTEIN'S ICE CREAM LAB, INC.
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 2018
(UNAUDITED)

ASSETS

CURRENT ASSETS

Cash & Cash Equivalents	\$ 119,009
Accounts Receivable	16,399
Marketable Securities	1,091,716
Inventory	112,733
Prepaid Expenses	<u>25,726</u>
Total Current Assets	1,365,583

FIXED ASSETS

Computers & Equipment	757,154
Furniture & Fixtures	41,755
Vehicles	170,474
Leasehold Improvements	863,785
Less: Accumulated Depreciation	<u>(524,308)</u>
Total Fixed Assets	1,308,860

INTANGIBLES AND OTHER ASSETS

124,372

Total Assets \$2,798,815

DOC BURNSTEIN'S ICE CREAM LAB, INC.
CONSOLIDATED BALANCE SHEET (continued)
DECEMBER 31, 2018
(UNAUDITED)

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 216,839
Accrued Expenses	115,483
Short-Term Notes Payable	50,000
Gift Cards	38,618
Margin Liabilities	<u>260,096</u>
Total Current Liabilities	681,036

LONG-TERM LIABILITIES

Long-Term Notes Payable	<u>124,157</u>
Total Liabilities	805,193

EQUITY

Shareholders' Equity:	
Common stock, zero par value; 100 million Class A shares authorized, 143,811 issues and outstanding, as of December 31, 2018	3,065,245
Stock Payable	48,000
Accumulated Other Comprehensive Income	(259,935)
Retained Earnings	(453,335)
Net Income /(Loss)	<u>(406,353)</u>
Total Equity	<u>1,993,622</u>
Total Liabilities and Equity	<u>\$2,798,815</u>

DOC BURNSTEIN'S ICE CREAM LAB, INC.
CONSOLIDATED STATEMENT OF OPERATIONS & OTHER COMPREHENSIVE INCOME (LOSS)
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

REVENUE	
Retail Sales	\$2,296,683
Wholesale Sales	<u>366,373</u>
Total Revenue	2,663,056
COST OF GOODS	
Labor	703,185
Ingredients	703,590
Other	<u>67,205</u>
Total Cost of Goods	<u>1,473,980</u>
GROSS PROFIT	1,189,076
GENERAL AND ADMINISTRATIVE EXPENSES	1,628,745
DEPRECIATION	<u>100,325</u>
LOSS FROM OPERATIONS	(539,994)
INVESTMENT INCOME	163,367
INTEREST EXPENSE	(22,541)
OTHER EXPENSE	<u>(4,447)</u>
LOSS BEFORE INCOME TAX EXPENSE	<u>(403,615)</u>
INCOME TAX EXPENSE	(2,738)
NET LOSS	(406,353)
UNREALIZED LOSS ON MARKETABLE SECURITIES	<u>(224,514)</u>
COMPREHENSIVE LOSS	<u><u>\$ (630,867)</u></u>

DOC BURNSTEIN'S ICE CREAM LAB, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE PERIOD FROM DECEMBER 31, 2017 THROUGH DECEMBER 31, 2018

	<u>Common Stock A</u>		<u>Common Stock B</u>		Accum OCI	Accum Deficit	Total
	Shares	Amount	Shares	Amount			
BALANCE AT DECEMBER 31, 2017	43,046	\$ 949,299	13,200	\$227,000	\$ (35,421)	\$(453,333)	\$ 687,543
Net Loss						(406,353)	(406,353)
Shares Issued from Sale of Stock*	87,383	1,888,946					1,888,946
Stock Payable	TBD	48,000					48,000
Conversion	13,200	227,000	(13,200)	(227,000)			
Unrealized Loss on Marketable Securities					(224,514)		(224,514)
BALANCE AT DECEMBER 31, 2018	143,629 [†]	\$3,065,245	<u>-</u>	<u>\$ -</u>	<u>\$(259,935)</u>	<u>\$(859,686)</u>	\$1,993,622

* 1) Shares issues in California resident-only public offering completed on February 9, 2018: 7,099 shares at \$50 per share for a total of \$354,950.

2) 57,000 shares issued in exchange for \$1,211,250 at \$21.25 per share on October 31, 2018.

3) 23,284 shares issued at estimated book value of stock of \$13.86 per share in exchange for \$322,746 of plant equipment at cost on December 31, 2018.

[†] Does not yet include 182 shares issued for services by Board members. Total shares outstanding are 143,811.