

# Annual Report

## Cover Page

Name of issuer:

The Florida CANE Distillery, INC.

Legal status of issuer:

Form: Corporation

Jurisdiction of Incorporation/Organization: FL

Date of organization: 12/30/2014

Physical address of issuer:

1820 N 15th Street  
Tampa FL 33605

Website of issuer:

http://www.FloridaCANE.com

Name of intermediary through which the offering will be conducted:

Wefunder Portal LLC

CIK number of intermediary:

0001670254

SEC file number of intermediary:

007-00033

CRD number, if applicable, of intermediary:

283503

Current number of employees:

3

	Most recent fiscal year-end:	Prior fiscal year-end:
Total Assets:	\$473,897.00	\$513,723.00
Cash & Cash Equivalents:	\$257,279.00	\$279,105.00
Accounts Receivable:	\$0.00	\$0.00
Short-term Debt:	\$17,125.00	\$208,556.00
Long-term Debt:	\$819,310.00	\$828,236.00
Revenues/Sales:	\$305,993.00	\$427,003.00
Cost of Goods Sold:	\$46,576.00	\$168,519.00
Taxes Paid:	\$0.00	\$0.00
Net Income:	(\$30,990.00)	(\$129,186.00)

Select the jurisdictions in which the issuer intends to offer the securities:

AL, AK, AZ, AR, CA, CO, CT, DE, DC, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY, BS, GU, PR, VI, IV

## Offering Statement

Respond to each question in each paragraph of this part. Set forth each question and any notes, but not any instructions thereto, in their entirety. If disclosure in response to any question is responsive to one or more other questions, it is not necessary to repeat the disclosure. If a question or series of questions is inapplicable or the response is available elsewhere in the Form, either state that it is inapplicable, include a cross-reference to the responsive disclosure, or omit the question or series of questions.

Be very careful and precise in answering all questions. Give full and complete answers so that they are not misleading under the circumstances involved. Do not discuss any future performance or other anticipated event unless you have a reasonable basis to believe that it will actually occur within the foreseeable future. If any answer requiring significant information is materially inaccurate, incomplete or misleading, the Company, its management and principal shareholders may be liable to investors based on that information.

### THE COMPANY

1. Name of issuer:

The Florida CANE Distillery, INC.

3. Has the issuer or any of its predecessors previously failed to comply with the ongoing reporting requirements of Rule 202 of Regulation Crowdfunding?

☐ Yes ☒ No

### DIRECTORS OF THE COMPANY

4. Provide the following information about each director (and any persons occupying a similar status or performing a similar function) of the issuer.

Director	Principal Occupation	Main Employer	Year Joined as Director
Sarah Nelson	Sr. Business Analyst	Direct General	2014
Pat O'Brien	Sales	ConMed	2014
Lee Nelson	Business Management	JP Morgan Chase	2014

For three years of business experience, refer to [Appendix D: Director & Officer Work History](#).

### OFFICERS OF THE COMPANY

5. Provide the following information about each officer (and any persons occupying a similar status or performing a similar function) of the issuer.

Officer	Positions Held	Year Joined
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Sarah Nelson	Vice President	2014
Pat O'Brien	Vice President	2014
Lee Nelson	President	2014

For three years of business experience, refer to [Appendix D: Director & Officer Work History](#).

*INSTRUCTION TO QUESTION 5: For purposes of this Question 5, the term officer means a president, vice president, secretary, treasurer or principal financial officer, comptroller or principal accounting officer, and any person that routinely performing similar functions.*

#### PRINCIPAL SECURITY HOLDERS

6. Provide the name and ownership level of each person, as of the most recent practicable date, who is the beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power.

Name of Holder	No. and Class of Securities Now Held	% of Voting Power Prior to Offering
Sarah Nelson	26000.0 Common Stock	25.7
Lee Nelson	47000.0 Common Stock	46.6
Pat O'Brien	26000.0 Common Stock	25.7

*INSTRUCTION TO QUESTION 6: The above information must be provided as of a date that is no more than 120 days prior to the date of filing of this offering statement.*

*To calculate total voting power, include all securities for which the person directly or indirectly has or shares the voting power, which includes the power to vote or to direct the voting of such securities. If the person has the right to acquire voting power of such securities within 60 days, including through the exercise of any option, warrant or right, the conversion of a security, or other arrangement, or if securities are held by a member of the family, through corporations or partnerships, or otherwise in a manner that would allow a person to direct or control the voting of the securities (or share in such direction or control – as, for example, a co-trustee) they should be included as being "beneficially owned." You should include an explanation of these circumstances in a footnote to the "Number of and Class of Securities Now Held." To calculate outstanding voting equity securities, assume all outstanding options are exercised and all outstanding convertible securities converted.*

#### BUSINESS AND ANTICIPATED BUSINESS PLAN

7. Describe in detail the business of the issuer and the anticipated business plan of the issuer.

For a description of our business and our business plan, please refer to the attached [Appendix A, Business Description & Plan](#)

*INSTRUCTION TO QUESTION 7: Wefunder will provide your company's Wefunder profile as an appendix (Appendix A) to the Form C in PDF format. The submission will include all Q&A items and "read more" links in an un-collapsed format. All videos will be transcribed.*

*This means that any information provided in your Wefunder profile will be provided to the SEC in response to this question. As a result, your company will be potentially liable for misstatements and omissions in your profile under the Securities Act of 1933, which requires you to provide material information related to your business and anticipated business plan. Please review your Wefunder profile carefully to ensure it provides all material information, is not false or misleading, and does not omit any information that would cause the information included to be false or misleading.*

#### RISK FACTORS

**The U.S. Securities and Exchange Commission does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature.**

**These securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.**

8. Discuss the material factors that make an investment in the issuer speculative or risky:

There can be no assurance that the Company will meet our projections. There can be no assurance that the Company will be able to find sufficient demand for our product, that people think it's a better option than a competing product, or that we will be able to provide the service at a level that allows the Company to make a profit and still attract business.

Intellectual property is a complex field of law in which few things are certain. It is possible that competitors will be able to design around our intellectual property, find prior art to invalidate it, or render the patents unenforceable through some other mechanism. If competitors are able to bypass our trademark and copyright protection without obtaining a sublicense, it is likely that the Company's value will be materially and adversely impacted. This could also impair the Company's ability to compete in the marketplace. Moreover, if our trademarks and copyrights are deemed unenforceable, the Company will almost certainly lose any potential revenue it might be able to raise by entering into sublicenses. This would cut off a significant potential revenue stream for the Company. The Florida CANE Distillery holds a graphic and name trademark on 'Florida CANE', 'Key West Lemon and Lime', 'Miami Mango', and 'Sunshine Moonshine'. The domain names floridacane.com, cane-vcodka.com, sunshinemoonshine.com, and tamiamigin.com are also owned by the company. Additionally, there are over 35 registered formulas with the U.S. Department of Treasury, Formulas Online Division, that are proprietary flavored spirit beverages.

Our ability to sell product is dependent on the outside government regulation such as the FDA (Food and Drug Administration), TTB (Alcohol and Tobacco Tax and Trade Bureau) and other relevant government laws and regulations. The laws and regulations concerning the selling of product may be subject to change and if they do then the selling of product may no longer be in the best interest of the Company. At such point the Company may no longer want to sell product and therefore your investment in the Company may be affected.

Our growth projections are based on an assumption that with an increased advertising and marketing budget our products will be able to gain traction in the marketplace at a faster rate than our current products have. It is possible that our new products will fail to gain market acceptance for any number of reasons. If the new products fail to achieve significant sales and acceptance in the marketplace, this could materially and adversely impact the value of your investment.

We face significant market competition. We will compete with larger, established companies who currently have products on the market and/or various respective product development programs. They may have much better financial means and marketing/sales and human resources than us. They may succeed in developing and marketing competing equivalent products earlier than us, or superior products than those developed by us. There can be no assurance that competitors will render our technology or products obsolete or that the products developed by us will be preferred to any existing or newly developed technologies. It should further be assumed that competition will intensify.

COVID was a temporary opportunity for our business that allowed us to reach more customers and expand our product offering to a new category. We are re-opening our distillery in October of 2020 with new processes and booking arrangements to ensure the safety of our staff and guests. Similarly we will be resuming Distilling classes in January of 2021. It is difficult to predict when visitors to Florida will return to pre-covid numbers but we do know that we are fielding constant requests via phone, social media, and walk-ups requesting us to reopen. Tampa is also expected to host the superbowl in February 2021. While COVID-19 presents new challenges for our business, it has also presented new opportunities.

Pat O'Brien is a part-time officer. As such, it is likely that the company will not make the same progress as it would if that were not the case.

Sarah Nelson is a part-time officer. As such, it is likely that the company will not

make the same progress as it would if that were not the case.

Our future success depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on the company. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

INSTRUCTION TO QUESTION 8: Avoid generalized statements and include only those factors that are unique to the issuer. Discussion should be tailored to the issuer's business and the offering and should not repeat the factors addressed in the legends set forth above. No specific number of risk factors is required to be identified.

## Ownership and Capital Structure

### DESCRIPTION OF ISSUER'S SECURITIES

17. What other securities or classes of securities of the issuer are outstanding? Describe the material terms of any other outstanding securities or classes of securities of the issuer.

Class of Security	Securities (or Amount) Authorized	Securities (or Amount) Outstanding	Voting Rights
Common Stock	500,000	100,844	Yes
Preferred Stock	500,000	9005	No

### Securities Reserved for Issuance upon Exercise or Conversion

Warrants:

Options: 50,000

24. Describe the material terms of any indebtedness of the issuer:

Loan	
Lender	Funding Circle
Issue date	10/09/19
Amount	\$160,000.00
Outstanding principal plus interest	\$157,084.00 as of 08/30/20
Interest rate	22.99% per annum
Maturity date	10/10/24
Current with payments	Yes

INSTRUCTION TO QUESTION 24: name the creditor, amount owed, interest rate, maturity date, and any other material terms.

25. What other exempt offerings has the issuer conducted within the past three years?

Offering Date	Exemption	Security Type	Amount Sold	Use of Proceeds
2/2019	Section 4(a)(2)	Preferred stock	\$67,537	General operations

26. Was or is the issuer or any entities controlled by or under common control with the issuer a party to any transaction since the beginning of the issuer's last fiscal year, or any currently proposed transaction, where the amount involved exceeds five percent of the aggregate amount of capital raised by the issuer in reliance on Section 4(a)(6) of the Securities Act during the preceding 12-month period, including the amount the issuer seeks to raise in the current offering, in which any of the following persons had or is to have a direct or indirect material interest:

- any director or officer of the issuer;
  - any person who is, as of the most recent practicable date, the beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power;
  - if the issuer was incorporated or organized within the past three years, any promoter of the issuer;
  - or (4) any immediate family member of any of the foregoing persons.
- ☒ Yes  
☐ No

For each transaction specify the person, relationship to issuer, nature of interest in transaction, and amount of interest.

Name	Peter Nelson
Amount Invested	\$5,002.50
Transaction type	Priced round
Issue date	01/22/15
Relationship	parent of Lee Nelson, father in-law of Sarah Nelson
None.	

Name	Charlotte Nelson
Amount Invested	\$5,002.50
Transaction type	Priced round
Issue date	11/30/18
Relationship	sister to Lee Nelson, sister-in-law to Sarah Nelson
None.	

INSTRUCTIONS TO QUESTION 26: The term transaction includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.

Beneficial ownership for purposes of paragraph (2) shall be determined as of a date that is no more than 120 days prior to the date of filing of this offering statement and using the same calculation described in Question 6 of this Question and Answer format.

The term "member of the family" includes any child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the person, and includes adoptive relationships. The term "spousal equivalent" means a cohabitant occupying a relationship generally equivalent to that of a spouse.

Compute the amount of a related party's interest in any transaction without regard to the amount of the profit or loss involved in the transaction. Where it is not practicable to state the approximate amount of the interest, disclose the approximate amount involved in the transaction.

### FINANCIAL CONDITION OF THE

# FINANCIAL CONDITION OF THE ISSUER

27. Does the Issuer have an operating history?

- ☒ Yes  
☐ No

28. Describe the financial condition of the issuer, including, to the extent material, liquidity, capital resources and historical results of operations.

## Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes and other financial information included elsewhere in this offering. Some of the information contained in this discussion and analysis, including information regarding the strategy and plans for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Risk Factors" section for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

### Overview

We manufacture and market Florida CANE Vodka, El Encanto Rum, Tamiami Gin, and Red Drum Whiskey using local Florida produce, bottled and packaged in 100% American-made glass.

Florida CANE products are essentially the best of Florida, distilled and packaged into a bottle. So naturally, we aim to become the go-to Florida souvenir. With 7 micro-distilleries all across Florida, established out-of-state contracts with the biggest retail chains in America, and a large e-commerce presence with the capability to sell on our own website direct to consumers, we'd be one step closer to introducing the superiority of craft spirits to the national market.

### Milestones

The Florida CANE Distillery, INC. was incorporated in the State of Florida in December 2014.

Since then, we have:

- Striving to establishing dominance in the Spirit industry as THE Florida Craft Spirit Company.
- Located in a high foot traffic tourist district: Tampa received 30 million visitors in 2019.
- Widely reviewed 5-star Tasting & Tour experience: Retail margins exceed 70% on spirits.
- Largest craft spirits portfolio in the nation, with 32 independently successful SKU's established.
- Distribution established in Wal-Mart, Total Wine, ABC Liquors, Disney, Busch Gardens, & Sea World.

### Historical Results of Operations

- *Revenues & Gross Margin.* For the period ended December 31, 2021, the Company had revenues of \$305,993 compared to the year ended December 31, 2020, when the Company had revenues of \$427,003. Our gross margin was 84.78% in fiscal year 2021, compared to 60.53% in 2020.
- *Assets.* As of December 31, 2021, the Company had total assets of \$473,897, including \$257,279 in cash. As of December 31, 2020, the Company had \$513,723 in total assets, including \$279,105 in cash.
- *Net Loss.* The Company has had net losses of \$30,990 and net losses of \$129,186 for the fiscal years ended December 31, 2021 and December 31, 2020, respectively.
- *Liabilities.* The Company's liabilities totaled \$836,435 for the fiscal year ended December 31, 2021 and \$794,753 for the fiscal year ended December 31, 2020.

### Related Party Transaction

Refer to Question 26 of this Form C for disclosure of all related party transactions.

### Liquidity & Capital Resources

To-date, the company has been financed with \$174,000 in debt and \$67,537 in equity.

After the conclusion of this Offering, should we hit our minimum funding target, our projected runway is 1 months before we need to raise further capital.

We plan to use the proceeds as set forth in this Form C under "Use of Funds". We don't have any other sources of capital in the immediate future.

We will likely require additional financing in excess of the proceeds from the Offering in order to perform operations over the lifetime of the Company. We plan to raise capital in 36 months. Except as otherwise described in this Form C, we do not have additional sources of capital other than the proceeds from the offering. Because of the complexities and uncertainties in establishing a new business strategy, it is not possible to adequately project whether the proceeds of this offering will be sufficient to enable us to implement our strategy. This complexity and uncertainty will be increased if less than the maximum amount of securities offered in this offering is sold. The Company intends to raise additional capital in the future from investors. Although capital may be available for early-stage companies, there is no guarantee that the Company will receive any investments from investors.

### Runway & Short/Mid Term Expenses

The Florida CANE Distillery, INC. cash in hand is \$58,854, as of April 2022. Over the last three months, revenues have averaged \$77,000/month, cost of goods sold has averaged \$4,200/month, and operational expenses have averaged \$58,000/month, for an average net margin of \$14,800 per month. Our intent is to be profitable in 1 months.

The Company, at year end 2021, increased the Covid-related SBA loans, EIDL SBA, from \$199,500 to \$499,000 with terms of 30-years at 2.75% APR. Upon receipt of that loan, the company repaid outstanding loans and short-term related party loans in the amount of \$318,105.

6 Month Projected Monthly Expenses = \$27,000 6 Month Projected Monthly Revenue = \$37,000

Yes, with the recent refinancing of our high interest debt and excellent retail and wholesale sales we have been profitable every month in 2022.

We have an additional \$700,000 available to us via the SBA EIDL program. We have paid off all company credit cards and have immediate access to \$65,000, high interest, capital.

*INSTRUCTIONS TO QUESTION 28: The discussion must cover each year for which financial statements are provided. For issuers with no prior operating history, the discussion should focus on financial weaknesses and operational challenges and other challenges. For issuers with no operating*

## FINANCIAL INFORMATION

Refer to [Appendix C, Financial Statements](#)

(1) the financial statements of The Florida CANE Distillery, INC. included in this Form are true and complete in all material respects ; and

(2) the tax return information of The Florida CANE Distillery, INC. included in this Form reflects accurately the information reported on the tax return for The Florida CANE Distillery, INC. filed for the most recently completed fiscal year.

## OTHER MATERIAL INFORMATION

The XX arrangement described above is intended to benefit the Company by allowing the Company to reflect one investor of its capitalization table (CXX Investments) and by simplifying the voting process with respect to the Company's securities by having one entity (XX Team), through one person (the Lead Investor), make all voting decisions and having one entity (CXX Investments) carry out XX Team's voting instructions and any take any related actions. The XX arrangement also is intended to benefit Investors by providing the services of an experienced Lead Investor (acting on behalf of XX Team) who is expected to make value-maximizing decisions regarding Investors' securities. XX Team (acting through the Lead Investor) may further benefit both the Company and Investors by providing consulting services to the Company that are intended to maximize both the value of the Company's business and also the value of its securities.

INSTRUCTIONS TO QUESTION 20: If information is presented to investors in a format, media or



other means not able to be reflected in text or portable document format, the issuer should include:

- (a) a description of the material content of such information;
- (b) a description of the format in which such disclosure is presented; and
- (c) in the case of disclosure in video, audio or other dynamic media or format, a transcript or description of such disclosure.

## ONGOING REPORTING

32. The issuer will file a report electronically with the Securities & Exchange Commission annually and post the report on its website, no later than:

**120 days after the end of each fiscal year covered by the report.**

33. Once posted, the annual report may be found on the issuer's website at:

<http://www.FloridaCANE.com/invest>

The issuer must continue to comply with the ongoing reporting requirements until:

1. the issuer is required to file reports under Exchange Act Sections 13(a) or 15(d);
2. the issuer has filed at least one annual report and has fewer than 300 holders of record;
3. the issuer has filed at least three annual reports and has total assets that do not exceed \$10 million;
4. the issuer or another party purchases or repurchases all of the securities issued pursuant to Section 4(a)(6), including any payment in full of debt securities or any complete redemption of redeemable securities; or the issuer liquidates or dissolves in accordance with state law.

## APPENDICES

[Appendix A: Business Description & Plan](#)

[Appendix C: Financial Statements](#)

[Financials 1](#)

[Financials 2](#)

[Appendix D: Director & Officer Work History](#)

[Lee Nelson](#)

[Pat O'Brien](#)

[Sarah Nelson](#)

[Appendix E: Supporting Documents](#)

[Add new Form C attachment \(admin only\)](#)

## Signatures

*Intentional misstatements or omissions of facts constitute federal criminal violations. See 18 U.S.C. 1001.*

The following documents will be filed with the SEC:

[Cover Page XML](#)

[Offering Statement \(this page\)](#)

[Appendix A: Business Description & Plan](#)

[Appendix B: Investor Contracts](#)

[Early Bird Cooley Go Convertible Note](#)

[Cooley Go Convertible Note](#)

[Appendix C: Financial Statements](#)

[Financials 1](#)

[Financials 2](#)

[Appendix D: Director & Officer Work History](#)

[Lee Nelson](#)

[Pat O'Brien](#)

[Sarah Nelson](#)

[Appendix E: Supporting Documents](#)

*Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing an Annual Report and has duly caused this Form to be signed on its behalf by the duly authorized undersigned.*

The Florida CANE Distillery, INC.

By

*Lee Nelson*

Owner

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100 et seq.), this Annual Report and Transfer Agent Agreement has been signed by the following persons in the capacities and on the dates indicated.

*Sarah Nelson*

Shawn Nelson

owner  
4/27/2022

Lee Nelson

Owner  
4/27/2022

Pending Signatures

Pat O'Brien - pat@floridacane.com

INVITE ANOTHER PERSON TO SIGN

*The Annual Report must be signed by the issuer, its principal executive officer or officers, its principal financial officer, its controller or principal accounting officer and at least a majority of the board of directors or persons performing similar functions.*

I authorize Wefunder Portal to submit a Annual Report to the SEC based on the information I provided through this online form and my company's Wefunder profile.

As an authorized representative of the company, I appoint Wefunder Portal as the company's true and lawful representative and attorney-in-fact, in the company's name, place and stead to make, execute, sign, acknowledge, swear to and file a Annual Report on the company's behalf. This power of attorney is coupled with an interest and is irrevocable. The company hereby waives any and all defenses that may be available to contest, negate or disaffirm the actions of Wefunder Portal taken in good faith under or in reliance upon this power of attorney.