GeckoSystems International Corporation

Financial Statements
(For Period Ending June 30, 2013)

GeckoSystems International Corporation
(An Emerging Growth Stage Company)
Balance Sheet
As of June 30, 2013
(Unaudited)

Assets		
Current assets:		
Cash	$	18,245
Cash equivalents		525,000
Supply inventory (frames, motors, electronics, etc.)		83,450
Total current assets		626,695
Equipment and furniture, net		21,670
Other non-current assets		
Employee advances		-
Utility & lease deposits		1,550
Other (See Note 1)		147,891
Total non-current assets		149,441
Total Assets	**$**	**797,806**
Liabilities and Stockholder's Equity		
Current Liabilities:		
Accounts Payable		5,230
Accrued Liabilities		424,200
Set aside for litigation (See Note 2)		50,000
Total current liabilities	$	479,430
Stockholder's Equity		
Common Stock:		6,558,005
Par value: $0.001 per share		
Authorized: 825,000,000 shares		
Outstanding: 527,134,996 shares		
Deficit accumulated during the development stage		(7,633,237)
Total stockholders' equity		1,393,608
Total Liabilities and Stockholder's Equity	**$**	**797,806**

See accompanying notes.

GeckoSystems International Corporation
(An Emerging Growth Stage Company)
Statement of Income (Loss)
For the Year ending June 30, 2013
(Unaudited)

	For the Year ending June 30, 2013	Cumulative during the Development Stage
Revenues	$ 750,000	$ 771,828
Expenses		
General and administrative	82,786	3,471,855
Research and development	27,896	4,569,667
Sales and marketing	64,475	246,668
Depreciation	14,548	116,875
Total Expenses	189,706	8,405,065
Net Profit (Loss) Before Taxes	**$ 560,294**	**$ (7,633,237)**
Provision for local, state, federal taxes	**$ -**	
Net Profit (Loss) After Taxes	**$ 560,294**	

See accompanying notes.

GeckoSystems International Corporation
(An Emerging Growth Stage Company)
Statements of Cash Flows
For the Year ending June 30, 2013
(Unaudited)

	For the Year ending June 30, 2013	Cumulative during the Development Stage
Cash flows from operating activities:		
Net profit (loss)	$ 560,294	$ (7,633,237)
Adjustments to reconcile net loss to net cash used by operating activities:		
Common stock issued for services rendered	$ 95,000	$ 810,361
Common stock issued for stock of predecessor	-	197,172
Depreciation	14,548	116,875
(Increase) decrease in:		
Supply inventory	(21,540)	(101,457)
Employee advances	-	-
Other assets	0	(161,527)
Increase (decrease) in:		
Accounts payable	5,230	-
Accrued liabilities	(124,200)	479,430
Total adjustments	(30,962)	1,340,854
Net cash provided by operating activities	529,333	(1,679,891)
Cash flows from investing activities:		
Purchase of equipment and furniture	(685)	(74,620)
Net cash used by investing activities	(685)	(74,620)
Cash flows from financing activities:		
Proceeds from issuance of common stock	97,555	1,593,875
Net cash provided by financing activities	-	1,593,875
Net increase (decrease) in cash	536,943	550,323
Cash, beginning of one year period	6,302	-
Cash, end of one year period	$ 543,245	$ -
Supplemental disclosure of non-cash investing activities:		
Common stock issued for services rendered	$ 95,000	$ 1,081,661
Common stock issued for equipment	$ 20,000	$ 30,000

See accompanying notes.

GeckoSystems International Corporation
(An Emerging Growth Stage Company)
Statement of Changes in Stockholder's Equity
For the Year ending June 30, 2013
(Unaudited)

	Common Stock	Deficit Accumulated during the Development Stage	Total Stockholder's Equity
Balance at Beginning of One Year	7,008,299	(7,447,253)	1,317,022
Common stock issued for:			
Cash	15,000	0	1,333,269
Compensation	95,000	0	(5,945,413)
Net Income	(560,294)	189,706	(7,633,237)
Balance at End of Year	$ 6,558,005	$ (7,257,547)	$ 1,393,608

See accompanying notes.

GeckoSystems International Corporation
(An Emerging Growth Stage Company)
Notes to The Financial Statements
As of June 30, 2013

NOTE 1

Other assets consist of MSR prototypes valued at $147,891 after depreciation and amortization.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

General:

GeckoSystems International Corporation (the "Company") was incorporated in the state of Delaware in February 2007. The Company has been in the development stage since its formation and is developing low cost mobile robot solutions for both commercial and domestic uses. The Company has had no significant operations since its inception with its activities consisting of organizing the Company, developing a business plan, devoting substantially all of its efforts to research and development, and raising its initial capital to support these efforts.

In the opinion of management all adjustments necessary for a fair statement of results for the periods presented have been included. All such adjustments are a normal and recurring nature.

Business risk and liquidity:

As shown in the accompanying financial state statements, the Company incurred a net profit of $560,294 for the year ending June 30, 2013 and has a deficit accumulated in the development stage of $7,633,237 and cash of $18,245 as of June 30, 2013. The Company anticipates incurring additional losses in the future as it continues research and development of its mobile service robots. There can be no assurance that the Company will be able to maintain profitability on a sustained basis, if at all.

The Company has incurred negative cash flows from operations since its inception until this past year; the Company has expended and expects to continue to expend in the future, substantial funds to complete its planned product development efforts. The Company expects that its existing capital resources, including the funds received pursuant to the public placement will be adequate to fund the Company's projected operations through the next year. No assurance can be given that the Company will not consume a significant amount of its available resources before that time. Management plans to continue to conduct its business and monitor expenditures. There can be no assurance that the Company's financing efforts will be successful. If adequate funds are not available, the financial position and results of operations will be materially and adversely affected.

These factors raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do no include any adjustments that might result from the outcomes of the uncertainty.

Basis of accounting:

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States and conform to the standards applicable to development stage companies. The Company's fiscal year ends June 30.

Supply inventory:

Supply inventory is comprised primarily of raw materials and subassemblies and is carried at cost based upon the specific item identification method.

Equipment and furniture:

Equipment and furniture are stated as cost less accumulated depreciation. Depreciation is recognized using accelerated methods over the estimated useful lives of the assets which approximate the straight-line-method.

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When equipment is sold or otherwise disposed of, the asset account and related depreciation are relieved, and any gain or loss is included in operations.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the year. Particularly susceptible to estimation is the fair value of services rendered for common stock. Actual results could and usually do differ from those estimates.

Research and development costs:

Research and development costs are expenses as incurred and consist primarily of salaries, supplies, and laboratory expenses.

Advertising and marketing costs:

Advertising and marketing costs are charged to operations when incurred.

Start-up costs:

Start-up costs include legal and professional fees. In accordance with Statement of Position 98-5, "Costs of Start-up Activities," these costs have been expensed as incurred.

Stock-based compensation:

The Company accounts for the issuance of common stock for services rendered and for equipment based upon the fair market value of the services or equipment at the time provided.

New accounting Pronouncements:

In May 2003, the Financial Account Standards Board (”FASB’) issued statements of Financial Accounting Standards No. 150 (SFAS 150), “Accounting for Certain Financial Instruments with Characteristics as both Liabilities and Equity.” SFAS 150 establishes standards for classification and measurement of certain financial instruments with the characteristics of both liabilities and equity. SFAS 150 requires financial instruments with its scope to be classified as a liability (or an asset in some circumstances). Many of those financial instruments were previously classified as equity. SFAS 150 is effective for financial instruments entered into or modified after May 31, 2003. For financial instruments created before and still existing as of the issuance of this statement, a cumulative effect of change in accounting principle is required to be reported upon implementation in the first interim reporting period beginning after June 15, 2003. The Company does not currently have any financial instruments that would fall under the scope of SFAS 150.

In December 2002, the FASB issued SFAS No. 148, which provided alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. SFAS No. 145 also requires that disclosure of the pro forma effect of using the fair value method of accounting for stock-based employee compensation be displayed more prominently and in tabular format. Additionally, SFAS No. 148 requires disclosure of the pro forma effect in interim financial statements. The transition requirements of SFAS No. 148 are effective for the Company’s fiscal year 2003. The Company currently does not offer stock options or warrants.

In November 2002, the Emerging Issues Task Force (“EITF”) reached a consensus on issue No. 00-21, “Revenue Arrangements with Multiple Deliverables.” EITF Issue No. 00-21 provides guidance on how to account for arrangements that involve the delivery or performance of multiple products, services and/or rights to use assets. The provision of EITF Issue No. 00-21 will apply to revenue arrangements entered into in fiscal periods beginning after June 15, 2003. The Company currently does not deal in any revenue arrangements with multiple deliverables.