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# John A Gacinski CPA

ANCIENT OF DAYS ADVISORS INC.

To the Members of Portrait Coffee LLC:

I have reviewed the accompanying Statement of Financial Position of Portrait Coffee LLC as of December 31, 2022 and December 31, 2021, and the related Statements of Income, Members' Equity and Cash Flows 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, I 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.

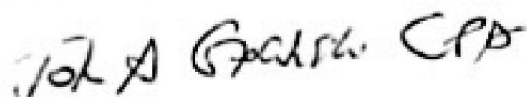
## **Accountant's Responsibility**

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am 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. I believe that the results of my procedures provide a reasonable basis for our conclusion.

We are required to be independent of Portrait Coffee LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

## **Accountant's Conclusion**

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements for them to be in accordance with accounting principles generally accepted in the United States of America.



Roslyn, NY  
May 24, 2023

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**Portrait Coffee LLC  
Financial Statements  
For the Years Ending December 31, 2022 and 2021**

**Portrait Coffee LLC**  
**Statement of Financial Position**  
**December 31, 2022 and December 31, 2021**

<b>Assets:</b>	<b>12/31/2022</b>	<b>12/31/2021</b>
<b>Current Assets</b>		
Cash - Wells Fargo checking	\$ 27,292	\$ 22,287
Cash - Wells Fargo savings	4,884	10,001
Cash - South State Bank	339	-
<b>Total Cash</b>	<b>32,515</b>	<b>32,288</b>
Accounts Receivable	349	3,163
Pre-paid expenses	5,614	2,502
Inventory	28,974	-
<b>Total current assets</b>	<b>34,937</b>	<b>5,665</b>
<b>Fixed Assets</b>		
Equipment & furniture, net of accumulate depreciation	95,033	39,440
<b>Total Assets</b>	<b>\$ 162,485</b>	<b>\$ 77,393</b>
<b>Liabilities and Members' Equity:</b>		
<b>Liabilities:</b>		
<b>Current liabilities</b>		
Accounts payable & accrued expenses	\$ 41,679	\$ 25,603
Credit cards payable	46,776	4,531
Short-term loan Shopify (note 3)	32,400	19,907
Short-term loan - KLC financial (note 3)	6,259	-
<b>Total current liabilities</b>	<b>127,114</b>	<b>50,041</b>
<b>Long-term liabilities</b>		
Equipment lease - Southstate Bank (note 4)	53,758	-
Long-term loan - KLC financial (note 3)	-	15,647
LEAF Capital Funding (note 4)	14,443	-
<b>Total long term liabilities</b>	<b>68,201</b>	<b>15,647</b>
<b>Total liabilities</b>	<b>195,315</b>	<b>65,688</b>
<b>Members' Equity</b>	<b>(32,830)</b>	<b>11,705</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 162,485</b>	<b>\$ 77,393</b>

See Independent accountant's review report and the notes to these financial statements

**Portrait Coffee LLC**  
**Statement of Income**  
For the Years ending December 31, 2022 and December 31, 2021

<b>Income:</b>	<b>For Year Ending</b>	
	<b>12/31/22</b>	<b>12/31/21</b>
Wholesale sales	\$ 892,963	\$ 48,449
Retail sales	<u>406,143</u>	<u>777,099</u>
<b>Total sales</b>	<b>1,299,106</b>	<b>825,548</b>
Less cost of sales	<u>(695,639)</u>	<u>(467,873)</u>
<b>Gross Profit</b>	<b>603,467</b>	<b>357,675</b>
<b>Expenses:</b>		
Payroll & payroll expenses	431,322	238,398
Advertising and marketing	46,659	19,143
Rent	27,946	12,126
Merchant account fees	26,687	-
Subscription services	22,170	14,114
Other Operating Expenses	<u>82,252</u>	<u>89,865</u>
<b>Total Expenses</b>	<b>637,036</b>	<b>373,646</b>
<b>Net loss before depreciation and other items</b>	<b><u>(33,569)</u></b>	<b><u>(15,971)</u></b>
Depreciation expense (note 2)	(23,765)	(9,510)
<b>Other income and losses:</b>		
Grant income & other miscellaneous income	21,176	-
Interest expense	<u>(8,377)</u>	<u>(3,646)</u>
<b>Net Loss</b>	<b><u>\$ (44,535)</u></b>	<b><u>\$ (29,127)</u></b>

See Independent Accountant's review report and notes to these financial statements

**Portrait Coffee LLC**  
**Statement of Members' Equity**  
**For the Years ending December 31, 2022 and December 31, 2021**

Members' Equity as of January 1, 2021	\$ 40,062
Less net loss for the year ending December 31, 2021	<u>(29,127)</u>
Members' Equity as of December 31, 2021	11,705
Less net loss for the year ending December 31, 2022	<u>(44,535)</u>
Members' Equity as of December 31, 2022	<u>\$ (32,830)</u>

See Independent accountant's review report and the notes to these financial statements

**Portrait Coffee LLC**  
**Statement of Cash Flows**  
For the Years ending December 31, 2022 and December 31, 2021

	For Year Ending	
	12/31/2022	12/31/2021
<b>Operating Activities</b>		
Net income	\$ (44,535)	\$ (29,127)
Plus net increases in current assets and liabilities	44,013	32,705
Net Cash Provided By Operating Activities	(522)	3,578
<b>Investing Activities</b>		
Purchase of furniture and fixtures	(8,200)	
Purchase of roasting equipment	(46,752)	(8,213)
Decrease in prepaid interest	(3,112)	(858)
Net Cash Provided by Investing Activities	(58,064)	(9,071)
<b>Financing Activities</b>		
Increase in short and long-term liabilities	58,813	567
Net Cash Increase for Period	227	(4,926)
Cash at January 1, 2022/January 1, 2021	32,288	37,214
Cash at December 31, 2022/December 31, 2021	\$ 32,515	\$ 32,288

See Independent accountant's review report and the notes to these financial statements

**Portrait Coffee LLC**  
**Notes to Financial Statements**  
**For the Year Ending December 31, 2022 and December 31, 2021**

**1) Nature of Organization**

Portrait Coffee LLC ("Portrait") is a limited liability company formed in Georgia on July 24, 2019. Portrait is a coffee manufacturing business based in Atlanta, Georgia. Portrait sells coffee through wholesale distribution and e-commerce sales.

**2) Summary of Significant Accounting Policies**

The summary of significant accounting policies is presented to assist in understanding Portrait's financial statements. The financial statements and notes are the representation's of Portrait's management who are responsible for their integrity and objectivity.

**Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting.

**Cash & Cash Equivalents**

All cash on the statement of financial position as of December 31, 2022 and December 31, 2021 is considered to be highly liquid.

**Depreciation**

Depreciation is computed using the straight-line method over the expected useful lives of the assets.

**3) Short-term loans payable**

Portrait received a loan from Shopify. The loan was received on December 2, 2022. The loan is repaid by 10% of Shopify sales. It is expected that this loan will be repaid within twelve months.

A financing with KLC Financial is maturing on July 15, 2023. Monthly payments of \$782.36 are due until August 20, 2023.

**4) Long-term liabilities**

Portrait has these long-term liabilities as of December 31, 2022. All represent financing for the acquisition of fixed assets.

Southstate Bank: Monthly payments of \$839.42 are due until the loan matures on January 21, 2029.

LEAF Capital Funding: Monthly payments of \$390.34 are due until the loan matures on January 26, 2026.