# Inca Worldwide (QED Connect, Inc.)

# Consolidated Financial Statements

# For the Nine Months Ended

# September 30, 2017

# (Unaudited)

# Contents

## 1.1 INCA WORLDWIDE (QEDN) BALANCE SHEET (Unaudited)

| | | |
|---|---|---|
| **QED Connect (QEDN)** | | |
| **Consolidaded Balance Sheet** | | |
| **(Unaudited)** | | |
| | | 30-Sep-17 |
| Assets | | $0.00 |
| Current Assets | | $0.00 |
| Cash | | $34,474.36 |
| Account Receivable | | $41,989.45 |
| GEGI Receivable | | $15,089.25 |
| Inventory | | $8,075.00 |
| Pre-paid Expense | | $0.00 |
| Deferred offering Cost | | $0.00 |
| Total current assets | | $0.00 |
| Other Assets | | $0.00 |
| Deposit | | $0.00 |
| Total Assets | | $99,628.06 |
| | | |
| Liabilities and Shareholder's equity | | 30-Sep-17 |
| Current Liabilities | | |
| Account payable and other accrued liabilities | $ | 11,320.22 |
| Accrued payable on license agreement | | |
| Convertible debentures | | |
| Convertible debt | | |
| Note Payable | $ | 922,403.38 |
| Loan payable | | |
| Due to related party | | |
| Other Current Liability | | |
| Total Non-curren Liabilities | $ | 933,723.60 |
| Total Liabilities | $ | 933,723.60 |
| | | |
| Shareholders' equity | | |
| Common stocks, $0.001 par value 2,000,000,000 | | |
| authorized 1,307,745,392 and 392,199,870 issued and outstanding, at December 31, 2016 and December 31, 2015 | $ | 2,100,000.00 |
| Additional paid-in-capital | | -$43,227.28 |
| Accumulated deficit | $ | (2,890,868.26) |
| Total shareholder's equity | $ | (834,095.54) |
| | | |
| Total Liabilities and shareholder's equity | $ | 99,628.06 |

## 1.2 INCAWORLDWIDE (QEDN)CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)

| | | |
|---|---|---|
| **QED Connect (QEDN) Inca Worldwide Inc** | | |
| **Consolidated Statement of Operation** | | |
| | | |
| | | 30-Sep-17 |
| Net Revenue | $ | 46,038.94 |
| Cost of Sales | $ | 73.59 |
| Gross Profit | | $45,965.35 |
| | | |
| Operating expenses | | |
| Rent Expense | | $3,871.40 |
| Advertising Expense | | $575.00 |
| Fees Expense | | $1,745.87 |
| Insurance Expense | | $465.00 |
| Salaries Expense | | $16,800.00 |
| Utilities Expense | | $366.35 |
| GMS Expense | | $6,844.35 |
| Other expenses | | $15,906.31 |
| Travel Expense | | $38,238.35 |
| Interest Expense | | $40,232.38 |
| Transfer Agent expense | | $4,380.00 |
| Total Expense | | $129,425.02 |
| | | |
| Net Profit | | -$83,459.67 |

## 1.3 QED CONNECT, INC. CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

| | | |
|---|---|---|
| **QED Connect (QEDN) Inca Worldwide Inc** | | |
| **Consolodated Statement of Cash Flow** | | |
| (unaudited) | | |
| | | 30-Sep-17 |
| Cash Flows From Operating Activies | | |
| Net Loss | | $83,459.67 |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities | | |
| Depreciation | | |
| Changes in assets and liabilities (net of dispositions) | | |
| Account receivable | | |
| Notes receivable | | |
| Prepaid and other current assets | | |
| Other non-current assets | | |
| Account payable and other accrued liabilites | | |
| Convertible notes payable | | |
| Notes payable | | |
| Accrued interest | | $40,232.38 |
| Current portion of capital lease obligations | | |
| Net cash used in operating activities | | |
| Cash flows from investing activities | | |
| Net cash used in investing activities | | |
| Cash flows from financing activities | | |
| Issuance of preferred stocks | | |
| Effect of reverse split on preferred stock | | |
| Effect of common stock 5,500:1 revrese stock split | | |
| Issuance of common stock for acquisition | | |
| Issuance of common stock for debt conversion | $ | 119,000.00 |
| Issuance of common stock for services rendered | | |
| Issuance of convetible notes officer | | |
| Sale of Stock | | |
| Additional paid-in-capital | | |
| Net cash provided by financing activities | | |
| Net increase (decrease) in cash | $ | 9,683.22 |
| Cash at beginning of period | $ | 24,791.14 |
| Cash at the end of period | $ | 34,474.36 |

# 2.0 NOTE 1-OVERVIEW

## 2.1 Liquidity

The accompanying unaudited consolidated financial statements have been prepared assuming that the Company will continue as a going concern. This contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The company change management as of July 7, 2016, after the death of the old CEO Tom Makmann. The new CEO Kate Bahnsen has negotiated and reduce the old liabilities of the company from $ 3,886,793 to $646,988. The Company incurred net losses of ($83,459.61) and ($110,554.96 ) for the periods ended September 30,2017 and December 31, 2016, respectively. As of September 30, 2017, the CEO has signed a contract with three groups of farmers in Choco. This contract is worth $1,530,000 USD and GMS get 3% on franchise fees for a total of $46,180 USD Revenue on franchise fees. Production of these farms will start in 2018. FINAGRO will finance these farmers via Banco Agrario. Inca Worldwide with GMS is also working with several states, the police and the army in Colombia to do substitution of crops o to grow Sacha Inchi for the victims of the conflict. Colombia has over 200,000 hectars or over 500,000 acers of Coca leaves that needs to be substituted for another crops and Sacha Inchi is the only crops that competes with Coca Leaves. The company is still working with the proposals for USaid. Both proposals have been approved by the USaid division in USA and they are under review at the branch of USAid in Colombia. The company has also finalized an agreement with three Afro-Black communities in Choco to plant over 10,000 hectares initially all to be funded by el Banco Agario in Colombia with 100% guarantee by Finagro. The Company has moved its processing facility to Turbo Antioquia and started to process Sacha Inchi in Colombia. The Banco Agrario is financing the project. The company has ship products to several major brand like Twin Labs and is working with them to provide the best blend of Sacha Inchi for each USA buyer.

Any of the following factors could result in insufficient capital to fund the Company's operations for a period significantly shorter than twelve months:

- if the Company's capital requirements or cash flow vary materially from its current projections;
- if the Company is unable to timely raise capital for the requirements of its joint venture agreements and to cover its operating expenses; or
- if other unforeseen circumstances occur.

The Company's inability to fund its operations may require the Company to substantially curtail its business activities. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The Company's plans for correcting these deficiencies include ongoing efforts to raise new capital and negotiating suitable repayment terms for outstanding obligations. The unaudited consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the inability of the Company to continue as a going concern.

## 2.2 NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.2.1 Basis of Presentation

The accompanying unaudited consolidated financial statements of Inca Worldwide (QED Connect, Inc.) have been prepared in conformity with accounting principles regarding interim financial reporting. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for annual financial statements and should be read in conjunction with the unaudited consolidated financial statements previously reported by the Company. In the opinion of management, the accompanying unaudited financial statements contain most all adjustments, consisting only of adjustments of a normal recurring nature, necessary for a fair presentation of the Company's financial position as of September 30, 2017, and its results of operations for the periods presented. These unaudited consolidated financial statements are not necessarily indicative of results to be expected for future periods. The company has changed its name to Inca Worldwide Inc. The company is currently register in New York and is register in Nevada. The company has change its business model and will be only concentrated in its Inca Seeds, Inca Snacks and Inca Superfood products. The Mining operation and any other past agreement have been cancel or move to a private company.

The Preferred Stock for the Purchase of the Inca Seeds has yet to be issued, along with other Preferred Stocks.

### 2.2.2 Critical Accounting Policies and Use of Estimates

The preparation of financial statements in conformity with 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates and assumptions. Certain amounts from prior periods have been reclassified to conform with current period presentation.

### 2.2.3 Cash and Cash Equivalents

The Company considers all cash and investments with original maturities of three months or less to be cash equivalents.

### 2.2.4 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Expenditures for minor replacements, maintenance and repairs which do not increase the useful lives of the property and equipment are charged to operations as incurred. Major additions and improvements are capitalized. Depreciation and amortization are computed using the straight-line method over estimated useful lives of 5 years.

For the processing, roasting and packing equipment we are using a 30-year life, and assuming a value before an investment in the processing of $500,000.

### 2.2.5 Intangible Assets

In accordance with ASC subtopic 350-10, Intangibles, Goodwill and Others, the goodwill impairment analysis compares the fair value of each reporting unit to its carrying value, including goodwill. The Company evaluates the remaining useful life of an intangible asset that is being amortized each reporting period to determine whether events and circumstances warrant a revision to the remaining period of amortization, and as such all Goodwill was written off in this accounting period.

### 2.2.6 Accounting for the Impairment of Long-Lived Assets

ASC subtopic 360-10-40, Property, Plant, and Equipment, Impairment of Disposal of Long-Lived Assets, requires that long-lived assets, such as property and equipment and purchased intangibles subject to amortization, be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the asset is measured by comparison of its carrying amount to undiscounted future net cash flows the asset is expected to generate. If such assets are considered to be impaired, the impairment to be recognized is measured as the amount by which the carrying amount of the asset exceeds its fair market value. Estimates of expected future cash flows represent the Company’s best estimate based on currently available information and reasonable and supportable assumptions. Any impairment recognized in accordance with ASC 360-10-40 is permanent and may not be restored. For the six months ended June 30, 2017, the Company did not recognize any impairment of long-lived assets in connection with ASC 360-10-40 based on its reviews.

### 2.2.7 Advertising

The Company charges advertising costs to expense as incurred. There were no advertising expenses for the twelve months’ periods ending September 30, 2017.

### 2.2.8 Concentrations of Risk

Credit losses, if any, have been provided for in the financial statements and are based on management's expectations. The Company does not believe that it is subject to any unusual risks or significant risks in the normal course of its business.

### 2.2.9 Revenue Recognition

We recognize revenue in accordance with Staff Accounting Bulletin (“SAB”) No. 104, Revenue Recognition, Corrected Copy. Under SAB No. 104, revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the seller’s price to the buyer is fixed or determinable, and collectability is reasonably assured. Revenue is recognized net of sales tax. We apply the specific provisions of SFAS No. 48, Revenue Recognition when Right of Return Exists. Under SFAS No. 48, product revenue is recorded at the transfer of title to the products to a customer, net of estimated allowances and returns and sales incentives. Transfer of title occurs and risk of ownership passes to a customer at the time of acceptance by the customer, depending on the terms of our agreement with a particular customer. For transactions not satisfying the conditions for revenue recognition under SFAS No. 48, product revenue is deferred until the conditions are met, net of an estimate for cost of sales.

### 2.2.10 Income Taxes

The Company accounts for income taxes under ASC topic 740, Income Taxes, ASC topic 740 defines an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. ASC topic 740 further requires that a tax position must be more likely than not to be sustained before being recognized in the financial statements, as well as the accrual of interest and penalties as applicable on unrecognized tax positions. Deferred income taxes are recognized for the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each period end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. The provision for income taxes represents the tax payable for the period, if any, and the change during the period in deferred tax assets and liabilities. The Company is establishing a warehouse in the duty-free Zone in Colombia reducing its tax liability in Colombia to only 15 % instead of 35%. All our imports of Inca seeds from Colombia to the USA are tax exempt.

### 2.2.11 Litigation and Other Contingencies

The Company discloses material contingencies deemed to be reasonably possible and accrues loss contingencies when, in consultation with legal advisors, the Company concludes that a loss is probable and reasonably estimable. The ability to predict the ultimate outcome of such matters involves judgments, estimates and inherent uncertainties. The actual outcome of such matters could differ materially from management's estimates.

Case No: CA10-1547

On February 7, 2017, the CEO received an email with a Motion for Proceeding Supplementary to Implead Inca Worldwide, Inc. F/K/A QED Connect, Inc. in Case No. CA10-1547, Circuit Court, Seventh Judicial Circuit, in and for St. Johns County, Florida. In this matter, a Plaintiff Michael A. Lattuca, seeks to enforce an October 19, 2016 judgment against Defendants Genesis Electronics, Inc., Genesis Electronics Group, Inc., Edward Dillon, and Raymond Purdon, and has filed to implead the Company in order to satisfy that judgment because Shares of the Company's common stock which were issued to Defendant Raymond Purdon as a result of debt conversions, and that stock represents an asset which could be used to satisfy the judgment. The Company has not yet been served, and is reviewing the Motion with litigation counsel in order to determine an appropriate response once service of process has been received.

Case No: BC648277ot

On February 1, 2017 Tangiers filed a lawsuit against Inca Worldwide(QEDN) for two notes payable. The CEO has refused to issue shares to Tangiers till after March 31, 2017 because the Notes didn't had approval of the board of directors when they were signed by the old CEO. Inca Worldwide (QEDN) has thill June 16, 2017 to respond to this lawsuit.

### 2.2.11 Computation of Net Loss (Loss) Per Common Share.

The Company calculates income/loss per share in accordance with FASB ASC topic 260, Earnings Per Share. Basic income/loss per share is computed by dividing the net income/loss available to common shareholders by the weighted-average number of common shares outstanding. Diluted income/loss per share is computed similar to basic loss per share, except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

## 3 NOTE 3 – FAIR VALUE MEASUREMENTS

The Company's financial assets that are measured on a recurring basis at fair value.

### 3.1 Level 1.

The Company utilizes the market approach to determine the fair value of its assets and liabilities under Level 1 of the fair value hierarchy. The market approach pertains to transactions in active markets involving identical or comparable assets or liabilities.

### 3.2 Level 2.

The fair values determined through Level 2 of the fair value hierarchy are derived principally from or corroborated by observable market data. Inputs include quoted prices for similar assets, liabilities (risk adjusted), and market-corroborated inputs, such as market comparables, interest rates, yield curves, and other items that allow value to be determined.

### 3.3 Level 3.

The fair values determined through Level 3 of the fair value hierarchy are derived principally from unobservable inputs to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset (or similar assets) at the measurement date. As of September 30, 2016, no fair value measurements for assets or liabilities under Level 3 were recognized in the Company's consolidated financial statements. There were no changes in the Company's valuation techniques during the twelve months ending September 30, 2016. The Company is not exposed to changes in interest rates which could result in cash flow risks.

## 4. NOTE 4- FURNITURE AND EQUIPMENT

| | 30-September-17 | 30-September-16 |
|---|---|---|
| Vehicles | $ - | $ - |
| Equipment | $ - | $ - |
| Furniture and Fixtures | $ - | $ - |
| Accumulated Depreciation | $ - | $ - |

The above reflects US operations. Colombian Furniture and Equipment will be stated in future filings.

## 5. NOTE 5 – INTANGIBLE ASSETS

On June 17, 2011, the Company acquired the assets of StockProfile.com, StockProfileTV.com, and SPNewsWire.com, which operate financial news Internet sites. The assets acquired included all intellectual property rights, goodwill and web sites for StockProfile.com, StockProfileTV.com, and SPNewsWire.com. In accordance with the terms and provisions of the agreement, the Company acquired the intellectual property rights, goodwill and web sites of StockProfile.com, StockProfileTV.com, and SPNewsWire.com in exchange for the issuance of 29,410,764 shares of the Company's restricted common stock. The shares of common stock were issued on June 17, 2011, and the transaction was valued at $5,000,000. The fair market value of the Company's common stock on the date of issuance was $0.17 per share. The intellectual property rights and web sites have been identified as intangible assets with indefinite useful lives. Since the Company had recognized the acquired assets as long-lived assets, the acquired assets will not be amortized but the Company will conduct an annual review for impairment of the asset values in accordance with ASC 360-10-40, and as such 100% of the value of those assets was removed from the Balance sheet as of December 31, 2015.

## 6 NOTE 6 – Gold Mine

On June 17, 2015, the Company acquired all the assets of the La Palmichala Mine, which operates both a Gold Mine. The assets acquired included all intellectual property rights, goodwill. In accordance with the terms and provisions of the agreement, the Company acquired the assets in exchange for the issuance $6,000,000 in debt which originally had a payment due of $500,000 during December 2014, with a $1,000,000 due annually thereafter. When the Company acquired Green M&S, it elected to not book the reserves of the Gold Mine, but to keep track of its value off the Mineral deposits using the Jennings Capital formula per the ASC 360- 10-40 Report as we understood it, which based on the valuation and type of the Gold reserves at per ounce, valued the mine at $16,318,995 when Gold was at $1800 per oz. This valuation was also based on the Company being able to fully mechanize the mine, which has not happened. The current value of the mine based on the above formula and the current Gold values at $1,084 less ore that has been mined as of December 31, 2014 is $10,907,415. In July 7, 2016 the CEO and Board of directors decided to move the Gold Mine project to a private company and concentrate only in its current Inca Worldwide business.

## 7 NOTE 7 – ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

Accounts payable and accrued expenses as of September 30, 2017 consisted of the following:

| Liabilities and Shareholder's equity | 30-Sep-17 |
|---|---|
| Current Liabilities | |
| Account payable and other accrued liabilities | $ 11,320.22 |
| Accrued payable on license agreement | |
| Convertible debentures | |
| Convertible debt | |
| Note Payable | $ 922,403.38 |
| Loan payable | |
| Due to related party | |
| Other Current Liability | |
| Total Non-curren Liabilities | $ 933,723.60 |
| Total Liabilities | $ 933,723.60 |

The Company no longer has details or statement histories and has not received any communication from the Venders from past due invoices for goods and or services from over seven (7) years ago and has written off $4,592,234.74 of prior Accounts Payable.

## 8 NOTE 8 – CONVERTIBLE NOTES

As of September 30, 2017, the Company had outstanding $922,403.38 of notes pursuant to certain convertible notes payable and the company is working to refinance this $922,403.38 of notes payable.

The company has negotiated with the note holders the balance of this notes to benefit the shareholders. Notes that are over 6 years old will note be honor according to statue limitation of the state of New York.

## 9 NOTE 9 – NOTES PAYABLE

The notes payable has been negotiated down to $922,403.38. All notes payable from the Gold project have been removed.

## 10 NOTE 10 – INVESTMENT ACCOUNT

The company doesn't have any investment interest at the moment on any other company as of September 30, 2017.

## 11 NOTE 11 – SHAREHOLDERS' EQUITY

During the year ending September 30, 2017 the Company issued the following shares:

| | |
|---|---|
| Shareholders' equity | |
| Common stocks, $0.001 par value 2,000,000,000 | |
| authorized 1,307,745,392 and 392,199,870 issued and outstanding, at December 31, 2016 and December 31, 2015 | $ 2,100,000.00 |
| Additional paid-in-capital | -$83,459.67 |
| Accumulated deficit | $ (2,890,868.26) |
| Total shareholder's equity | $ (874,327.93) |

## 12 NOTE 12 – COMMITMENTS AND CONTINGENCIES

### 12.1Capital Lease Obligations

The Company entered into various lease agreements during 2006 and 2007 to acquire certain equipment. Payments due under these capital lease obligations at September 30, 2016 and September 2015 were $26,015 and $26,015 respectively, which are in default. The Company has classified these Capital Lease Obligations as current liabilities at September 30, 2016 and September 30, 2015. The company wrote off this payment obligation in December 31, 2016.

### 13. Service Agreements

Periodically, the Company enters into various agreements for services including, but not limited to, public relations, financial consulting and sales consulting. The agreements generally are ongoing until such time as they are terminated. Compensation for services is paid either on a fixed rate, project cost or based on a percentage, as specified, and may be payable in shares of the Company's common stock or a warrant to purchase shares of the Company's common stock. During the years ending September 30, 2017 and December 31, 2016, the Company incurred expenses of $0 and $0 respectively, in connection with such arrangements. These expenses are included in marketing and general and administrative expenses in the accompanying consolidated unaudited statements of operations. There are no outstanding service agreements at September 30, 2017.

### 13.1 Employment Contract

The Company has entered into several employment contracts for its CEO and Executive Assistant in the USA and for its COO and Social Project Manager.

### 13.2 Employee Retirement Plan

The Company will offer retirement plans for its employees starting 2018.

### 13.3 Financial Agreements

The Company has no outstanding financial agreements at September 30, 2017.

## 13.2 Other Contractual Obligations

During its normal course of business, the Company has made no commitments under which it will or may be required to make payments in relation to certain transactions. These include lease and services agreements. On April 29, 2014, the Company entered into an agreement to acquire Emerald Med Farms, LLC, a California based medical marijuana company for 11,000,000 shares of QED’s common stock and providing up to $2,000,000 of funding for the operations. The management has the option to repurchase up to 80% of the shares of Emerald Med Farms Inc. after 2 years after meeting the agreed to operational plan for revenue and resulting income, and realizing an agreed to return on investment from net operations. The company will be a wholly owned subsidiary of QED Connect, Inc. In March 2015, the Company has terminated its agreement with Emerald Med Farms, Inc. and is re-evaluating its position in the medical marijuana business.

## 4.0 Subsequent Events

In March 2015 the Company signed a Share Purchase Agreement to acquire the shares of Green M&A Solutions, a private US company that has 100% ownership of Green Mine Solutions (“GMS”), a Colombian company with active gold mining operations. GMS has an interest in the La Palmichala property, located in the municipality of Remedios, in the Nordeste sub region of the Antioquía 15 Department, Colombia. The region of the property is on the El Silencio geological formation, which is one of the richest formations in Colombia. Green Mine Solutions has entered into Letter of Intent (LOI) for two mines and processing plants in San Pablo and Hidalgos, located 15 and 20 minutes respectively from La Palmichala, we are in default of the loan payment on this operation and we are waiting for the outcome of the Probate hearing from the deceased owners estate in order to proceed. GMS is also very active in the areas surrounding the mine, helping farmers to grow Inca Seeds (Sacha Inchi). Inca Seed (Sacha Inchi) is a product that is very rich in Omega 3 and is the primary crop in Colombia presently used for the substitution of illegal crops, such as the coca plant. On June 18, 2015 QED entered into an agreement with two of its shareholders and took 51% ownership interest in Inca Worldwide Inc., and as such QED has shown 100% of the Company in its Income statement and Balance Sheet for the period ending September 30, 2017.