

Crowdsolve Collective Inc. (the “Company”) a Delaware Corporation

Financial Statements (unaudited) and
Independent Accountant’s Review Report

Short Year ended December 31, 2021



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Management
Crowdsolve Collective Inc.

We have reviewed the accompanying financial statements of the Company which comprise the statement of financial position as of December 31, 2021, and the related statements of operations, statement of changes in shareholder equity, and statement of cash flows for the short year 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, we 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 controls 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

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.

Accountant's Conclusion

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

Going Concern

As discussed in Note 8, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs.

Vince Mongio, CPA, CIA, CFE, MACC
Miami, FL
November 10, 2022

Vincenzo Mongio

Statement of Financial Position

| | As of December 31, 2021 |
|-------------------------------------|------------------------------------|
| ASSETS | |
| Current Assets | |
| Cash and Cash Equivalents | - |
| TOTAL ASSETS | - |
| LIABILITIES AND EQUITY | |
| TOTAL LIABILITIES | - |
| EQUITY | |
| Paid in Capital | 1,820 |
| Accumulated Deficit | (1,820) |
| Total Equity | - |
| TOTAL LIABILITIES AND EQUITY | - |

Statement of Operations

| | Short Year Ended December 31, 2021 |
|---------------------------------|---|
| Revenue | |
| Cost of Revenue | |
| Gross Profit | - |
| Operating Expenses | |
| General and Administrative | 1,820 |
| Total Operating Expenses | 1,820 |
| Net Income (loss) | (1,820) |

Statement of Cash Flows

| | Short Year Ended December 31, 2021 |
|---|---|
| OPERATING ACTIVITIES | |
| Net Income (Loss) | (1,820) |
| Net Cash provided by (used in) Operating Activities | (1,820) |
| FINANCING ACTIVITIES | |
| Paid in Capital | 1,820 |
| Net Cash provided by (used in) Financing Activities | 1,820 |
| Cash at the beginning of period | - |
| Net Cash increase (decrease) for period | - |
| Cash at end of period | - |

Statement of Changes in Shareholder Equity

| | Common Stock | | | | |
|---------------------------------|---------------------|---------------|------------------|-------------|---|
| | # of Shares | Amount | \$ Amount | APIC | Accumulated Deficit |
| | | | | | Total Shareholder Equity |
| Beginning Balance at 12/23/2021 | - | - | - | - | - |
| Common Stock | 9,000,000 | - | - | - | - |
| Owner Contributions | - | - | 1,820 | - | 1,820 |
| Net Income (Loss) | - | - | - | (1,820) | (1,820) |
| Ending Balance 12/31/2021 | 9,000,000 | - | 1,820 | (1,820) | - |

Crowdsolve Collective Inc.
Notes to the Unaudited Financial Statements
December 31st, 2021
\$USD

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Crowdsolve Collective Inc. was formed in Delaware on December 23rd, 2021. The company plans to earn revenue from climate innovators using the platform to work on their early-stage climate innovation. The Crowdsolve SAAS customers are innovators, partners, and investors. The company is fully remote, with team members primarily located in Denver. The company's customers will be located globally.

The company will conduct a crowdfunding campaign under regulation CF in 2022 into 2023 to raise operating capital.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Our financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Our fiscal year ends on December 31. The Company has no interest in variable interest entities and no predecessor entities.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Fair Value of Financial Instruments

ASC 820 “*Fair Value Measurements and Disclosures*” establishes a three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

These tiers include:

Level 1: defined as observable inputs such as quoted prices in active markets;

Level 2: defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and

Level 3: defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Concentrations of Credit Risks

The Company's financial instruments that are exposed to concentrations of credit risk primarily consist of its cash and cash equivalents. The Company places its cash and cash equivalents with financial institutions of high credit worthiness. The Company's management plans to assess the financial strength and credit worthiness of any parties to which it extends funds, and as such, it believes that any associated credit risk exposures are limited.

Revenue Recognition

The Company recognizes revenue from the sale of products and services in accordance with ASC 606, "Revenue Recognition" following the five steps procedure:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize Revenue When or As Performance Obligations Are Satisfied

The Company will identify and analyze its performance obligations with respect to customer contracts once the first contract is signed.

General and Administrative

General and administrative expenses consist of payroll and related expenses for employees and independent contractors involved in general corporate functions, including accounting, finance, tax, legal, business development, and other miscellaneous expenses.

Equity-Based Compensation

The Company has set aside 1,500,000 shares of Common Stock for distribution through its Equity Incentive Plan. No shares have been granted as of December 31st, 2021. See Note 7 for subsequent issuances.

Income Taxes

The Company is subject to Corporate income and state income taxes in the state it does business.

Recent accounting pronouncements

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Company follows ASC 850, "Related Party Disclosures," for the identification of related parties and disclosure of related party transactions. No transactions require disclosure.

NOTE 4 – CONTINGENCIES, COMPLIANCE WITH LAWS AND REGULATIONS

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations.

NOTE 5 – DEBT

See – “Note 7 – SUBSEQUENT EVENTS”.

NOTE 6 – EQUITY

The Company has authorized 10,500,000 common shares with a par value of \$0.00001 per share. 9,000,000 shares were issued and outstanding as of 2022.

Voting - Each holder of Common Stock will be entitled to one (1) vote for each share of Common Stock held by such holder. Each holder of Common Stock will be entitled to notice of any stockholders’ meeting in accordance with the of the Corporation (the “Bylaws”) (as in effect at the time in question) and applicable law on all matters put to a vote of the stockholders of the Corporation.

Dividends - Dividends are payable at the discretion of the board of directors of the Corporation (the “Board”) at such times and in such amounts as it deems advisable, subject to applicable law.

Liquidation Preference - All outstanding shares of Common Stock will share equally in dividends and in the net assets of the Company upon dissolution or liquidation.

NOTE 7 – SUBSEQUENT EVENTS

The Company has evaluated events subsequent to December 31, 2021, to assess the need for potential recognition or disclosure in this report. Such events were evaluated through November 10, 2022, the date these financial statements were available to be issued.

In 2022, the company granted 1,126,995 stock options, 236,250 of which are pending, and 403,006 shares are remaining in its unallocated options pool.

Simple Agreements for Future Equity (SAFE) - During 2022, the Company entered into numerous SAFE agreements (Simple Agreement for Future Equity), totaling \$135,000, with third parties. The SAFE agreements have no maturity date and bear no interest. The agreements provide the right of the investor to future equity in the Company during a qualified financing or change of control event at an 80% discount. Each agreement is subject to a valuation cap. The valuation cap of the agreements entered into was \$5M.

During 2022, the Company has numerous pending SAFE agreements (Simple Agreement for Future Equity), totaling \$60,000, with third parties. The SAFE agreements have no maturity date and bear no interest. The agreements provide the right of the investor to future equity in the Company during a qualified financing or change of control event at an 80% discount. Each agreement is subject to a valuation cap. The valuation cap of the agreements entered into was \$5M.

NOTE 8 – GOING CONCERN

The accompanying balance sheet has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The entity has not commenced principal operations and will likely realize losses prior to generating positive working capital for an unknown period of time. During the next twelve months, the Company intends to finance its operations with funds from a crowdfunding campaign. The Company’s ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. No assurance can be given that the Company will be successful in these efforts. These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities.

NOTE 9 – RISKS AND UNCERTAINTIES

COVID-19

Since December 31, 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses remains unclear currently. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.