

Stay. Social Tap & Table LLC

Financial Statements

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December 31, 2020



1221 George C. Wilson Drive • Augusta, Georgia 30909 • Telephone (706) 855-7733 • Fax (706) 855-7635 • [www.HallMurphycpas.com](http://www.HallMurphycpas.com)

February 3, 2021

### **Independent Accountant's Compilation Report**

Stay. Social Tap & Table, LLC  
1131 Brighton Drive  
Evans, GA 30809

Management is responsible for the accompanying financial statements of Stay. Social Tap & Table LLC (a S corporation), which comprise the balance sheet - income tax basis as of December 31, 2020 and the related income statement - income tax basis for the one month and twelve month(s) then ended, in accordance with the income tax basis of accounting, and for determining that the income tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA.

We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the income tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenue and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Hall, Murphy & Associates, P.C.*  
Certified Public Accountants

Stay. Social Tap & Bar, LLC  
Balance Sheet - Income Tax Basis  
December 31, 2020

**Assets**

**Current Assets**

<i>Business Checking</i>	\$ 10,113
<i>Due from CC Processors</i>	5,259
<i>Inventory Asset</i>	15,205

**TOTAL Current Assets**

\$ 30,576

**Fixed Assets**

<i>Furniture and Equipment</i>	203,316
<i>Leasehold Improvements</i>	247,987
<i>Accumulated Depreciation</i>	(20,387)

**Net Fixed Assets**

430,915

**Other Assets**

<i>Start-up Costs</i>	14,110
<i>Accumulated Amortization</i>	(392)

**TOTAL Other Assets**

13,718

**TOTAL Assets**

\$ 475,209

See Attached Compilation Report

Stay. Social Tap & Bar, LLC  
Balance Sheet - Income Tax Basis  
December 31, 2020

Liabilities & Equity

**Current Liabilities**

Accounts Payable	\$	14,679
QNBT Contruction Loan ST		22,101
Payroll Liabilities		2,935
Employee Tips Payable		5,132
Gift Cert. Liability		3,935
Sales Tax Payable		2,029

<b>TOTAL Current Liabilities</b>		\$	50,811
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**Long Term Liabilities**

QNBT Construction Loan LT	227,382
N/P - Columbia Co Dev Aut	37,975
N/P - Shareholder	186,197

<b>TOTAL Long Term Liabilities</b>	451,555
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**Stockholders' Equity**

Common Stock	500
Current Earnings	(27,656)

<b>TOTAL Stockholders' Equity</b>	(27,156)
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<b>TOTAL Liabilities &amp; Equity</b>	\$	475,209
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See Attached Compilation Report

Stay. Social Tap & Bar, LLC  
Balance Sheet - Income Tax Basis  
Subsidiary Schedule  
December 31, 2020

**Inventory Asset**

<i>Alcohol Inventory</i>	\$ 4,554
<i>Coffee Inventory</i>	793
<i>Food Inventory</i>	5,529
<i>Merchandise Inventory</i>	2,870
<i>Supplies Inventory</i>	1,459

**TOTAL Inventory Asset**

\$ 15,205
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See Attached Compilation Report

**Stay. Social Tap & Bar, LLC**  
**Income Statement - Income Tax Basis**  
**For The Twelve Months Ended December 31, 2020**

	<u>Current</u>		<u>Year to Date</u>	
	<u>Actual</u>	<u>Percent</u>	<u>Actual</u>	<u>Percent</u>
<b>Sales</b>				
Alcohol Sales	\$ 29,549	61.6	\$ 194,109	52.6
Food Sales	20,235	42.2	162,270	43.9
Merchandise Sales	770	1.6	3,497	0.9
Sponsorship Contrib.			25,950	7.0
Refunds	(251)	(0.5)	(658)	(0.2)
Discounts & Comps	(2,300)	(4.8)	(15,848)	(4.3)
<b>* TOTAL Sales</b>	<b>48,003</b>	<b>100.0</b>	<b>369,321</b>	<b>100.0</b>
<b>Cost of Goods Sold</b>				
Food COGS	19,100	39.8	114,059	30.9
Alcohol COGS	2,120	4.4	53,710	14.5
Merchandise COGS			8,107	2.2
Merchant Account Fees	1,197	2.5	11,357	3.1
Restaurant Supplies	3,166	6.6	15,925	4.3
Sponsorship Marketing			8,074	2.2
Sponsorship Market Comm			2,700	0.7
Inventory Adjustment	9,861	20.5	(15,205)	(4.1)
<b>* TOTAL Cost of Goods Sold</b>	<b>35,445</b>	<b>73.8</b>	<b>198,726</b>	<b>53.8</b>
<b>* Gross Profit</b>	<b>12,558</b>	<b>26.2</b>	<b>170,594</b>	<b>46.2</b>
<b>Operating Expenses</b>				
Advertising and Promotion	500	1.0	3,902	1.1
Amortization	78	0.2	392	0.1
Bank Charges & Fees			514	0.1
Business Licenses/Permits	100	0.2	4,619	1.3
Charitable Contributions			730	0.2
CO2	330	0.7	1,499	0.4
Computer & Internet	900	1.9	3,764	1.0
Depreciation	6,939	14.5	20,387	5.5
Insurance Expense	1,081	2.3	11,535	3.1
Interest Expense	1,176	2.5	8,214	2.2
Music and Entertainment			2,335	0.6
Office Supplies	22	0.0	2,587	0.7
Payroll Expenses	23,982	50.0	148,377	40.2
Postage and Delivery			19	0.0
Printing and Reproduction			541	0.1
Professional Fees	5,000	10.4	9,110	2.5
Rent Expense	5,495	11.4	28,718	7.8
Repairs and Maintenance	831	1.7	9,593	2.6
Taxes	190	0.4	190	0.1
Utilities	1,222	2.5	3,731	1.0
<b>* TOTAL Operating Expenses</b>	<b>47,847</b>	<b>99.7</b>	<b>260,756</b>	<b>70.6</b>
<b>* Net Operating Income (Loss)</b>	<b>(35,289)</b>	<b>(73.5)</b>	<b>(90,162)</b>	<b>(24.4)</b>

See Attached Compilation Report

Stay. Social Tap & Bar, LLC  
Income Statement - Income Tax Basis  
For The Twelve Months Ended December 31, 2020

	Current		Year to Date	
	Actual		Actual	
	Percent		Percent	
<b>Other Income (Expense)</b>				
<i>Vendor Compensation</i>	63	0.1	481	0.1
<i>Columbia Co Dev Aut Grant</i>	62,025	129.2	62,025	16.8
<b>* TOTAL Other Income (Expense)</b>	62,088	129.3	62,506	16.9
<b>* Income (Loss) Before Inc Tax</b>	26,799	55.8	(27,656)	(7.5)
<i>Subchapter S Corporation</i>				
<b>* Net Income (Loss)</b>	\$ 26,799	55.8	\$ (27,656)	(7.5)

See Attached Compilation Report

**Stay. Social Tap & Bar, LLC**  
**Income Statement - Income Tax Basis**  
**Subsidiary Schedule**  
**For The Twelve Months Ended December 31, 2020**

	<u>Current</u>		<u>Year to Date</u>	
	<u>Actual</u>	<u>Percent</u>	<u>Actual</u>	<u>Percent</u>
<b>Alcohol Sales</b>				
Beer/Wine Sales	\$ 29,549	61.6	\$ 194,109	52.6
<b>* TOTAL Alcohol Sales</b>	<u>\$ 29,549</u>	<u>61.6</u>	<u>\$ 194,109</u>	<u>52.6</u>
<b>Food Sales</b>				
Coffee/Kombucha Sales	\$ 1,818	3.8	\$ 5,378	1.5
Sinless Sweets - In House			23,599	6.4
Sinless Sweets - Online			15,205	4.1
Chefs Fare Sales	1,003	2.1	8,416	2.3
Tapas Sales	17,414	36.3	109,672	29.7
<b>* TOTAL Food Sales</b>	<u>\$ 20,235</u>	<u>42.2</u>	<u>\$ 162,270</u>	<u>43.9</u>
<b>Merchandise Sales</b>				
Merchandise Sales	\$ 770	1.6	\$ 3,497	0.9
<b>* TOTAL Merchandise Sales</b>	<u>\$ 770</u>	<u>1.6</u>	<u>\$ 3,497</u>	<u>0.9</u>
<b>Sponsorship Contrib.</b>				
Cornhole Boards			\$ 3,750	1.0
Keeper Cups			6,000	1.6
Pint Glasses			3,500	0.9
Tap Handle			11,200	3.0
Sponsorship-Tables			1,500	0.4
<b>* TOTAL Sponsorship Contrib.</b>	<u>\$ 0</u>	<u>0.0</u>	<u>\$ 25,950</u>	<u>7.0</u>
<b>Food COGS</b>				
Coffee/Kombucha COGS	\$ 159	0.3	\$ 2,049	0.6
Sinless Sweets COGS	1,697	3.5	20,714	5.6
Sinless Sweets Merch Fees	687	1.4	687	0.2
S. Sweets Profit Share	1,355	2.8	14,006	3.8
Chefs Fare COGS	968	2.0	7,741	2.1
Chefs Fare Profit Share	3,423	7.1	6,008	1.6
Tapas COGS	10,811	22.5	62,854	17.0
<b>* TOTAL Food COGS</b>	<u>\$ 19,100</u>	<u>39.8</u>	<u>\$ 114,059</u>	<u>30.9</u>
<b>Alcohol COGS</b>				
Beer/Wine COGS	\$ 2,120	4.4	\$ 53,710	14.5
<b>* TOTAL Alcohol COGS</b>	<u>\$ 2,120</u>	<u>4.4</u>	<u>\$ 53,710</u>	<u>14.5</u>

See Attached Compilation Report



Stay. Social Tap & Bar, LLC  
Income Statement - Income Tax Basis  
Subsidiary Schedule  
For The Twelve Months Ended December 31, 2020

	Current		Year to Date	
	Actual	Percent	Actual	Percent
<b>Insurance Expense</b>				
<i>General Liability</i>	\$ 886	1.8	\$ 6,415	1.7
<i>Health Insurance</i>			3,691	1.0
<i>Worker's Compensation</i>	194	0.4	1,429	0.4
<b>* TOTAL Insurance Expense</b>	<b>\$ 1,081</b>	<b>2.3</b>	<b>\$ 11,535</b>	<b>3.1</b>
<b>Payroll Expenses</b>				
<i>Salaries and Wages</i>	\$ 21,295	44.4	\$ 134,466	36.4
<i>Employee Benefits</i>			30	0.0
<i>Payroll Taxes</i>	2,687	5.6	13,880	3.8
<b>* TOTAL Payroll Expenses</b>	<b>\$ 23,982</b>	<b>50.0</b>	<b>\$ 148,377</b>	<b>40.2</b>
<b>Repairs and Maintenance</b>				
<i>Pest Control</i>	\$ 136	0.3	\$ 544	0.1
<i>General Repairs &amp; Maint.</i>	695	1.4	9,048	2.5
<b>* TOTAL Repairs and Maintenance</b>	<b>\$ 831</b>	<b>1.7</b>	<b>\$ 9,593</b>	<b>2.6</b>

See Attached Compilation Report