

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **ELINX Corporation, Inc.**

94694 IH 37 N  
Tahlequah, OK 74464

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(830) 484-4096  
www.elinxcorp.com  
gary@elinxcorpate.com  
8090

### **Amended Annual Report** **For the Period Ending: June 30, 2021** (the "Reporting Period")

As of September 10, 2022, the number of shares outstanding of our Common Stock was:

26,946,456

As of June 30, 2022, the number of shares outstanding of our Common Stock was:

26,946,456

As of June 30, 2021, the number of shares outstanding of our Common Stock was:

24,908,956

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: ☐ No: ☒

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

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

The Company is incorporated under the name "Elinx Corporation" when it was changed from "Aperture Health, Inc." in December 2018. It was previously known as "Advantage Disposal Solutions, Inc."; "Doctors on Call, Inc."; "Aperture Health, Inc."; "Fuel Corporation"; and "flexScan, Inc.".

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Wyoming, 2019 – Present (currently active and in good standing);  
Aperture Health, Inc. 2005-2019 – Nevada (Inactive)

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

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

The address(es) of the issuer's principal executive office:

156 Reasor Street #522  
Tahlequah, OK 74464

The address(es) of the issuer's principal place of business:

*Check box if principal executive office and principal place of business are the same address:* ☐

94694 IH 37 N  
Pleasanton, TX 78064

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

None

**2) Security Information**

Trading symbol: ELNX  
Exact title and class of securities outstanding: Common Stock

CUSIP: 28661J109  
Par or stated value: \$0.001

Total shares authorized: 480,000,000 as of date: 6/30/2022  
Total shares outstanding: 26,946,456 as of date: 6/30/2022  
Number of shares in the Public Float<sup>2</sup>: 169,056 as of date: 6/30/2022  
Total number of shareholders of record: 844 as of date: 06/30/2022

#### Transfer Agent

Name: Olde Monmouth Stock Transfer Co. Inc.  
Phone: (732) 872-2727  
Email: pmaclear@oldemonmouth.com  
Address: 200 Memorial Parkway, Atlantic Highlands, NJ 07716

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: ☒ No: ☐

### 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End:			*Right-click the rows below and select "Insert" to add rows as needed.						
<u>Opening Balance</u>									
Date <u>06/30/2021</u>	Common: <u>24,908,956</u> Preferred: <u>n/a</u>								
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

<sup>2</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

08/10/2021	New Issuance	366,666	Common	\$0.09	No	Shaun Huffman	Compensation	Restricted	Exempt
08/10/2021	New Issuance	733,334	Common	\$0.09	No	RTW Stainless Contractors	Compensation	Restricted	Exempt
09/01/2021	New Issuance	37,500	Common	\$0.09	No	Reason Publishing	Compensation	Restricted	Exempt
09/01/2021	New Issuance	900,000	Common	\$0.09	No	Josh Spencer	Compensation	Restricted	Exempt
Shares Outstanding on Date of This Report:									
Ending Balance:		Balance							
Date 06/30/2022		Common: 26,946,456							
		Preferred: n/a							

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended June 30, 2022, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2020 through June 30, 2022 pursuant to the tabular format above.

#### B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

#### 4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>4</sup>:

**Third Party Providers**

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance Sheet;
- D. Statement of Income;
- E. Statement of Cash Flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

**See attached**

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

**5) Issuer's Business, Products and Services**

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Elinx Corporation has purchased assets to produce and manufacture industrial sand. Primarily with the demand of the oil and gas wells being drilled and completed in the Eagleford Shale play we are focused on Frac Sand. The property has higher grade of in-basin frac sand with very little overburden to remove. The combination of the ease to mine and of the closest and centrally located mine to the major wells give us a strategic advantage to the competing marketplace.

B. Please list any subsidiaries, parents, or affiliated companies.

None

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<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

C. Describe the issuers' principal products or services.

Frac Sand, which the Company produces and manufactures.

## 6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company owns equipment to manufacture and produce Frac Sand. The Company owns loaders, backhoes, skid steers, washers and dryers for sand and other equipment for processing and manufacturing sand. The Company does not have any leased equipment.

## 7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Gary Bell</u>	<u>Director</u>	<u>Broken Arrow, OK</u>	<u>8,000,000</u>	<u>Common</u>	<u>29.7%</u>	
<u>Crown Financial</u>	<u>None</u>	<u>Houston, TX</u>	<u>2,161,477</u>	<u>Common</u>	<u>8.0%</u>	

<u>Cara Duvall</u>	<u>Director</u>	<u>Tahlequah, OK</u>	<u>13,067,500</u>	<u>Common</u>	<u>48.5%</u>	
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## 8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 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);

None

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;

None

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

None

4. 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.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

**16 Sands v. Elinx Corporation** – This pending lawsuit is being handled by The Law Offices of Albert W. Van Cleave, III PLLC. This lawsuit involves a landlord seeking to take possession of Elinx's Sand Equipment. Elinx was sued by its landlord related to the prior tenant's defaults. Subsequent to this lawsuit Elinx has negotiated a settlement where it would be able to remove the equipment. This case is in the middle stage of litigation.

**Pico v. Elinx Corporation** – This pending lawsuit is being handled by The Law Offices of Albert W. Van Cleave, III PLLC. This lawsuit involves Pico, a propane supplier to Elinx to run the sand dryer. The case is looking at fault within the supply of propane and leaky fuel lines. The lawsuit is currently within discovery.

**Riojas Heavy Equipment v. Elinx Corporation** – This pending lawsuit is being handled by The Law Offices of Albert W. Cleave, III PLLC. This matter involves a billing dispute involving the use of the Sand Equipment. The matter is still in the initial stages of litigation.

## 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Robert J. Burnett  
Firm: Witherspoon, Brajcich McPhee, PLLC  
Address 1: 601 West Main Ave, Suite 1400  
Address 2: Spokane, WA 99201-0677  
Phone: (509) 455-9077  
Email: rburnett@workwith.com

Accountant

Name: Conrad Smith  
Firm: Echelon Group LLC  
Address 1: 240 N Promontory, Suite 200  
Address 2: Farmington, UT 84025  
Phone: n/a  
Email: csmith@echelonmgt.com

Investor Relations

Name: n/a  
Firm: n/a  
Address 1: n/a  
Address 2: n/a  
Phone: n/a  
Email: n/a

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: n/a  
Firm: n/a  
Nature of Services: n/a  
Address 1: n/a  
Address 2: n/a  
Phone: n/a  
Email: n/a

**10) Issuer Certification**

*Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Gary Bell certify that:



1. I have reviewed this annual disclosure statement of Elinx Corporation;

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.

October 4, 2022

/s/ Gary Bell Name: Gary Bell

Title: Chief Executive Officer

## ELINX CORPORATION

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**ELINX CORPORATION**  
**(FORMERLY KNOWN AS APERTURE HEALTH, INC.)**  
**BALANCE SHEETS**

	<u>June 30,</u> <u>2022</u>	<u>June 30,</u> <u>2021</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 147,572	\$ 374,557
Accounts receivable	413,880	144,596
Accounts receivable – related party	372,680	-
<b>Total Current Assets</b>	<b>838,952</b>	<b>519,153</b>
Property and equipment, net of accumulated depreciation	132,533	177,976
<b>TOTAL ASSETS</b>	<b>\$ 1,066,665</b>	<b>\$ 697,129</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 151,110	\$ 244,634
Notes payable – related parties	83,000	39,486
<b>Total Current Liabilities</b>	<b>241,300</b>	<b>284,120</b>
<b>LONG TERM LIABILITIES</b>		
Notes payable	\$ 130,000	\$ 114,792
<b>TOTAL LIABILITIES</b>	<b>371,300</b>	<b>\$ 398,912</b>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock; \$0.001 par value, 480,000,000 shares authorized; 26,946,456 and 24,908,956 shares issued and outstanding at June 30, 2022 and June 30, 2021, respectively	26,947	24,909
Additional Paid-in Capital	2,374,760	2,262,697
Accumulated Deficit	(1,699,152)	(1,989,389)
<b>Total Stockholders' Equity</b>	<b>702,555</b>	<b>298,217</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 1,066,665</b>	<b>\$ 697,129</b>

See accompanying notes to financial statements

F-1

**ELINX CORPORATION**  
**(FORMERLY KNOWN AS APERTURE HEALTH, INC.)**  
**STATEMENTS OF OPERATIONS**

	<b>For the Year Ended</b>	
	<b>June 30, 2022</b>	<b>June 30, 2021</b>
REVENUES		
Processing revenue	\$ 1,704,286	\$ 1,241,077
TOTAL REVENUES	1,704,286	1,241,077
COST OF SERVICES	738,328	606,172
GROSS PROFIT	965,958	634,905
OPERATING EXPENSES		
Depreciation	45,444	45,441
General and administrative	630,277	974,671
Total Operating Expenses	675,721	1,020,112
OPERATING INCOME (LOSS)	290,237	220,965
Other Income (Expense)		
		-
	-	-
Total Other Income (Expense)		-
NET INCOME (LOSS) BEFORE INCOME TAXES	290,237	220,965
Provision for Income Taxes	-	-
NET INCOME (LOSS)	\$ 290,237	\$ 220,965
BASIC AND DILUTED EARNINGS (LOSS) PER SHARE	\$ 0.01	\$ 0.01
BASIC AND DILUTED WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	25,989,538	24,908,956

See accompanying notes to financial statements

**F-2**

**ELINX CORPORATION**  
**(FORMERLY KNOWN AS APERTURE HEALTH, INC.)**  
**STATEMENT OF STOCKHOLDERS' EQUITY**

	Common Stock		Additional	Accumulated	Total
	Shares	Amount	Paid-In Capital	Deficit	Stockholders' Equity
<b>Balance, June 30, 2020</b>	<b>24,908,956</b>	<b>\$ 24,909</b>	<b>\$ 2,262,697</b>	<b>\$ (2,210,354)</b>	<b>\$ 77,252</b>
Net income for the year	-	-	-	220,965	220,965
<b>Balance, June 30, 2021</b>	<b>24,908,956</b>	<b>\$ 24,909</b>	<b>\$ 2,262,697</b>	<b>\$ (1,989,389)</b>	<b>\$ 298,217</b>
Shares issued for compensation	2,037,500	2,038	112,063		114,101
Net income for the year	-	-	-	290,237	290,237
<b>Balance, June 30, 2022</b>	<b>26,946,456</b>	<b>\$ 26,947</b>	<b>\$ 2,374,760</b>	<b>\$ (1,699,152)</b>	<b>\$ 702,555</b>

See accompanying notes to financial statements

**F-3**

**ELINX CORPORATION**  
**(FORMERLY KNOWN AS APERTURE HEALTH, INC.)**  
**STATEMENTS OF CASH FLOWS**

	<b>For the Years Ended</b>	
	<b>June 30, 2022</b>	<b>June 30, 2021</b>
<b>OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 290,237	\$ 220,965
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	45,444	45,442
Shares issued for stock-based compensation	114,101	-
Changes in operating assets and liabilities		
Account receivable	(269,284)	(144,596)
Accounts receivable – related party	(372,680)	
Accounts payable and accrued liabilities	(93,524)	89,605
Net Cash Provided by (Used in) Operating Activities	(285,707)	211,420
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	-	-
Net Cash Used in Financing Activities	-	-
<b>FINANCING ACTIVITIES</b>		
Repayment on notes payable	(154,278)	
Proceeds from notes payable – related party	83,000	39,486
Proceeds from notes payable	130,000	114,792
Net Cash Provided by Financing Activities	58,722	154,278
NET INCREASE (DECREASE) IN CASH	(266,985)	365,698
CASH AT BEGINNING OF PERIOD	374,557	8,859
CASH AT END OF PERIOD	\$ 147,572	\$ 374,557
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>		
CASH PAID FOR:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -
<b>NON-CASH INVESTING AND FINANCING ACTIVITIES:</b>		
Common shares issued for assets	\$ -	\$ -

See accompanying notes to financial statements

**F-4**

**ELINX CORPORATION**  
**(FORMERLY KNOWN AS APERTURE HEALTH, INC.)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Years Ended June 30, 2022 and 2021**

**Note 1 - Organization and Operations**

The Company, formerly known as Fuel Corporation, and then as Aperture Health, Inc. and now known as Elinx Corporation (the “Company” or “Elinx”), was incorporated on September 8, 2005 under the laws of the State of Nevada. On January 19, 2019, the Company filed a Certificate of Amendment to its Articles of Incorporation with the Secretary of State of the State of Nevada effecting a name change from Aperture Health, Inc. to Elinx Corporation. On December 18, 2019, the Company entered into an agreement to acquired assets from Crown Financial to participate in the sand fracking business. These assets were entered into from an issuance of the Company’s common stock.

**Note 2 - Significant and Critical Accounting Policies and Practices**

The Management of the Company is responsible for the selection and use of appropriate accounting policies and the appropriateness of accounting policies and their application. Critical accounting policies and practices are those that are both most important to the portrayal of the Company’s financial condition and results and require management’s most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The Company’s significant and critical accounting policies and practices are disclosed below as required by generally accepted accounting principles.

*Basis of Presentation*

The accompanying financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), and with the rules and regulations of the United States Securities and Exchange Commission (“SEC”). The Company has elected June 30<sup>th</sup> as its fiscal year ending date.

*Use of Estimates and Assumptions and Critical Accounting Estimates and Assumptions*

The preparation of financial statements in conformity with U.S. GAAP 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(s) of the financial statements and the reported amounts of revenues and expenses during the reporting period(s).

These significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to these estimates or assumptions, and certain estimates or assumptions are difficult to measure or value.

Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable in relation to the financial statements taken as a whole under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly evaluates the key factors and assumptions used to develop the estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such evaluations, if deemed appropriate, those estimates are adjusted accordingly.

Actual results could differ from those estimates.

*Fair Value of Financial Instruments*

The Company follows ASC 820, “Fair Value Measurement,” to measure and disclose the fair value of its financial instruments. ASC 820 establishes a framework for measuring fair value in accordance with GAAP, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, ASC 820 establishes a fair value hierarchy

which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by ASC 820 are described below:

Level 1 Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2 Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3 Pricing inputs that are generally observable inputs and not corroborated by market data.

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts of the Company's financial assets and liabilities, such as cash and accounts payable approximate their fair values because of the short maturity of these instruments.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

At the end of the Company's year end June 30, 2022 and 2021, the Company did not have any financial instruments listed at fair value.

#### Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. The Company had cash of \$147,572 and \$374,557 as of June 30, 2022 and 2021, respectively.

#### Property, Plant and Equipment

We record property, plant and equipment at historical cost. We provide depreciation and amortization in amounts sufficient to match the cost of depreciable assets to operations over their estimated service lives or productive value. We capitalize expenditures for improvements that significantly extend the useful life of an asset. We charge expenditures for maintenance and repairs to operations when incurred. Depreciation is computed using the straight-line method over estimated useful lives as follows:

Vehicles and equipment	3 to 7 years
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#### Related Parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

#### Commitments and Contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company but which will only



be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or un-asserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or un-asserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. As of June 30, 2022 and 2021, the Company does not have any commitments or contingencies.

### Revenue Recognition

Effective November 1, 2017, the Company adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Subtopic 606-10, Revenue from Contracts with Customers ("ASC 606-10"). The adoption of ASC 606-10 had no impact on prior year or previously disclosed amounts. In accordance with ASC 606-10, revenue is measured based on a consideration expected to receive, as specified in a contract with a customer and recognized when we satisfy the performance obligation specified in each contract.

Revenue related to contracts with customers is evaluated utilizing the following steps: (i) Identify the contract, or contracts, with a customer; (ii) Identify the performance obligations in the contract; (iii) Determine the transaction price; (iv) Allocate the transaction price to the performance obligations in the contract; (v) Recognize revenue when the Company satisfies a performance obligation.

When the Company enters into a contract, the Company analyzes the services required in the contract in order to identify the required performance obligations which would indicate the Company has met and fulfilled its obligations. For the current contracts in place, the Company has identified performance obligations as agreement from both parties (implicit or explicit) that the obligations have been met. To appropriately identify the performance obligations, the Company considers all of the services required to be satisfied per the contract, whether explicitly stated or implicitly implied. The Company allocates the full transaction price to the single performance obligation being satisfied. As the Company

As of June 30, 2022, the Company recognized approximately \$1.7 million in revenue from contracts with customers from work performed throughout the year. Whereas as of June 30, 2021 the Company recognized approximately \$1.2 million in revenue.

### Deferred Tax Assets and Income Tax Provision

The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification. Deferred income tax assets and liabilities are determined based upon differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statements of operations in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25"). Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures.

The estimated future tax effects of temporary differences between the tax basis of assets and liabilities are reported in the accompanying balance sheets, as well as tax credit carry-backs and carry-forwards. The Company periodically reviews the recoverability of deferred tax assets recorded on its balance sheets and provides valuation allowances as management deems necessary.

Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In addition, the Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. In management's opinion, adequate provisions for income taxes have been made for all years. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

#### Earnings per Share

Earnings per share ("EPS") is the amount of earnings attributable to each share of common stock. For convenience, the term is used to refer to either earnings or loss per share. EPS is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Pursuant to ASC Paragraphs 260-10-45-10 through 260-10-45-16 Basic EPS shall be computed by dividing income available to common stockholders (the numerator) by the weighted-average number of common shares outstanding (the denominator) during the period. Income available to common stockholders shall be computed by deducting both the dividends declared in the period on preferred stock (whether or not paid) and the dividends accumulated for the period on cumulative preferred stock (whether or not earned) from income from continuing operations (if that amount appears in the income statement) and also from net income. The computation of diluted EPS is similar to the computation of basic EPS except that the denominator is increased to include the number of additional common shares that would have been outstanding if the dilutive potential common shares had been issued during the period to reflect the potential dilution that could occur from common shares issuable through contingent shares issuance arrangement, stock options or warrants.

There were no contingent shares issuance arrangements, stock options or warrants which were issuable and could have potential dilutive effect to the earnings per share for the periods ended June 30, 2022 or 2021.

#### Coronavirus Pandemic ("COVID-19")

In March 2020, the World Health Organization declared COVID-19 a pandemic. The global spread of COVID-19 has created significant volatility, uncertainty, and economic disruption. Governments in affected regions have implemented, and may continue to implement, safety precautions which include quarantines, travel restrictions, business closures, cancellations of public gatherings and other measures as they deem necessary. Many organizations and individuals, including the Company and its employees, are taking additional steps to avoid or reduce infection, including limiting travel and working from home. These measures are disrupting normal business operations both in and outside of affected areas and have had significant negative impacts on businesses and financial markets worldwide. We will continue to closely monitor the impact of COVID-19 on all aspects of our business, including the impacts to our employees, participants and suppliers; however, at this time, we are unable to estimate the ultimate impact the pandemic will have on our consolidated financial condition, results of operations or cash flows.

On March 27, 2020, the bipartisan Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into legislation. The CARES Act provides for \$100 billion to healthcare providers, including hospitals on the front lines of the COVID-19 pandemic.

#### Recently Issued Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying financial statements.

#### **Note 3 – Going Concern**

The Company's financial statements have been prepared assuming that it will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the financial statements, the Company had an accumulated deficit of \$1,699,152 and \$1,989,389 at June 30, 2022 and June 30, 2021, respectively for the reporting periods then ended. Although the Company recognized a net income for the period noted, these factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company has commenced operations and has generate revenue; however, the Company's cash position may not be sufficient to support the Company's daily operations. Management intends to raise additional funds by way of a private or public offering. While the Company believes in the viability of its strategy to commence operations and generate sufficient revenue and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate sufficient revenue and its ability to raise additional funds by way of a public or private offering.

The financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

#### **Note 4 – Property and equipment**

Property and equipment are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization are recorded using the straight-line method over the estimated useful lives.

Property and equipment were comprised of the following as of June 30, 2022 and 2021:

	<b>June 30, 2022</b>	<b>June 30, 2021</b>
Vehicles and equipment	227,205	227,205
	227,205	227,205
Less Accumulated Depreciation	(94,672)	(29,229)
Total Property, Plant and Equipment	<u>\$ 132,533</u>	<u>\$ 177,976</u>

Depreciation of \$45,444 and \$45,442 was recorded during the fiscal years ended June 30, 2022 and 2021, respectively. Costs of enhancements or modifications that substantially extend the capacity or useful life of an asset are capitalized and depreciated accordingly. Ordinary repairs and maintenance are expensed as incurred.

When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the consolidated balance sheets, and the resulting gain or loss, if any, is reflected in the statements of operations.

#### **Note 5 – Related Party Transactions**

From time to time, the Company lent money to a related party advances funds to for working capital purpose. Those advances are unsecured, non-interest bearing and due on demand. As of June 30, 2022 the Company advanced a related party entity \$372,680. The related party amount is due on demand and has no such interest associated to the repayment of the amount. Management estimates that the amount will be repaid within the next year. No such transactions occurred throughout the year ended June 30, 2021.

#### **Note 6 – Notes Payable**

During the 2021 fiscal year, the Company entered into 3 notes payable to support operations of the Company.

The Company entered into the Paycheck Protection Program (PPP) provided by the Small Business Administration (SBA) in response to the effect of Covid-19 on commerce. The Company at the end of the fiscal year had a PPP loan in the amount of \$0 and \$65,792 for the year ending June 30, 2022 and June 30, 2021. The Company has received forgiveness of this PP loan and has included this in income.

The Company entered into a second note with the Economic Income Disaster Loan program also sponsored by the SBA in response to Covid-19. The Company has a loan with the SBA in the amount of \$49,000 which is payable over 30 years and has an interest rate of 2%. This amount is still outstanding and has been recorded in notes payable.

The Company borrowed amounts from related parties throughout the year. These amounts are non-interest bearing, have no set repayment terms and are not secured. The Company has included these in current liabilities. The Company was advanced \$83,000 and \$39,486, including interest, as of June 30, 2022 and June 30, 2021, respectively.

The Company borrowed amounts throughout the year for \$100,000. These amounts have an interest rate of approximately 18% per annum, have monthly repayment terms, within approximately 18 months and is not secured. The Company did not have any amount owed to this party as of June 30, 2021.

## **Note 7 – Stockholder’s Equity**

### Shares Authorized

The Company is authorized to issue 480,000,000 shares of Common Stock, par value \$0.001 per share.

### Common Stock

The Company did not issue any common shares throughout the fiscal year ending June 30, 2021.

In August of 2021, the Company issued 2,037,500 shares of common stock as compensation for services rendered to the Company. These shares of common stock were valued at the fair market value for a total of \$114,101. These have been recorded as stock-based compensation.

## **Note 7 – Earnings per share**

Basic earnings per share is computed using the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted-average number of common shares outstanding during the period, plus the dilutive effect of outstanding options, using the treasury stock method and the average market price of the Company’s common stock during the applicable period.

As of June 30, 2022 and 2021, there were zero common share equivalents, excluded from the calculation of diluted EPS.

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The following table sets forth the computation of basic and diluted net income per common unit for the years ended June 30, 2022 and 2021:

	June 30, 2022	June 30, 2021
Net Income	\$ 290,237	\$ 220,965
Weighted Average Common Share Outstanding (Basic)	25,989,538	24,908,956
Earnings Per Share - Basic	\$ 0.01	\$ 0.01
Dilutive Shares	-	-
Weighted Average Common Share Outstanding (Diluted)	25,989,538	24,908,956
Earnings Per Share - Diluted	\$ 0.00	\$ 0.01

## **Note 8 – Income taxes**

The Company's effective income tax rate for fiscal 2022 and fiscal 2021 are 21%, and 21%, respectively. Actual income tax expense differs from the amount computed by applying the applicable U.S. federal statutory corporate income tax rate of 21% in fiscal 2022 and 2021. There are no significant differences between the effective rate and statutory rate due to state taxes, nondeductible items, and prior-year true-ups.

As of June 30, 2022 and June 30, 2021, the Company had net operating loss carry-forwards for U.S. federal income tax purposes of approximately \$1,699,152 and \$1,989,389, respectively.

The valuation allowance was established to reduce the deferred tax asset to the amount that will more likely than not be realized. This is necessary due to the Company's continued operating losses and the uncertainty of the Company's ability to utilize all of the net operating loss carry-forwards before they will expire through the year 2040.

The Company is subject to income tax in the U.S. federal jurisdiction. The Company has not been audited by the U.S. Internal Revenue Service in connection with income taxes. The Company's tax years beginning with the year ended June 30, 2022 generally remain open to examination by the Internal Revenue Service until its net operating loss carryforwards are utilized and the applicable statutes of limitation have expired.

#### **Note 9 – Subsequent Events**

Management has evaluated subsequent events, in accordance with FASB ASC Topic 855, "Subsequent Events," through the date these financial statements were issued and noted no material subsequent events other than disclosed herein.

None noted at the time of issuance of these financial statements.