

# Management Report

Cal-X Stars Business Accelerator, Inc. DBA Leonhardt's Launchpads  
For the period ended June 30, 2021

Prepared by

**LedgerGurus**

Prepared on

**July 15, 2021**

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## Accountant's Letter

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Dear Howard and Cal-X Board of Directors,

We have prepared your financial statements for the period ending June 30, 2021. These financials do not constitute a compilation, review, or audit of your financial statements. They were prepared to the best of our ability given the information we were given. Please review these reports carefully and let me know of any questions, concerns, or suggestions you have.

Total expenses in June were \$101,000, with a YTD total of \$457,000. This reflects an increase of 15% over last year. Other areas to highlight include:

- One investment was received in June for \$45,000.
- Health Insurance expense has increased with the addition of Jorge Genovese in May.
- Orange County office rent is the expense for the business usage of Howard Leonhardt's personal home. Under the current employment agreement, a maximum of 30% of the total rent can be paid by Cal-X. This amount is \$2490.
- Ending cash balance in June was \$37,000.
- The balance Due to Second Heart is \$238,000 at the end of June.
- The balance Due from Leonhardt Launchpads Utah is \$194,000.

Please review these financials carefully and let us know of any concerns. Please don't hesitate to reach out if there is anything else we can do for you. Thank you so much for working with us!

Sincerely,

Kim and Natalie  
LedgerGurus

# Profit and Loss

June 2021

	<b>Total</b>
<b>INCOME</b>	
<b>Total Income</b>	
<b>GROSS PROFIT</b>	<b>0.00</b>
<b>EXPENSES</b>	
4000 Research and Development	
4050 Wages	30,382.01
4100 Payroll Taxes	2,409.99
4150 Health Insurance	4,918.95
4200 Contract Labor	8,917.50
4250 Research Materials	20,016.75
4315 Prod & Dev Professional Fees	405.47
<b>Total 4000 Research and Development</b>	<b>67,050.67</b>
4400 Facility	
4550 CA Lab Rent	1,400.00
4600 Orange County Office Rent	2,490.00
4700 Storage	150.00
4750 Utilities	509.44
<b>Total 4400 Facility</b>	<b>4,549.44</b>
4800 General & Administrative	
4810 Auto Expense	
4811 Fuel	217.88
4816 Auto-Other	931.80
<b>Total 4810 Auto Expense</b>	<b>1,149.68</b>
4820 Bank Charges	25.00
4840 Dues and Subscriptions	361.07
4860 Meals 50% deductible	512.25
4870 Travel Expense	2,895.43
4880 Accounting	4,681.30
4890 Insurance	3,719.30
4900 Legal-Corporate	1,113.84
4910 Legal-IP Related	9,201.13
4920 Marketing	4,885.00
4930 Office Expense	79.64
4940 Payroll Processing Fees	192.90
4950 Postage & Shipping	481.96
<b>Total 4800 General &amp; Administrative</b>	<b>29,298.50</b>
<b>Total Expenses</b>	<b>100,898.61</b>
<b>NET OPERATING INCOME</b>	<b>-100,898.61</b>
<b>OTHER EXPENSES</b>	
5000 Interest Expense	15,306.64
5300 Depreciation Expense	62.35
<b>Total Other Expenses</b>	<b>15,368.99</b>

	<b>Total</b>
NET OTHER INCOME	<b>-15,368.99</b>
NET INCOME	<b>\$ -116,267.60</b>

# Balance Sheet

As of June 30, 2021

	Total
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
1000 BUSINESS CHECKING (7321)	37,400.52
1005 Cal-X (8297)	500.00
1010 Cal-X Checking (7981)	1,000.00
<b>Total Bank Accounts</b>	<b>38,900.52</b>
<b>Total Current Assets</b>	<b>38,900.52</b>
<b>Fixed Assets</b>	
1500 Computer Assets	2,244.72
1575 Accumulated Depreciation	-1,683.57
<b>Total Fixed Assets</b>	<b>561.15</b>
<b>Other Assets</b>	
1600 Intellectual Property	2,000,000.00
1650 Loan to Shareholder	47,000.00
1700 Due from/(Due to) Leonhardt's Launchpads-Utah	193,669.76
1750 Due from/(Due to) Second Heart Assist	-237,637.39
1775 Due From (Due To) Orthodonticell	2,466.25
1780 Due From (Due To) Board Director	70,000.00
<b>Total Other Assets</b>	<b>2,075,498.62</b>
<b>TOTAL ASSETS</b>	<b>\$2,114,960.29</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 Accounts Payable (A/P)	141,261.22
<b>Total Accounts Payable</b>	<b>141,261.22</b>
<b>Credit Cards</b>	
2050 Divvy Credit Card	-2,847.47
<b>Total Credit Cards</b>	<b>-2,847.47</b>
<b>Other Current Liabilities</b>	
2150 Accrued Expenses - Payroll	1,932.34
2155 Accrued Expense - Hlth Insurance	2,773.80
<b>Total Other Current Liabilities</b>	<b>4,706.14</b>
<b>Total Current Liabilities</b>	<b>143,119.89</b>
<b>Long-Term Liabilities</b>	
2200 Accrued Wages - H Leonhardt	758,333.32
2250 Accrued Interest-Wages-H Leonhardt	341,250.02
2300 Loan Payable to H Leonhardt	1,527,934.50
2350 Accrued Interest-Loan Payable tol H Leonhardt Loan	639,124.40
2500 SBA PPP Loan	44,400.00

	<b>Total</b>
2550 Accrued Interest-SBA PPP Loan	515.76
<b>Total Long-Term Liabilities</b>	<b>3,311,558.00</b>
<b>Total Liabilities</b>	<b>3,454,677.89</b>
<b>Equity</b>	
3000 Common Stock	3,134,630.00
3100 Retained Earnings	-3,923,889.94
Net Income	-550,457.66
<b>Total Equity</b>	<b>-1,339,717.60</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$2,114,960.29</b>

# Profit and Loss % Chg YoY

January - June, 2021

	Jan - Jun, 2021	Jan - Jun, 2020 (PY)	Change	Total % Change
<b>INCOME</b>				
<b>Total Income</b>			<b>0.00</b>	<b>0.00%</b>
<b>GROSS PROFIT</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>EXPENSES</b>				
4000 Research and Development				
4050 Wages	116,288.74	76,033.30	40,255.44	52.94 %
4100 Payroll Taxes	9,738.23	5,044.21	4,694.02	93.06 %
4150 Health Insurance	18,499.98	5,758.82	12,741.16	221.25 %
4200 Contract Labor	56,543.89	85,615.99	-29,072.10	-33.96 %
4250 Research Materials	49,982.24	34,058.98	15,923.26	46.75 %
4300 R&D - Other		5,086.86	-5,086.86	-100.00 %
4305 Clinical R&D	4,000.00		4,000.00	
4315 Prod & Dev Professional Fees	3,405.47		3,405.47	
<b>Total 4000 Research and Development</b>	<b>258,458.55</b>	<b>211,598.16</b>	<b>46,860.39</b>	<b>22.15 %</b>
4400 Facility				
4450 Amsterdam Office Rent	396.18		396.18	
4500 BioLabs - Torrance CA		300.00	-300.00	-100.00 %
4550 CA Lab Rent	6,825.00	1,100.00	5,725.00	520.45 %
4600 Orange County Office Rent	25,370.00	4,353.32	21,016.68	482.77 %
4650 Rent-Other		1,690.50	-1,690.50	-100.00 %
4700 Storage	900.00	468.00	432.00	92.31 %
4750 Utilities	2,235.55	1,841.96	393.59	21.37 %
<b>Total 4400 Facility</b>	<b>35,726.73</b>	<b>9,753.78</b>	<b>25,972.95</b>	<b>266.29 %</b>
4800 General & Administrative				
4810 Auto Expense				
4811 Fuel	1,605.95	1,132.27	473.68	41.83 %
4812 Auto Repair & Maintenance	309.16		309.16	
4813 Parking & Tolls	2,671.53	26.55	2,644.98	9,962.26 %
4814 Registration	476.87	51.29	425.58	829.75 %
4816 Auto-Other	1,126.79	415.53	711.26	171.17 %
<b>Total 4810 Auto Expense</b>	<b>6,190.30</b>	<b>1,625.64</b>	<b>4,564.66</b>	<b>280.79 %</b>
4820 Bank Charges	268.51	376.65	-108.14	-28.71 %
4830 Charitable Contributions		95.00	-95.00	-100.00 %
4840 Dues and Subscriptions	5,983.45	4,639.95	1,343.50	28.96 %
4850 Entertainment	590.80	427.05	163.75	38.34 %
4860 Meals 50% deductible	2,882.51	3,711.80	-829.29	-22.34 %
4870 Travel Expense	5,088.28	6,447.54	-1,359.26	-21.08 %
4880 Accounting	22,012.51	8,836.28	13,176.23	149.12 %
4890 Insurance	12,505.58	6,284.50	6,221.08	98.99 %
4900 Legal-Corporate	27,096.57	35,586.51	-8,489.94	-23.86 %
4910 Legal-IP Related	29,683.13	47,710.70	-18,027.57	-37.79 %



	Total			
	Jan - Jun, 2021	Jan - Jun, 2020 (PY)	Change	% Change
4915 Licenses & Taxes	1,275.14	27.00	1,248.14	4,622.74 %
4920 Marketing	39,033.00	20,373.00	18,660.00	91.59 %
4930 Office Expense	985.50	127.32	858.18	674.03 %
4940 Payroll Processing Fees	1,125.45	486.45	639.00	131.36 %
4950 Postage & Shipping	7,697.49	4,965.69	2,731.80	55.01 %
<b>Total 4800 General &amp; Administrative</b>	<b>162,418.22</b>	<b>141,721.08</b>	<b>20,697.14</b>	<b>14.60 %</b>
Taxes Paid	800.00		800.00	
<b>Total Expenses</b>	<b>457,403.50</b>	<b>363,073.02</b>	<b>94,330.48</b>	<b>25.98 %</b>
<b>NET OPERATING INCOME</b>	<b>-457,403.50</b>	<b>-363,073.02</b>	<b>-94,330.48</b>	<b>-25.98 %</b>
<b>OTHER EXPENSES</b>				
5000 Interest Expense	92,680.06	137,495.85	-44,815.79	-32.59 %
5300 Depreciation Expense	374.10	374.10	0.00	0.00 %
<b>Total Other Expenses</b>	<b>93,054.16</b>	<b>137,869.95</b>	<b>-44,815.79</b>	<b>-32.51 %</b>
<b>NET OTHER INCOME</b>	<b>-93,054.16</b>	<b>-137,869.95</b>	<b>44,815.79</b>	<b>32.51 %</b>
<b>NET INCOME</b>	<b>\$ -550,457.66</b>	<b>\$ -500,942.97</b>	<b>\$ -49,514.69</b>	<b>-9.88 %</b>

# Common Stock

June 2021

Date	Transaction Type	Name	Account	Amount
<b>3000 Common Stock</b>				
	Beginning Balance			
06/28/2021	Deposit	Griffith Family Fund	3000 Common Stock	45,000.00
<b>Total for 3000 Common Stock</b>				<b>\$45,000.00</b>
<b>TOTAL</b>				<b>\$45,000.00</b>

# A/P Aging Summary

As of June 30, 2021

	<b>Current</b>	<b>1 - 30</b>	<b>31 - 60</b>	<b>61 - 90</b>	<b>91 and over</b>	<b>Total</b>
Alexander Valley Cellars, LLC	375.00					375.00
Cory Kann					3,300.00	3,300.00
Methven & Associates Corp	1,113.84	2,664.84	9,062.68		69,221.45	82,062.81
Mettler Electronics	2,400.00					2,400.00
Ortiz and Lopez LLC	1,250.00					1,250.00
Rebecca Avila		1,234.00				1,234.00
TraskBritt		15,144.13	-2,231.33		35,076.61	47,989.41
University Lab Partners	-1,350.00					-1,350.00
Utah Stem Cells				4,000.00		4,000.00
<b>TOTAL</b>	<b>\$3,788.84</b>	<b>\$19,042.97</b>	<b>\$6,831.35</b>	<b>\$4,000.00</b>	<b>\$107,598.06</b>	<b>\$141,261.22</b>