

HALLMARK VENTURE GROUP INC**Balance Sheet****As of June 30, 2016**

	<u>Jun 30, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
General Account	4,098.88
Savings Account	-39.08
Total Checking/Savings	<u>4,059.80</u>
Total Current Assets	4,059.80
Fixed Assets	
Accumulated Depreciation	-6,305.87
Furniture and Equipment	6,305.87
Total Fixed Assets	<u>0.00</u>
Other Assets	
Investments	
Humble Energy, Inc	43,973.67
Play Pen Corp.	21,500.00
Total Investments	<u>65,473.67</u>
Total Other Assets	<u>65,473.67</u>
TOTAL ASSETS	<u><u>69,533.47</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Note -B of A-1ST TD	100,000.00
Notes Payable	172,797.00
Total Other Current Liabilities	<u>272,797.00</u>
Total Current Liabilities	272,797.00
Long Term Liabilities	
Debt from Discontinued Operation	1,948,548.60
Total Long Term Liabilities	<u>1,948,548.60</u>
Total Liabilities	2,221,345.60
Equity	
Additional Paid in Capital	477,465.68
Capital Stock	15,465.00
Preferred Stock	87.00
Retained Earnings	-2,560,069.76
Net Income	-84,760.05
Total Equity	<u>-2,151,812.13</u>
TOTAL LIABILITIES & EQUITY	<u><u>69,533.47</u></u>

HALLMARK VENTURE GROUP INC

Profit & Loss

July 2015 through June 2016

	<u>Jul '15 - Jun 16</u>
Ordinary Income/Expense	
Expense	
Bank Service Charges	129.05
GENERAL & ADM EXPENSE	<u>92,095.00</u>
Total Expense	<u>92,224.05</u>
Net Ordinary Income	<u>-92,224.05</u>
Net Income	<u><u>-92,224.05</u></u>

**HALLMARK VENTURE GROUP INC.
STATEMENT OF SHAREHOLDERS
(DEFICIT) FOR THE YEARS
ENDED JUNE 30, 2014 AND 2015
(UNAUDITED)**

	Common Stock		Preferred Stock		Additional	Accumulated	
	Shares	Amount	Shares	Amount	Paid In Capital	Deficit	Total
Balance, June 30, 2013	3,514,847	\$ 15,465	87,000	\$ 87	\$ 477,466	\$ (2,520,593)	\$ (2,027,576)
Shares Issued for Cash	-	-	-	-	-	-	-
Net Income (Loss)	-	-	-	-	-	-	(3,690)
Balance, June 30, 2014	3,514,847	\$ 15,465	87,000	\$ 87	\$ 477,466	\$ (2,520,593)	\$ (2,031,265)
Shares Issued for Cash	-	-	-	-	-	-	-
Net Income (Loss)	-	-	-	-	-	-	(79)
Balance, June 30, 2015	3,514,847	\$ 15,465	87,000	\$ 87	\$ 477,466	\$ (2,552,527)	\$ (2,059,588)
Shares issued for cash	-	-	-	-	-	-	-
Net Income (Loss)	-	-	-	-	-	-	(84,760)
Balance, June 30, 2016	<u>3,514,847</u>	<u>15,465</u>	<u>87,000</u>	<u>87</u>	<u>477,466</u>	<u>2,560,070</u>	<u>(2,151,812)</u>

The accompanying notes are an integral part of these consolidated financial statements

HALLMARK VENTURE GROUP INC**Statement of Cash Flows****July 2015 through June 2016**

	<u>Jul '15 - Jun 16</u>
OPERATING ACTIVITIES	
Net Income	-92,224.05
Adjustments to reconcile Net Income to net cash provided by operations:	
Notes Payable	96,297.00
Net cash provided by Operating Activities	<u>4,072.95</u>
Net cash increase for period	4,072.95
Cash at beginning of period	<u>-13.15</u>
Cash at end of period	<u><u>4,059.80</u></u>

HALLMARK VENTURE GROUP, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

All significant inter-company transactions have been eliminated in the preparation of these financial statements.

History

Hallmark Venture Group, Inc. was originally incorporated in the state of Colorado on July 14, 1995, with the name CPC Office Systems, Inc. In July, 1999, the Company changed its name to Homesmart USA, Inc. On March 8, 2005, the Company moved its domicile to Nevada and changed its name to Smart Truck Systems, Inc. On June 12, 2008, the Company changed its name to Hallmark Venture Group, Inc

Change in Control of the Corporation

At a meeting of the Board of Directors on January 5, 2016, Laz Machado was elected President and Director of the corporation and Robert L. Cashman resigned as President and Director of the corporation.

Cash and Cash Equivalents

For the purposes of the Statement of Cash Flow, the Company considers all short term debt to be cash equivalents. There was no cash paid for interest or income taxes during the periods.

Inventories

Inventories are valued at the lower of cost or market basis using the first end, first out method of costing. There were no inventories on June 30, 2016.

Property and Equipment

Property and equipment are carried at cost. Maintenance repairs and renewals are expensed as incurred. Depreciation of property and equipment is provided for on a straight line basis over their estimated useful lives as follows:

Office Equipment	Five Years
Computers	Five Years

Investments

Hallmark Venture Group, Inc. exchanges services, invests in, and pays some costs in developing its client companies. The investment in these companies is carried at actual costs incurred. The services of Hallmark Venture Group, Inc. and/or its management are valued at zero. Hallmark Venture Group, Inc. considers the investment in these companies as research and development of products for future sale.

Warranty Reserves

Hallmark Venture Group, Inc. does not sell products. All products are sold by companies in which Hallmark has investments.

Income Taxes

There are no taxes due at this time.

Use of Estimates

The preparation of financial statements in conformity with generally excepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 LIQUIDATION OF NON PERFORMING INVESTMENTS

There were no unprofitable operations liquidated in the fiscal year 2016

NOTE 3 ASSET PURCHASE AGREEMENT

There were no asset purchases in the fiscal year 2016

NOTE 4 EQUITY

Common Stock

As of June 30, 2016, the Company had 50,000,000 common shares authorized with a par value of \$.001 per share. There are 3,514,847 shares outstanding as of June 30, 2016.

Preferred Stock

The Company is authorized to issue 100,000 shares preferred stock \$.001 par value and has 87,000 shares of preferred stock outstanding as of June 30, 2016.

NOTE 5 RELATED PARTIES

Robert L. Cashman has loaned Hallmark Venture Group, Inc., \$100,000 by obtaining an equity line of credit on his residence from Bank of America for use by Hallmark Venture Group, Inc.

Robert L. Cashman also refinanced his residence loaning \$50,000.00 to Hallmark Venture Group, Inc.

Hallmark Venture Group, Inc. occupies 300 square feet of office space in the residence of Robert L. Cashman at 18482 Park Villa Place, Villa Park, California 92861.

NOTE 6 COMMITMENTS

Hallmark Venture Group, Inc. has assumed the following notes in the process of organizing this Company:

- (1) Equity line of credit on residence owned by Robert L. Cashman in the amount of \$100,000.00
- (2) A Note from Robert L. Cashman secured by his residence for \$55,000.00
- (3) The company assumed the outstanding debts of HVG Inc and CFS Inc
In the amount of \$1,948,548.60 To facilitate the liquidation of the companies

NOTE 7 CHANGE IN CONTROL

At a meeting of the Board of Directors on January 5, 2016, Laz Machado was elected President and Director of the corporation and Robert L. Cashman resigned as President and Director of the corporation.