

# HALLMARK VENTURE GROUP INC

## Balance Sheet

As of November 30, 2016

	<u>Nov 30, 16</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
General Account	113.56
Savings Account	-39.08
<b>Total Checking/Savings</b>	<u>74.48</u>
<b>Total Current Assets</b>	74.48
<b>Fixed Assets</b>	
Accumulated Depreciation	-6,305.87
Furniture and Equipment	6,305.87
<b>Total Fixed Assets</b>	<u>0.00</u>
<b>Other Assets</b>	
Investments	
Humble Energy, Inc	43,973.67
Play Pen Corp.	21,500.00
<b>Total Investments</b>	<u>65,473.67</u>
<b>Total Other Assets</b>	<u>65,473.67</u>
<b>TOTAL ASSETS</b>	<u><u>65,548.15</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Note -B of A-1ST TD	100,000.00
Notes Payable	192,797.00
<b>Total Other Current Liabilities</b>	<u>292,797.00</u>
<b>Total Current Liabilities</b>	292,797.00
<b>Long Term Liabilities</b>	
Debt from Discontinued Operation	1,948,548.60
<b>Total Long Term Liabilities</b>	<u>1,948,548.60</u>
<b>Total Liabilities</b>	2,241,345.60
<b>Equity</b>	
Additional Paid in Capital	477,465.68
Capital Stock	15,465.00
Preferred Stock	87.00
Retained Earnings	-2,560,069.76
Net Income	-108,745.37
<b>Total Equity</b>	<u>-2,175,797.45</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>65,548.15</u></u>

**HALLMARK VENTURE GROUP INC**

**Profit & Loss**

**September through November 2016**

	<u>Sep - Nov 16</u>
Ordinary Income/Expense	
Expense	
Bank Service Charges	36.20
GENERAL & ADM EXPENSE	<u>21,593.43</u>
Total Expense	<u>21,629.63</u>
Net Ordinary Income	<u>-21,629.63</u>
Net Income	<u><u>-21,629.63</u></u>

**HALLMARK VENTURE GROUP, INC.**  
**STATEMENT OF SHAREHOLDERS EQUITY**  
**FOR THE PERIODS ENDING JUNE 30, 2016, AUGUST 31, 2016**  
**AND NOVEMBER 30, 2016**

	<u>Common Stock</u>		<u>Preferred Stock</u>		Additional	Accumulated	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Paid in Capital</u>	<u>Deficit</u>	<u>Total</u>
Balance, June 30, 2016	3,514,847	15,465	87,000	87	477,466	-2,560,070	-2,151,812
Shares Issued for Cash	-	-	-	-	-	-	-
Net Income (Loss)	-	-	-	-	-	(2,560,070)	-2,560,070
Balance, August 31, 2016	3,514,847	15,465	87,000	87	477,466	-2,647,186	2,154,170
Shares Issued for Cash	-	-	-	-	-	-	-
Net Income (Loss)	-	-	-	-	-	-108,745	-108,745
Balance, November 30, 2016	3,514,847	15,465	87,000	87	477,466	-2,755,931	2,175,797

**HALLMARK VENTURE GROUP INC**  
**Statement of Cash Flows**  
**September through November 2016**

	<u>Sep - Nov 16</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	-21,629.63
Adjustments to reconcile Net Income to net cash provided by operations:	
Notes Payable	<u>15,000.00</u>
Net cash provided by Operating Activities	<u>-6,629.63</u>
 Net cash increase for period	 -6,629.63
 Cash at beginning of period	 <u>6,704.11</u>
Cash at end of period	<u><u>74.48</u></u>

**HALLMARK VENTURE GROUP, INC.**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**  
**NOVEMBER 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 Fiscal Year**

The Board of Directors elected to change the fiscal year end to August 31.

**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.