GFD Inc.

general finance and development

"Investing in the Creative Spirit"

Annual Report 2014

OTC Pink Basic Disclosure Guidelines

1) Name of the issuer and its predecessors (if any)

General Finance and Development, Inc.

2) Address of the issuer's principal executive offices.

General Finance and Development, Inc.
1400 Van Buren St. NE. Suite 175
Minneapolis, MN 55413
Phone: 763-567-2208
Fax: 763-567-2201

Websites maintained by the issuer:
www.genfd.com
www.heartfitsystem.com
www.artforce.org
www.smartartprogram.com

Investor Relations Contact: None

3) Security Information

Trading Symbol: GFDV
Exact title and class of securities outstanding: Common Stock
CUSIP: 36982M
Par or Stated Value:$0.01 par value per share
Total shares authorized: 50,000,000 as of: January 27, 2015
Total shares outstanding: 4,524,250 as of: January 27, 2015

No dividends have been declared since inception.

There are no other material rights of common or preferred shareholders.
There is no provision in charter or by-laws that would delay, prevent or prevent a change in control of the issuer.

Transfer Agent

Name: Signature Stock Transfer, Inc.
2220 Coit Road Suite #480 PMB 317
Plano, Texas 75075
Tel: (972) 612-4120
Fax: (972) 612-4122

Signature Stock Transfer, Inc. is registered under the Exchange Act.

List any restrictions on the transfer of security:
2,842,499 restricted shares

Describe any trading suspension orders issued by the SEC in the past 12 months: None.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months: None.

4) Issuance History

List below any events, in chronological order, that result in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of securities, whether private or public, and all shares or any other options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities.

None

5) Financial Statements

Attached

6) Describe the Issuer's Business, Products and Services

A. A description of the issuer's business operations;

The Company is a holding company and operates through its subsidiaries. The following companies are all wholly owned subsidiaries of General Finance and Development, Inc.

HeartFit System, LLC ("HeartFit")

HeartFit was formed in 2006 by incorporating a proprietary and highly accurate non-invasive computerized heart screen technology with programs to prevent heart disease and promote health and fitness. The sole officer is William Kieger who has held the position since April 2006.

HeartFit has been involved in a number of joint ventures to develop a business model worthy of investment and rollout.

Studies published by Dr. Dean Ornish of The American Heart Association and others have shown that a combination of diet, exercise and meditation can prevent and even reverse heart disease. The same strategy as part of a

comprehensive, ongoing program is known to improve overall health and longevity.

Beginning in January 2010, HeartFit designed and implemented a beta-rollout integrating its health-fitness promotion business and health-fitness screening as a complement to the employee benefit program at Corporate Art Force, LLC. From 2010 to the current date, all employees participated in at least some of the components of the program.

Revenues from the operations of HeartFit have been minimal and we cannot accurately predict any significant revenues in the future.

GFD Investments, LLC ("GFD Investments")

The purpose of GFD Investments is to engage and manage investments that are considered to be speculative in nature. Investments may include, but are not limited to, public company stocks, debentures, real estate ventures, venture capital projects, joint venture financing and bridge financing. It may also finance social entrepreneurial projects and provide financing to other subsidiary companies of General Finance and Development, Inc.

The President and sole officer is Sharon Gray who was appointed to the position in November 2012.

Since inception in 2007, the Company has held investments in real estate development, oil and gas royalty trusts and small cap growth stocks. The company also provided the capital to purchase assets for the formation of Corporate Art Force and has provided a $130,000 credit line. The balance of the credit financing as of year-end 2013 is $113,469. GFD Investments holds 174,779 shares of General Finance and Development as a non-affiliate shareholder. The intention is to continue to hold the shares and at the appropriate time periodically sell the shares and utilize the proceeds in line with the business objectives of the company.

During the year, we received $242 in dividends and interest and for the year we had a realized loss of $760 from investment activity and an unrealized gain of $14,654. We had a cash position of $14,899.

Corporate Art Force, LLC ("Art Force")

Corporate Art Force provides turnkey art procurement services to corporate clients nation-wide. We rebranded in 2014 and are doing business as "Art Force". William Kieger and Leslie Palmer-Ross are officers of the company and serve as the President and Director of Art and Healthcare Services respectively. William Kieger has served as an officer since inception and Leslie Palmer-Ross has been an officer since January, 2010. The company's primary method of distribution is

through an art consultant and sales force team that serve those clients. During 2014, there were 3,827 pieces of art that were distributed to approximately 44 clients in multiple states. Since inception in September 2009 through year end 2014, there have been a total of 26,972 art pieces distributed through Corporate Art Force in 40 states.

Art Force is in a fragmented competitive landscape — both the local and national markets are littered with “one-off galleries” and “single independents” providing partial consulting services and almost no fulfillment. Currently there is no single company that has captured a significant share of the US market.

During the years 2009 through 2011, the market experienced a decline due to the US economy and the reduction in corporate art expenditures. In 2012 we began to experience some positive signs of improvement in the market. Even so, the market for our services has changed and we are developing new products and services to pursue the market.

During 2014 we further developed our SmartArt Program that includes comprehensive art management, a rotating art program and lease financing.

We also announced plans to develop a learning institution that will attract, educate and support professionals that distribute Art Force’s products and services.

In order to expand our distribution initiatives we have added staff in sales and marketing and contracted a local programing firm to build an online data-base to integrate with our website offering. The expansion and development costs have been paid from sales revenue, General Finance and Development and related party financing.

We believe that we are positioned for further national expansion in 2015.

The National Market

$ 11.5 billion spent in US on office furniture (2013).
Corporate art allowances run 5-10%, or roughly ½%-1% of total construction project costs.
Over 300 new building projects put out to bid domestically each month, plus another 300 in renovations.

Source: BIFMA, IKEA internal data, Indeed.com, zoombusinessinfo

During 2014, total revenues generated by Art Force were $1,796,449 for a net loss of $290,951.

The company is currently located at 1400 Van Buren Street NE, Minneapolis, Minnesota 55413. The area has been redeveloped as the Northeast Minneapolis Arts District. We believe this location will strategically position Art Force to be in alignment with our stated mission and objectives. In April 2010, we entered into a lease agreement for a period of 5 years for approximately 8,761 square ft. of showroom, office and production space for $11,251 per month. The lease will expire March 31, 2015 and we have exercised an option for a 3 year extension with a first right of refusal on approximately 5,133 additional square ft. of office and production space when available.

All the above subsidiaries financial statements are included in the consolidated financial statements for General Finance and Development, Inc. and are included in this disclosure document.

1. The effect of existing or probable government regulations on the business.

   There are no existing or probable government regulations that have an effect on our business.

2. An estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers.

   We have not spent any significant amounts on research and development activities during the past two years.

3. Costs and effects of compliance with environmental laws (federal, state and local).

   We do not have any significant costs related to environmental laws.

4. The number of total employees and number of full time employees.

   We have 20 full time employees and 1 consultant that are employed by General Finance and Development and its subsidiaries.

   General Finance and Development, Inc. is a Minnesota Corporation incorporated on April 1, 2003 as a spin-off from Vital Health Technologies, Inc.

   At the time of the spin-off, Vital Health Technologies, Inc. was an SEC reporting company with its shares trading on the OTCBB.

Each shareholder of record received 1 common share of General Finance and Development, Inc. for each share of Vital Health Technologies, Inc. owned as of the record date.

We have not been in bankruptcy, receivership or any similar proceeding.

We have not been in default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring payments.

We have not had any change of control since inception.

We have been fully dependent on Aurora Capital Management, LLC for financial and management support. Additional professionals are contracted as needed to provide services to GFD and clients.

From 2003 to 2006, our focus was to further develop the Variance Cardiography heart screen business and related business applications. In 2006, we formed HeartFit System, LLC and have completed various joint ventures to attempt to perfect a business model utilizing the technology and our systems to improve overall health & fitness. We developed a corporate wellness program that is being piloted with our corporate art consulting and distribution subsidiary.

In the 2007, we began pursuing additional opportunities to provide business finance and development services to small and mid-size organizations.

In January 2007, we formed GFD Investments, LLC as a wholly owned subsidiary with the objective of investing in speculative opportunities. We have invested in five opportunities.

In September 2009, we completed the asset acquisition of Art Holdings Corporation and formed Corporate Art Force LLC that is doing business as “Art Force”. The website address is www.artforce.org that provides more information.

In July of 2013 we announced that we were in the early planning stages for the development of a Creative Business Center to be located in Minneapolis, Minnesota. In November we executed an option on our existing space in Northeast Minneapolis for a 3 year lease extension and a first right of refusal on approximately 5,133 square ft. that is intended to be utilized for creative ventures that complimentary to GFD’s business model.

We do not anticipate any stock split, stock dividend, recapitalization or reorganization.

We continue to review merger-acquisitions as part of our ongoing business strategy.

We have not had any delisting of the securities by any securities exchange or

deletion from the OTC Bulletin Board.

We filed a Form 10SB registration with the United States Securities and Exchange Commission on February 9, 2005 and Form 10QSB filings for the first and second quarters of 2005. On September 15, 2005, we filed a Form 15-12G to terminate the Form 10SB registration.

We became aware of a situation involving one of our major customers that after review we determined was a “Breach” under the “Confidentiality Clause” included in the Master Services Agreement. We notified the customer of a request for termination and the agreement was terminated effective May 21, 2014. We have disclosed in this 2014 Annual Report and previous disclosures that we rely on a few major customers and the loss of any of those customers could or would have a major negative effect on our business. At this time we have not assessed the total damages and it is unknown if, and how much in damage we will be able to recover, in the event we pursue a legal action.

We have not had any other current, past, pending or threatened legal proceedings or administrative actions either by or against us that could have a material effect on our business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator.

We have not had any increase of 10% or more of the same class of outstanding equity securities.

B. Date and State (or Jurisdiction) of Incorporation;

General Finance and Development, Inc. is a Minnesota Corporation incorporated on April 1, 2003 as a spin-off from Vital Health Technologies, Inc.

C. The issuer’s primary and secondary SIC Codes;

Our primary SIC industry classification is 6199 - Finance Services.

Our secondary SIC industry classification is 6799 – Investment Holding Company.

D. The issuer’s fiscal year end date;

December 31

E. Principal products or services, and their markets;

General Finance and Development, Inc. (GFD) provides capital and business development services to small and mid-size companies. Capital is provided to qualified companies by equity and/or strategic loan agreements. Business development services include business planning, organization and management

development. GFD also pursues merger-acquisitions and joint venture projects. We maintain a website www.genfd.com for more information on our company.

Our subsidiary Corporate Art Force, LLC, doing business as Art Force, provides turnkey art procurement services to corporate clients nation-wide. The company's primary method of distribution is through an art consultant and sales force team that serve those clients. We have been developing a business model and offering for further expansion. We maintain a website www.artforce.org for more information on the company.

1. Distribution methods of the products or services.

We pursue business opportunities through a network of professionals who are in banking, brokerage, legal, accounting and other businesses that are centers of influence for our services.

Art Force has a database of approximately 1,800 clients who have at some time in the past purchased art and/or consulting services. The Company's primary method of distribution is through a proprietary art consultant and sales force team that serve those clients and network with architectural, design and engineering firms in order to bid on active projects. We have added marketing and communications staff and contracted programmers to build an online data-base that will integrate with our website offering.

2. Status of any publically announced new product or services.

We announced the addition of sales and marketing staff and contract programmers for our online data base and website offering that is scheduled to be completed during the 1st quarter of 2015.

3. Competitive business conditions, the issuer's competitive position in the industry, and methods of competition.

We are moving into a new stage of development for our primary operating business "Art Force". We are not familiar with any other direct competitor that has developed a web-based combination professional learning institution and product distribution business model with a focus on institutional art markets.

The companies listed in the table below have established business models that all distribute artwork products nationally on a large scale. All the companies with the exception of GFD/Art Force are privately owned and consequently we do not have access to their financial information.

Management's Analysis of Competition

	Location	Online Showcase	National Distribution	Learning Institution	Production Facility	Public/ Private
GFD/Art Force	Minneapolis Minnesota	In Development	In Development	Yes	Yes	Public
New Era Portfolio	Austin Texas	Yes	Yes	No	Yes	Private
Bentley Global Arts Group, LLC	Austin Texas	Yes	Yes	No	Yes	Private
Art.com, Inc.	Emeryville California	Yes	Yes	No	Yes	Private

4. Sources and availability of raw materials and the names of principal suppliers.

   Our primary operating business (Art Force) has a wide variety of suppliers who provide materials. Larson-Juhl, Archetype, Superior Moulding and Crowne Plastics are examples of some of the suppliers.

5. Dependence on one or a few major customers.

   The vast majority (approximately 80%) of the revenue generated by the clients of Art Force comes from 50 companies. Out of the 50 companies there are 2 companies that account for approximately 52% of revenue. In the event we were to lose any of these 2 clients, it could have a major negative effect on the business. One of the clients represented approximately 43% of our revenue in 2014 and the loss of that client would likely have a negative effect on our business.

6. Patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration: None

7. The need for any government approval of principal products or services and the status of any requested government approvals:

   There is no need for any government approvals for our principal products or services at this time.

7) Describe the Issuer's Facilities

We entered into a 5-year lease agreement for 8,761 square feet of office and production space at 1400 Van Buren Street NE, Minneapolis, MN 55413 commencing March 1, 2010. A copy of the lease was included as part of the 2009 Annual Report posted at OTC Markets. We exercised an option for a 3 year extension beginning April 1, 2015 and a 1st right of refusal on approximately 5,133 additional square ft. The base rent beginning April 1, 2015 is $7,933.40.

8) Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control Persons.

Full name: *William J. Kieger, Chief Executive Officer, Chief Financial Officer and Director*

Business address: *1400 Van Buren, NE Street NE, Minneapolis, MN 55413*

Bio:

William Kieger, has been a Director since April 2003. He is our Chairman, Chief Executive Officer and Chief Financial Officer. He is the President and founder of the Aurora Capital Group, which consists of Aurora Capital Management, L.L.C. and Aurora Capital Holdings, L.L.C., which he started in 1996 and 1998, respectively. On January 28, 1997, Kieger became involved with Vital Health Technologies as part of a consulting agreement with Aurora Capital Management, L.L.C. He served as the Chairman and Chief Executive Officer of Vital Health Technologies from August 2000 to March of 2002. He remained as a consultant until the merger with Caribbean American Health Resorts in March 2003. Until 1996, he served 15 years with American Express Financial Advisors with the last position being a Division Vice President. His experience also includes being a member of the Minnesota Venture Capital Association and he holds a Bachelor degree in Business Management from the University of St. Thomas. He has completed the executive development program in Venture Management at the Kellogg School of Business, Northwestern University in Evanston Illinois.

Full name: *Laura C. Kieger, Director*

Business address: *701 Park Ave Minneapolis MN, 55415*

Bio:

Laura Kieger, has been a Director since November, 2004. She is a Senior Human Resources Consultant with Hennepin County Medical Center (HCMC) where she has served since April 2008. She also serves as a consultant to the University of Minnesota Veterinary Hospital since June of 2006. From December 2003 to June 2006, she was the Human Resources Manager for Regulatory and Clinical Research Institute (RCRI). Her background also includes being an adjunct faculty member of the College of St. Scholastica where she taught courses in organizational development from 2003 to 2006. From January 2001 to January 2004, she worked for a private consulting group (The MEL Group) providing business services on a contractual basis. Other positions include being the Director of Human Resources for Hudson Hospital from July 1998 to March 2001 and Marsh and McLennan, Inc. from June 1982 to January 1989. She has served as a member of the Anoka County Personnel Board of Appeals and holds

a Masters degree in Human Development from St. Mary's University, St. Paul Minnesota and a BA in Human Resources from the University of Minnesota.
Board memberships and other affiliations:

William Kieger and Laura Kieger are husband and wife.

None of our directors currently serve on the boards of other companies or organizations.

Compensation:

General Finance and Development, Inc. does not currently compensate directors who serve on the board of directors.

The consulting agreement in place with Aurora Capital Management, LLC for the services of William Kieger as CEO allows Aurora to receive up to $10,000 per month in consulting fees. During 2014, the Company paid $78,000 in consulting fees to Aurora. During 2013, the Company paid $56,000 in consulting fees to Aurora. Quarterly bonuses are to be determined by performance measures approved by the board of directors. Since inception, there have not been any bonuses paid. Aurora Capital Management will continue to provide the services of William Kieger until amended or terminated by both parties.

B. Legal/Disciplinary History.

None of the executive officers, or directors, general partners or control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities) have, has been the subject of any legal or disciplinary action in the last five years, been the subject of:

1. *A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);*

2. *The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;*

3. *A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or*

5. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

C. Beneficial Shareholders

The following table sets forth certain information regarding our shares of common stock beneficially owned as of April 2, 2014, for (i) each stockholder known to be the beneficial owner of 10% or more of our outstanding shares of common stock, (ii) each named executive officer and director, and (iii) all executive officers and directors as a group.

Name of Beneficial Owner and Address	Amount and Nature of Beneficial Ownership	Percent (1)
William J. Kieger (2)	3,354,131 (3)	74%
Laura C. Kieger (2)	3,354,131 (4)	74%
All directors and officers as a group (2 people)	3,354,131	74%

(1) Based on 4,524,250 shares of common stock outstanding as of January 27, 2015.

(2) Address: 6844 W. Shadow Lake Dr., Lino Lakes, MN 55014.

(3) Including 300,000 shares owned by William J. Kieger directly and 1,850,000 shares owned through Aurora Capital Holdings, LLC and 1,204,131 shares owned through Aurora Capital Management, LLC. Aurora Capital Holdings, LLC and Aurora Capital Management, LLC are owned by the Kieger Family Trust. William and Laura Kieger are co-trustees of the trust.

(4) Laura Kieger is a beneficial owner and does not directly own shares. Aurora Capital Holdings, LLC and Aurora Capital Management, LLC are owned by the Kieger Family Trust. William and Laura Kieger are co-trustees of the trust.

9) Third Party Providers

1. Legal Counsel
   Gregg E. Jaclin, Esq., Partner
   Szaferman Lakind Blumstein & Blader, PC
   101 Grovers Mill Road
   Second Floor
   Lawrenceville, NJ 08648
   Direct Dial: 609-557-0951 | General 609-275-0400
   Direct Fax: 609-557-0969 | General 609-275-4511
   gjaclin@szaferman.com

2. Accountant or Auditor
   Scott Callahan, Certified Public Accountant
   CASEY, MENDEN, FAUST & NELSON, P.A.
   CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
   7900 West 78th Street, Suite 450
   Edina, Minnesota 55439
   Phone: 952-345-1540

   Our accountant is a Licensed and Certified Public Accountant. Our accountant assisted in the preparation of the unaudited financial statements for the year ended December 31, 2014 and 2013 that are included as an attachment to this disclosure document.

3. Investor Relations Consultant: None

4. Other Advisor: None

10) Issuer Certifications

I, William Kieger, certify that:

1. I have reviewed this Annual Disclosure Statement of General Finance and Development, Inc. for the year end December 31, 2014.

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: March 30, 2015

By: /s/ William Kieger

William Kieger
Chief Executive Officer
Chief Financial Officer

Casey, Menden, Faust & Nelson, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

7900 West 78th Street, Suite 450
Edina, Minnesota 55439-2586

Tel (952) 946-7900

Fax (952) 946-7901

MEMBERS

Minnesota Society of
Certified Public Accountants

American Institute of
Certified Public Accountants

MICHAEL A. CASEY, RETIRED
JOHN F. MENDEN, C.P.A.
DOUGLAS J. FAUST, C.P.A.
JOHN C. NELSON, C.P.A.
MICHAEL A. CASEY, JR., C.P.A.
SCOTT M. CALLAHAN, C.P.A.
DONALD G. LANGEWISCH, C.P.A.
PAULA M. MEIDL, C.P.A.
MICHAEL P. MENDEN, C.P.A.
JESSICA J. MAGRUM, C.P.A.
PAUL J. MCDONALD, C.P.A.
MICHAEL B. ANDERSON, C.P.A.
STEPHEN R. AUCHSTETTER, C.P.A.
BRADLEY D. BREEGGEMANN, C.P.A.
STEPHEN J. DEVRIES
ANDREW M. CASEY
CATHY L. DALRYMPLE
BRENDA L. NAASZ
GREGORY B. KAIBEL
TREVOR K. MARTIN
KIMBERLY A. PETTIT

Accountant's Disclaimer of Opinion On Unaudited Financial Statements

To the Stockholders
General Finance and Development, Inc.
Minneapolis, Minnesota

The accompanying consolidated balance sheets of General Finance and Development, Inc. as of December 31, 2014 and 2013 and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for the years then, were not audited by us and, accordingly, we do not express an opinion on them.

The consolidating balance sheet and consolidating statement of operations are not a required part of the basic financial statements. Such information has not been audited by us and, accordingly, we do not express an opinion on it.

Casey, Menden, Faust & Nelson, P.A.

February 12, 2015

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	December 31, 2014	December 31, 2013
ASSETS		
Current assets:		
Cash	$ 70,921	$ 189,939
Marketable equity securities	86,634	97,180
Accounts receivable, net	140,068	152,551
Inventory	83,996	179,843
Prepaid expenses	33,472	22,212
Total current assets	415,091	641,725
Property and equipment, at cost	183,729	167,789
Artwork held for lease, at cost	9,242	9,242
Less accumulated depreciation	(153,986)	(121,237)
Property and equipment, net	38,985	55,794
Other assets:		
Goodwill and customer list	328,425	328,425
Total assets	$ 782,501	$ 1,025,944
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 109,372	$ 41,725
Customer deposits	-	-
Current maturities of long-term debt	-	1,762
Total current liabilities	109,372	43,487
Long-term debt, less current maturities	-	-
Shareholders' equity:		
Undesignated shares: no par value; 5,000,000 authorized; no shares issued and outstanding	-	-
Common stock: $.01 par value; 50,000,000 shares authorized; issued and outstanding 4,524,250 shares in 2014 and 2013	45,243	45,243
Additional paid-in capital	1,529,299	1,529,299
Accumulated deficit	(901,413)	(592,085)
Total shareholders' equity	673,129	982,457
Total liabilities and shareholders' equity	$ 782,501	$ 1,025,944

See Accountant’s Disclaimer of Opinion on Unaudited Financial Statements

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Years Ended	
	December 31, 2014	December 31, 2013
Total revenues	$ 1,798,562	$ 1,876,611
Cost of goods sold	1,511,652	1,298,818
Gross profit	286,910	577,793
Expenses:		
General and administrative	609,699	529,106
Operating income (loss)	(322,789)	48,687
Other income (expense):		
Realized gain (loss) on investment marketable equity securities	(760)	106
Unrealized gain (loss) on investment marketable equity securities	14,654	(229,444)
Interest and dividend income	242	157
Total other income (expense)	14,136	(229,181)
Income (loss) before income taxes	(308,653)	(180,494)
Income tax expense	675	300
Net income (loss)	$ (309,328)	$ (180,794)
Basic earnings (loss) per common share	$ (0.07)	$ (0.04)
Diluted earnings (loss) per common share	$ (0.07)	$ (0.04)
Weighted average number of shares outstanding	4,524,250	4,524,250

See Accountant's Disclaimer of Opinion on Unaudited Financial Statements

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	Years Ended	
	December 31, 2014	December 31, 2013
Net income (loss)	$ (309,328)	$ (180,794)
Other comprehensive income (loss)	-	-
Comprehensive income (loss)	$ (309,328)	$ (180,794)

See Accountant's Disclaimer of Opinion on Unaudited Financial Statements

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Years Ended	
	December 31, 2014	December 31, 2013
Cash flows from operating activities:		
Net income (loss)	$ (309,328)	$ (180,794)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:		
Depreciation expense	32,749	32,098
Realized (gain) loss on investment in marketable equity securities	760	(106)
Unrealized (gain) loss on investment in marketable equity securities	(14,654)	229,444
Accounts receivable	12,483	123,155
Inventory	95,847	(63,238)
Prepaid expenses	(11,260)	(22,212)
Accounts payable and accrued expenses	67,647	(47,431)
Customer deposits	-	-
Net cash flows from operating activities	(125,756)	70,916
Cash flows from investing activities:		
Purchases of property and equipment	(15,940)	(21,228)
Investment in marketable equity securities	(217)	(24,200)
Proceeds from sales of marketable equity securities	24,657	606
Net cash flows from investing activities	8,500	(44,822)
Cash flows from financing activities:		
Proceeds from note payable - related party	-	232,988
Repayment of note payable - related party	-	(232,988)
Principal payments on debt	(1,762)	(10,132)
Net cash flows from financing activities	(1,762)	(10,132)
Increase (decrease) in cash	(119,018)	15,962
Cash: Beginning of period	189,939	173,977
Cash: End of period	$ 70,921	$ 189,939

See Accountant's Disclaimer of Opinion on Unaudited Financial Statements

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Years Ended	
	December 31, 2014	December 31, 2013
Supplemental Cash Flow Information:		
Cash paid for:		
Interest	$ 73,841	$ 30,066
Income taxes	$ 675	$ 300

GENERAL FINANCE AND DEVELOPMENT, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2014 AND 2013

NOTE 1 – NATURE OF ORGANIZATION

Business

The Company was incorporated on April 1, 2003 under the laws of the State of Minnesota. The Company was formed as a spin-off from Vital Health Technologies, Inc. as a part of a merger agreement between Vital Health Technologies, Inc. and Caribbean American Health Resorts, Inc. Each shareholder of record of Vital Health Technologies, Inc. on March 12, 2003, received one share of General Finance and Development, Inc. common stock for each share of Vital Health Technologies, Inc. common stock they owned.

From the date of formation on April 1, 2003 the Company pursued licensing opportunities for the Variance Cardiography technology and design and subsequent completion of a research study involving the technology. In November 2004 the formal paperwork was executed for the purchase of the Variance Cardiography technology from Vital Health Technologies, Inc. that had been anticipated in the merger/spin-off agreement. Management of the Company feels Variance Cardiography could become an effective methodology of detecting coronary artery disease.

In April 2006, the Company formed a wholly owned subsidiary, HeartFit System, LLC (HeartFit) a Minnesota limited liability company. The Company is currently developing a business model for utilization of its Variance Cardiography technology using HeartFit.

In January 2007, the Company formed a wholly-owned subsidiary, GFD Investments, LLC, a Minnesota Limited Liability Company. The Company manages a speculative investment fund and also pursues merger/acquisitions, joint venture projects in industries such as health fitness, medical technologies, financial services, rental and consumer products, internal, e-commerce and real estate.

In September 2009, the Company formed a wholly-owned subsidiary, Corporate Art Force, LLC, a Minnesota Limited Liability Company. In September 2009, Corporate Art Force, LLC completed the purchase of the customer base, business concept and certain assets of Art Holdings Corporation. Corporate Art Force, LLC offers art sales and consulting services to all size business organizations.

The Company is fully dependent on Aurora Capital Management, a stockholder, for the maintenance of its corporate status and to provide all managerial support for the Company. A principal of Aurora Capital Management acts as the Company's chairman and chief executive officer.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Corporate Art Force, LLC, HeartFit System, LLC and GFD Investments, LLC. All intercompany transactions and balances were eliminated in consolidation.

Cash Equivalents

For purposes of reporting cash flows, cash equivalents include investment instruments purchased with maturity of three months or less. There were no cash equivalents in 2014 or 2013.

Revenue Recognition

Revenue is recognized at the point of shipment or performance of service. Revenues are presented on a “gross basis”. Accordingly, sales, use and value added taxes are included in revenues in the accompanying financial statements.

Amounts received from customers in advance of revenue recognition would be deferred and presented as liabilities in the accompanying financial statements.

Comprehensive Income

FASB ASC 220-10-20: Comprehensive Income establishes standards for the reporting and disclosure of comprehensive income and its components which will be presented in association with a company's financial statements. Comprehensive income is defined as the change in a business enterprise's equity during a period arising from transactions, events or circumstances relating to non-owner sources, such foreign currency translation adjustments and unrealized gains or losses on available-for-sale securities. It includes all changes in equity during a period except those resulting from investments by or distributions to owners. A reconciliation of net income and comprehensive income is provided in the accompanying financial statements.

Earnings (Loss) Per Common Share

Basic earnings (loss) per common share is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings (loss) per common share, in addition to the weighted average determined for basic earnings per shares would include potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Stock-Based Consideration

The Company will apply the fair value-based method of accounting for employee and non-employee stock-based consideration and/or compensation in accordance with ASC 718: Compensation (based on quoted market prices at the date of grant and/or as earned).

Financial Instruments

In accordance with FASB ASC 820: Fair Value Measurements financial instruments consist of the following:

Short-Term Assets and Liabilities:

The fair value of cash and cash equivalents, accounts payable and accrued expenses, and short-term borrowings approximate their carrying values due to the short- term nature of these financial instruments.

Long-Term Debt*:*

The fair value of long-term debt approximates their carrying value because the terms are equivalent to borrowing rates currently available to the company for debt with similar terms and maturities.

Concentrations, Risks and Uncertainties

Use of Estimates:

The preparation of consolidated financial statements in conformity with generally accepted accounting principles 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations, Risks and Uncertainties (Continued)

Cash Concentrations:

The Company maintains its bank balances at one financial institution and at one brokerage company. Bank balances might periodically exceed federally insured levels. The balance at the brokerage company is not federally insured, but is protected by the Securities Protection Corporation (SIPC) up to a $500,000 including up to $250,000 limit on cash held in the account. Cash balances maintained by the Company might periodically exceeded SIPC insured limits of $250,000 at the brokerage company.

Marketable Equity Securities:

At December 31, 2014 one hundred percent (100.0%) of the Company's investments in marketable equity securities consisted of shares of the Company's own common stock. At December 31, 2013, seventy-five percent (75.0%) of the Company's investments in marketable equity securities consisted of shares of the company's own common stock. Shares of the Company's common stock are traded on the OTC Bulletin Board.

Accounts Receivable:

Credit terms are extended to customers in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and, generally, requires no collateral. Customer deposits are required on certain specialty orders. These deposits would be reflected as a liability in the accompanying financial statements.

Management believes all accounts receivable are collectible and has not recorded an allowance for doubtful accounts. While the ultimate loss may differ, management believes that any additional loss will not have a material impact on the Company's financial position. Due to uncertainties in the collection process, however, it is at least reasonably possible that management's estimate of the outcome will change during the next year. That amount cannot be estimated.

Lender Concentration:

The Company is dependent on Aurora Capital Management, a related party, for all of its financing to date (See Note 6).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations, Risks and Uncertainties (Continued)

Major Customers:

Approximately 80% of the Company's sales are generated by approximately 50 clients of Corporate Art Force, LLC. Out of those 50 clients, 2 clients generated approximately 52% of these sales. If the Company were to lose any of these clients it would have a major negative effect on the Company.

Shipping and Handling Fees and Cost

GAAP requires shipping and handling fees billed to customers to be classified as revenue and shipping and handling costs to be classified as cost of sales as disclosed in the notes to the financial statements. The Company included shipping and handling fees billed to customers in net sales. Shipping and handling costs associated with inbound freight and outbound freight are included in cost of sales.

Income Taxes

The Company has implemented FASB ASC 740: Income Taxes. Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. See Note 5.

The Company has evaluated for uncertain tax positions and feels there are none. Federal and state taxing authorities generally have the right to examine returns for three years from the date of filing. Any interest or penalties as a result of the Project would be included in operating expenses in the accompanying financial statements. $47 of interest and penalties are reflected in the 2014 financial statements. No interest or penalties are reflected in the 2013 financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

The Company has adopted FASB ASC 350 - Goodwill and Other Intangibles. Goodwill and intangible assets with indefinite useful lives are not presumed to be wasting assets. These assets are not amortized and are instead tested at least annually for impairment. Intangible assets that have finite useful lives continue to be amortized over those lives. The Company tested goodwill for impairment using a present value technique. Impairment arises if the carrying value of the goodwill exceeds its implied fair value. Management determined that no impairment of goodwill existed at December 31, 2014 and 2013.

Long-Lived Assets

In accordance with FASB ASC 360-10, Accounting For The Impairment Of Long-Lived Assets And For Long-Lived Assets To Be Disposed Of, the Company reviews its long-lived assets and intangibles related to those assets periodically to determine potential impairment by comparing the carrying value of the long-lived assets outstanding with estimated future cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future cash flows be less than the carrying value, the Company would recognize an impairment loss. An impairment loss would be measured by comparing the amount by which the carrying value exceeds the fair value of the long-lived assets and intangibles. Management determined that no impairment of long-lived assets existed at December 31, 2014 and 2013.

NOTE 3 - GOING CONCERN

At this time it is not known if the Company has sufficient capital resources to maintain itself until the Company can achieve sustainable profitable operations. Accordingly, the Company may need to raise either debt or equity financing. If the Company is unsuccessful it might not be able to continue as a going concern. Even if the Company successfully raises debt or equity financing it will still need to become profitable to continue as a going concern. Management is working to increase revenues and control costs, but there can be no guarantee these efforts will be successful. No estimate can be made of the range of loss that is reasonably possible should the Company be unsuccessful.

The Company is fully dependent on Aurora Capital Management, a stockholder, for the maintenance of its corporate status and to provide all managerial support for the Company. A principal of Aurora Capital Management acts as the Company's chairman and chief executive officer.

NOTE 4 – MARKETABLE EQUITY SECURITIES

The Company has adopted FASB ASC 820: Fair Value Measurements and FASB ASC 820: The Fair Value Option for Financial Assets and Financial Liabilities. Accordingly, investments are recorded at their fair value and unrealized gains or losses are recognized as income in the accompanying financial statements. Fair value is determined from the brokerage statement, a level one input.

	2014	2013
Cost basis	$ 216,490	$ 240,629
Unrealized gain (loss)	(129,856)	(143,449)
Fair value	$ 86,634	$ 97,180

NOTE 5 – LONG-TERM DEBT

Long-term debt consisted of:

	2014	2013
Note payable - vehicle due in monthly installments of $889 including interest at 7.34% secured by vehicle	$ -	$ 1,762
Less current maturities	-	1,762
Long-term debt	$ -	$ -

NOTE 6 - RELATED PARTY TRANSACTIONS

Management and administrative support:

The Company paid Aurora Capital Management, a related party, for managerial services and administrative support. Payments for these services totaled $78,000 in 2014 and $56,000 in 2013.

NOTE 6 - RELATED PARTY TRANSACTIONS (Continued)

Related Party Lease:

The Company has entered into an equipment lease agreement with Aurora Capital Management, a related party, commencing February 1, 2014. Expense under this lease totaled $6,702 in 2014 year-to-date. Future payments due under this lease are as follows:

2015	$ 10,051
2016	10,051
2017	838
	$ 20,940

Accounts Receivable Factoring – Related Party:

In September 2010 the Company entered into a factoring arrangement with Aurora Capital Management. In 2014 year-to-date the Company factored an aggregate of $709,593 in accounts receivable to Aurora Capital Management for $639,263 in advances. The financing costs for this factoring totaled $70,959 in 2014 and are included in interest expense in the accompanying financial statements. In 2013 the Company factored an aggregate of $258,875 in accounts receivable to Aurora Capital Management for $232,988 in advances. The financing costs for this factoring totaled $25,887 in 2013.

Finance Agreement:

In April 2012 the Company entered into a finance agreement with Aurora Capital Management, LLC and posted a disclosure on the OTC Markets website. The agreement with Aurora Capital Management, LLC provides for the contribution of up to 750,000 common shares of the Company's common stock currently owned by Aurora Capital Management, LLC to GFD Investments, LLC. These shares will be strategically converted to cash to finance venture projects in alignment with the business objectives of GFD Investments, LLC.

NOTE 7 - LEASE

The Company leases its showroom, office and production space under an operating lease entered into in April 2010. Rent expense was $109,416 in 2014 year-to-date and $138,645 in 2013.

Future minimum lease payments are as follows:

2015	$ 105,154
2016	$ 95,201
2017	$ 95,201
2018	$ 23,800

NOTE 8 - INCOME TAXES

Income taxes consisted of the following:

	2014	2013
Current:		
Federal	$ -	$ -
State	-	-
State minimum fee	675	300
	675	300
Deferred:		
Federal	-	-
State	-	-
	-	-
Income tax expense	$ 675	$ 300

NOTE 8 - INCOME TAXES (Continued)

Reconciliation between the expected federal income tax rate and the actual tax rates is as follows:

	2014		2013	
	Dollars	Percent	Dollars	Percent
Expected federal tax expense (benefit)	$ 103,600	-34.0%	$ (61,400)	-34.0%
Surtax exemption	-	3.0%	7,700	4.3%
State income tax, net of federal tax benefit	(20,000)	-6.4%	(11,700)	-6.4%
Valuation (utilization) of deferred tax asset	(83,600)	37.4%	65,400	36.1%
State minimum fee	675	0.0%	300	0.1%
Income tax expense (benefit)	$ 675	0.0%	$ 300	0.1%

The tax effects of net operating loss carry forwards gives rise to a significant deferred tax asset. ASC 740: Income Taxes requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

	2014	2013
Gross deferred tax asset relating to:		
Capital loss carryforwards	$ 56,200	$ 56,200
Net operating loss carryforwards	242,400	23,500
Unrealized losses on investments	56,900	62,800
Gross deferred tax liability:		
Tax depreciation	(4,000)	(4,800)
Tax amortization	(51,100)	(41,600)
Unrealized gain on investments	-	-
Net deferred tax assets	300,400	96,100
Valuation allowance	(300,400)	(96,100)
Net deferred tax assets	-	-
Deferred tax liability	-	-
Net deferred tax asset (liability)	$ -	$ -

NOTE 8 - INCOME TAXES (Continued)

At December 31, 2013, the Company had net operating loss carry forwards available to offset future taxable income as follows:

Year	Federal	Minnesota
2025	$ 105,200	$ 89,000
2026	$ 41,000	$ 42,700
2029	308,700	308,700
	$ 454,900	$ 440,400

NOTE 9 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through February 12, 2015, which is the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATING BALANCE SHEETS (UNAUDITED)
DECEMBER 31, 2014

ASSETS	General Finance and Development, Inc.	HeartFit System, LLC	GFD Investments, LLC	Corporate Art Force, LLC	Eliminations	Consolidated
Current assets:						
Cash	$ 2,415	$ 261	$ 14,899	$ 53,346	$ -	$ 70,921
Marketable equity securities	-	-	86,634	-	-	86,634
Accounts receivable, net	-	-	43,167	96,901	-	140,068
Intercompany receivable (payable)	-	-	113,469	(113,469)	-	-
Inventory	-	-	-	83,996	-	83,996
Prepaid expenses	-	-	-	33,472	-	33,472
Total current assets	2,415	261	258,169	154,246	-	415,091
Property and equipment, at cost	-	-	-	183,729	-	183,729
Artwork held for lease, at cost	-	-	9,242	-		9,242
Less accumulated depreciation	-	-	(3,697)	(150,289)	-	(153,986)
Property and equipment, net	-	-	5,545	33,440	-	38,985
Other assets:						
Goodwill and customer list	-	-	-	328,425	-	328,425
Investments in subsidiaries	670,714	-	-	-	(670,714)	-
	670,714	-	-	328,425	(670,714)	328,425
Total assets	$ 673,129	$ 261	$ 263,714	$ 516,111	$ (670,714)	$ 782,501

(Continued)

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATING BALANCE SHEETS (UNAUDITED)
DECEMBER 31, 2014

CURRENT LIABILITIES AND SHAREHOLDERS' EQUITY	General Finance and Development, Inc.	HeartFit System, LLC	GFD Investments, LLC	Corporate Art Force, LLC	Eliminations	Consolidated
Current liabilities:						
Accounts payable and accrued expenses	$ -	$ -	$ -	$ 109,372	$ -	$ 109,372
Customer deposits	-	-	-	-	-	-
Current maturities of long-term debt	-	-	-	-	-	-
Total current liabilities	-	-	-	109,372	-	109,372
Long-term debt	-	-	-	-	-	-
Shareholders' equity:						
Undesignated shares: no par value; 500,000 authorized; no shares issued and outstanding	-	-	-	-	-	-
Common stock: $.01 par value; 50,000,000 shares authorized; 4,524,250 shares issued and outstanding	45,243	-	-	-	-	45,243
Additional paid-in capital	1,529,299	-	456,498	526,000	(982,498)	1,529,299
Accumulated deficit	(901,413)	261	(192,784)	(119,261)	311,784	(901,413)
Total shareholders' equity (deficit)	673,129	261	263,714	406,739	(670,714)	673,129
Total liabilities and shareholders' equity (deficit)	$ 673,129	$ 261	$ 263,714	$ 516,111	$ (670,714)	$ 782,501

See Independent Accountant’s Disclaimer of Opinion on Unaudited Financial Statements

GENERAL FINANCE AND DEVELOPMENT, INC.

CONSOLIDATING STATEMENTS OF OPERATIONS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2014

	General Finance and Development, Inc.	HeartFit System, LLC	GFD Investments, LLC	Corporate Art Force, LLC	Eliminations	Consolidated
Total revenues	$ 38,974	$ -	$ 17,385	$ 1,796,449	$ (54,246)	$ 1,798,562
Cost of goods sold	-	-	-	1,511,652	-	1,511,652
Gross profit	38,974	-	17,385	284,797	(54,246)	286,910
Expenses:						
General and administrative	86,929	-	1,874	575,142	(54,246)	609,699
Operating income (loss)	(47,955)	-	15,511	(290,345)	-	(322,789)
Other income (loss):						
Earnings (loss) on subsidiaries	(261,373)	-	-	-	261,373	-
Realized loss on investment marketable equity securities	-	-	(760)	-	-	(760)
Unrealized loss on investment marketable equity securities	-	-	14,654	-	-	14,654
Interest and dividend income	-	-	242	-	-	242
Total other income (expense)	(261,373)	-	14,136	-	261,373	14,136
Income (loss) before income taxes	(309,328)	-	29,647	(290,345)	261,373	(308,653)
Income tax expense	-	-	69	606	-	675
Net income (loss)	$ (309,328)	$ -	$ 29,578	$ (290,951)	$ 261,373	$ (309,328)

See Independent Accountant's Disclaimer of Opinion on Unaudited Financial Statements