



**GC PLUS INC.**  
FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2021  
AND 2020

WITH INDEPENDENT ACCOUNTANT'S REVIEW REPORT

# TABLE OF CONTENTS

<b>Independent Accountant's Review Report</b> .....	<b>2</b>
<b>Balance Sheets</b> .....	<b>3</b>
<b>Statements of Income</b> .....	<b>4</b>
<b>Statements of Equity</b> .....	<b>5</b>
<b>Statements of Cash Flows</b> .....	<b>6</b>
<b>Notes to the Financial Statements</b> .....	<b>7</b>



## *Belle Business Services*

*Certified Public Accountants*

### **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors  
GC Plus Inc.  
Wilmington, Delaware

We have reviewed the accompanying financial statements of GC Plus Inc., which comprise the balance sheets as of December 31, 2021, and 2020, and the related statements of income, statements of equity and statements of 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 taken as a whole. Accordingly, we do not express such an opinion.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement whether due to fraud or error.

#### ***Accountant's Responsibility***

Our 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 us to perform procedures to obtain limited assurance as a basis for reporting whether we are 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. We believe that the results of our procedures provide a reasonable basis for our conclusion. We are required to be independent of GC Plus Inc. and to meet our ethical responsibilities, in accordance with relevant ethical requirements related to our review.

#### ***Accountant's Conclusion***

Based on our review, we are not aware of any material modification that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

#### ***Going Concern***

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 5, certain conditions raise an uncertainty about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

*Belle Business Services, LLC*

Belle Business Services, LLC

August 10, 2022

275 HILL STREET, SUITE 260 • RENO, NV 89501 • 775.525.ITAX (1829) • WWW.BELLECPA

**GC PLUS INC.**  
**BALANCE SHEETS**  
**DECEMBER 31, 2021 AND 2020**  
(unaudited)

**ASSETS**

	<b>2021</b>	<b>2020</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 37	N/A
TOTAL CURRENT ASSETS	37	N/A
<b>OTHER ASSETS</b>		
Software development costs	177,840	N/A
<b>TOTAL ASSETS</b>	\$ 177,877	N/A

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ -	N/A
TOTAL CURRENT LIABILITIES	-	N/A
<b>LONG-TERM LIABILITIES</b>		
Warrant liability	6	N/A
TOTAL LONG-TERM LIABILITIES	6	N/A
<b>TOTAL LIABILITIES</b>	6	N/A
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, see note 4	78	N/A
Additional paid-in capital	341,184	N/A
Accumulated deficit	(163,391)	N/A
TOTAL SHAREHOLDERS' EQUITY	177,871	N/A
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	\$ 177,877	N/A

See independent accountant's review report and accompanying notes to financial statements.

**GC PLUS INC.**  
**STATEMENTS OF INCOME**  
**DECEMBER 31, 2021 AND 2020**  
(unaudited)

	<u>2021</u>	<u>2020</u>
<b>REVENUES</b>	\$ 20,000	N/A
<b>COST OF GOODS SOLD</b>	<u>11,150</u>	<u>N/A</u>
<b>GROSS PROFIT</b>	8,850	N/A
<b>OPERATING EXPENSES</b>		
Amortization expense	2,160	N/A
General and administrative	16,075	N/A
Sales and marketing	<u>154,000</u>	<u>N/A</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>172,235</u>	<u>N/A</u>
<b>NET OPERATING LOSS</b>	<u>(163,385)</u>	<u>N/A</u>
<b>OTHER INCOME/(EXPENSES)</b>		
Loss on issuance of warrants	<u>(6)</u>	<u>N/A</u>
<b>TOTAL OTHER INCOME/(EXPENSES)</b>	<u>(6)</u>	<u>N/A</u>
<b>NET LOSS</b>	<u>\$ (163,391)</u>	<u>N/A</u>

See independent accountant's review report and accompanying notes to financial statements.

**GC PLUS INC.**  
**STATEMENTS OF EQUITY**  
**DECEMBER 31, 2021 AND 2020**  
(unaudited)

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Retained Earnings (Accumulated Deficit)</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>			
<b>BEGINNING BALANCE, JANUARY 1, 2020</b>	N/A	N/A	N/A	N/A	N/A
Net income	N/A	N/A	N/A	N/A	N/A
<b>ENDING BALANCE, DECEMBER 31, 2020</b>	-	\$ -	\$ -	\$ -	\$ -
Issuance of common stock	7,800,000	78	341,184	-	\$ 341,262
Distributions	-	-	-	-	\$ -
Net loss	-	-	-	(163,391)	\$ (163,391)
<b>ENDING BALANCE, DECEMBER 31, 2021</b>	<b><u>7,800,000</u></b>	<b><u>\$ 78</u></b>	<b><u>\$ 341,184</u></b>	<b><u>\$ (163,391)</u></b>	<b><u>\$ 177,871</u></b>

See independent accountant's review report and accompanying notes to financial statements.

**GC PLUS INC.**  
**STATEMENTS OF CASH FLOWS**  
**DECEMBER 31, 2021 AND 2020**  
**(unaudited)**

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (163,391)	N/A
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization expense	2,160	N/A
Loss on issuance of warrants	6	N/A
Increase (decrease) in liabilities:		
Accounts payable	-	N/A
<b>CASH USED FOR OPERATING ACTIVITIES</b>	<b>(161,225)</b>	<b>N/A</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash used for software development	(180,000)	N/A
<b>CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES</b>	<b>(180,000)</b>	<b>N/A</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of common stock	341,262	N/A
Distributions	-	N/A
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>341,262</b>	<b>N/A</b>
<b>NET INCREASE IN CASH</b>	<b>37</b>	<b>N/A</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>-</b>	<b>N/A</b>
<b>CASH AT END OF YEAR</b>	<b>\$ 37</b>	<b>N/A</b>
 <b>CASH PAID DURING THE YEAR FOR:</b>		
<b>INTEREST</b>	<b>\$ -</b>	<b>\$ -</b>
<b>INCOME TAXES</b>	<b>\$ -</b>	<b>\$ -</b>

See independent accountant's review report and accompanying notes to financial statements.

**GC PLUS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**  
**(unaudited)**

**1. Summary of Significant Accounting Policies**

***The Company***

GC Plus Inc. (the "Company") was incorporated in the State of Delaware on June 28, 2021. The Company specializes in a mobile application that connects homeowners and licensed plumbers the ability to connect in a single click. Additionally, the Company's mobile application is available on the Google Play Store and Apple App Store.

***Going Concern***

Since Inception, the Company has relied on funds the sale of common stock to the founders. As of December 31, 2021, the Company will likely incur losses prior to generating positive working capital. These matters raise substantial concern about the Company's ability to continue as a going concern. As of December 31, 2021, the Company is still mostly in the developmental process, with very limited revenue. The Company's ability to continue as a going concern is dependent on the Company's ability to raise short term capital, as well as the Company's ability to generate funds through revenue producing activities.

***Fiscal Year***

The Company operates on a December 31st year-end.

***Basis of Presentation***

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP). In the opinion of management, all adjustments considered necessary for the fair presentation of the financial statements for the years presented have been included.

***Use of Estimates***

The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. These estimates are subjective in nature and involve judgments that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at fiscal year-end. Actual results could differ from those estimates.

***Cash and Cash Equivalents***

The Company considers all highly liquid financial instruments purchased with maturities of three months or less to be cash equivalents. As of December 31, 2021, and 2020, the Company held no cash equivalents.

***Risks and Uncertainties***

The Company has a limited operating history. The Company's business and operations are sensitive to general business and economic conditions in the United States. A host of factors beyond the Company's control could cause fluctuations in these conditions.

The Coronavirus Disease of 2019 (COVID-19) has recently affected global markets, supply chains, employees of companies, and our communities. Specific to the Company, COVID-19 may impact various parts of its 2022 operations and financial results including shelter in place orders, material supply chain interruption, economic hardships affecting funding for the Company's operations, and affects the Company's workforce. Management believes the Company is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of December 31, 2021.

*See independent accountant's review report.*

**GC PLUS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**  
**(unaudited)**

**1. Summary of Significant Accounting Policies (continued)**

***Accounts Receivable***

The Company's trade receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value.

The Company evaluates the collectability of accounts receivable on a customer-by-customer basis. The Company records a reserve for bad debts against amounts due to reduce the net recognized receivable to an amount the Company believes will be reasonably collected. The reserve is a discretionary amount determined from the analysis of the aging of the accounts receivables, historical experience and knowledge of specific customers. As of December 31, 2021, and 2020, the Company had no accounts receivable.

***Software Development Costs***

In compliance with ASC 350-50, Accounting for Costs of Computer Software Development and ASC 985-20, Costs of Software to be Sold, Leased or Marketed, in the future, the Company will capitalize and carry forward as assets, the costs to develop the GC Plus platform. Research is the planned efforts of a company to discover new information that will help create a new product or service. Such costs are expensed. Development takes the findings generated by research and formulates a plan to create the desired platform. The Company applies the GAAP capitalization requirements of the "waterfall" approach which includes a specific sequential order of Plan, Design, Coding/development, Testing and Software release.

The Company monetizes and forecasts the revenues from the internally developed software and amortize the aggregate costs of the developmental software asset over the forecasted revenue stream; a matching of the revenue and costs, using the straight-line method, based on estimated useful lives of the asset. Maintenance of the platform will be expensed. The Company began amortizing the costs of the software in 2021 and recorded \$2,160 in amortization expense during the year ending December 31, 2021.

The Company reviews the carrying value of intangible personal property for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment there was no impairment for December 31, 2021, and 2020.

***Income Taxes***

The Company has elected to be treated as an S Corporation for federal income tax purposes. Pursuant to an election under Subchapter S of the Internal Revenue Code, the Company's earnings are included on the stockholders' personal income tax returns and taxed depending on their personal tax situations. Accordingly, no provision has been made for Federal income taxes.

The Company complies with FASB ASC 740 for accounting for uncertainty in income taxes recognized in a company's financial statements, which prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. FASB ASC

*See independent accountant's review report.*

**GC PLUS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**  
**(unaudited)**

**1. Summary of Significant Accounting Policies (continued)**

***Income Taxes (continued)***

740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Based on the Company's evaluation, it has been concluded that there are no significant uncertain tax positions requiring recognition in the Company's financial statements. The Company believes that its income tax positions would be sustained on audit and does not anticipate any adjustments that would result in a material change to its financial position.

The Company is subject to franchise and income tax filing requirements in the State of Delaware.

***Fair Value of Financial Instruments***

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants as of the measurement date. Applicable accounting guidance provides an established hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors that market participants would use in valuing the asset or liability. There are three levels of inputs that may be used to measure fair value:

**2.**

Level 1                    - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

**3.**

Level 2                    - Include other inputs that are directly or indirectly observable in the marketplace.

Level 3                    - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Fair-value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of Inception. Fair values were assumed to approximate carrying values because of their short term in nature or they are payable on demand.

***Concentrations of Credit Risk***

From time-to-time cash balances, held at a major financial institution may exceed federally insured limits of \$250,000. Management believes that the financial institution is financially sound, and the risk of loss is low.

*See independent accountant's review report.*

**GC PLUS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**  
**(unaudited)**

**1. Summary of Significant Accounting Policies (continued)**

***Revenue Recognition***

The Company adopted Accounting Standards Codification 606, Revenue from Contracts with Customers ("ASC 606"). Revenue is recognized when performance obligations under the terms of the contracts with our customers are satisfied. Prior to the adoption of ASC 606, the Company recognized revenue when persuasive evidence of an arrangement existed, delivery of products had occurred, the sales price was fixed or determinable and collectability was reasonably assured. The Company generates revenues by collecting homeowners and plumbers together through a mobile application. The Company's payments are generally collected upfront. For years ending December 31, 2021, and 2020 the Company recognized \$8,769 and nil in revenue, respectively.

***Stock Compensation Expense***

ASC 718, Compensation – Stock Compensation, prescribes accounting and reporting standards for all share-based payment transactions. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees and non-employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values at the grant date. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, Equity – Based Payments to Non-Employees. Measurement of share-based payment transactions with non-employees is based on the fair grant date FV of equity instruments. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date. Share-based compensation expense for the years ended December 31, 2021, and 2020 was nil.

***Advertising Expenses***

The Company expenses advertising costs as they are incurred.

***Organizational Costs***

In accordance with FASB ASC 720, organizational costs, including accounting fees, legal fee, and costs of incorporation, are expensed as incurred.

***New Accounting Pronouncements***

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In August 2020, the FASB issued ASU 2020 – 06, *Debt, Debt with conversion and other options (Subtopic 470-20) and derivatives and hedging – contracts in an entity's own equity (Subtopic 815-40: Accounting for convertible instruments and contracts in an entity's own equity)*. ASU 2020-06 reduces the number of accounting models for convertible debt instruments and convertible preferred stock. Limiting the accounting models results in fewer embedded conversion features being separately recognized from the host contract as compared with current GAAP. ASU 2020 – 06 is effective for fiscal years beginning after December 15, 2023. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020.

*See independent accountant's review report.*

**GC PLUS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**  
(unaudited)

**1. Summary of Significant Accounting Policies (continued)**

***New Accounting Pronouncements (continued)***

In August 2018, amendments to existing accounting guidance were issued through Accounting Standards Update 2018-15 to clarify the accounting for implementation costs for cloud computing arrangements. The amendments specify that existing guidance for capitalizing implementation costs incurred to develop or obtain internal-use software also applies to implementation costs incurred in a hosting arrangement that is a service contract. The guidance is effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021, and early application is permitted. The adoption of ASU 2018-15 had no material impact on the Company's financial statements and related disclosures.

**2. Commitments and Contingencies**

The Company is not currently involved with and does not know of any pending or threatening litigation against the Company or its members.

**3. Warrant Liability**

During 2021, the Company issued 600,000 warrants to an advisor. The warrants entitle the holder to purchase one share of common stock at an exercise price equal to \$0.00001 per share at any time on or after the "Initial Exercise Date" and on or prior to the close of business on June 28, 2031 (the "Termination Date"). The Company determined that these warrants are free standing financial instruments that are legally detachable and separately exercisable from the common stock included in the public share offering. Management also determined that the warrants are callable for cash upon a fundamental transaction at the option of the holder and as such required classification as a liability pursuant to ASC 480 "Distinguishing Liabilities from Equity". In accordance with the accounting guidance, the outstanding warrants are recognized as a warrant liability on the balance sheet and are measured at their inception date fair value and subsequently re-measured at each reporting period with changes being recorded as a component of other income in the statement of operations.

The fair value of the warrant liabilities was measured using the Black-Scholes model. Significant inputs into the model at the inception and reporting period measurement dates are as follows:

Stock Price	\$	0.00001
Exercise Price	\$	0.00001
Time to Maturity (years)		10
Annual Risk-Free Interest Rate		1.52%
Annualized Volatility		125%
Fair value of warrants	\$	0.00001

The warrants outstanding and fair values at each of the respective valuation dates are summarized below:

	<u>Warrants Outstanding</u>	<u>Fair Value per Share</u>	<u>Fair Value</u>
Fair value at initial measurement date:	600,000	\$ 0.00001	<u>\$ 6</u>
Fair value at December 31, 2021:	600,000		<u><u>\$ 6</u></u>

*See independent accountant's review report.*

**GC PLUS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**  
**(unaudited)**

**3. Warrant Liability (continued)**

As of December 31, 2021, and 2020, the Company recorded a loss of \$6 and nil, respectively, on the issuance of the warrants.

The warrant liabilities are considered Level 3 liabilities on the fair value hierarchy as the determination of fair value includes various assumptions about future activities and the Company's stock prices and historical volatility as inputs. During the years ending December 31, 2021, and 2020, none of the warrants have been exercised.

**4. Equity**

***Common Stock***

Under the articles of incorporation, the total number of common shares of stock that the Corporation shall have authority to issue is 10,000,000 shares, at \$0.00001 par value per share. As of December 31, 2021, and 2020, 7,800,000 and nil shares have been issued and are outstanding, respectively.

***Equity Incentive***

The Company's 2021 Equity Plan (the Plan), which is shareholder approved, permits the grant of share options and shares to its employees, advisors and subcontractors for up to 1,600,000 shares of common stock. The Company believes that such awards better align the interests of its employees, advisors and subcontractors with those of its shareholders. Option awards are generally granted with an exercise price equal to the market price of the Company's stock at the date of grant; those option awards generally vest based on four years of continuous service and have 10-year contractual terms. Certain option and share awards provide for accelerated vesting if there is a change in control, as defined in the Plan. As of December 31, 2021, and 2020, no shares have been issued under the Plan.

**5. Going Concern**

These financial statements are prepared on a going concern basis. The Company registered on June 28, 2021 and has established a presence and operations in the United States. The Company's ability to continue is dependent upon management's plan to raise additional funds and achieve and sustain profitable operations. The financial statements do not include any adjustments that might be necessary if the Company is not able to continue as a going concern.

**6. Subsequent Events**

***Managements Evaluation***

The Company has evaluated subsequent events through August 10, 2022, the date through which the financial statement was available to be issued. It has been determined that no events require additional disclosure.

*See independent accountant's review report.*