

Gunther Grant, Inc.
Consolidated Financial Statements
December 31, 2016 and 2015
(unaudited)

INDEX TO FINANCIAL STATEMENTS
Gunther Grant, Inc.

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of
Gunther Grant, Inc.

We have compiled the accompanying consolidated balance sheets of Gunther Grant, Inc. as of December 31, 2016 and 2015, and the related consolidated statements of operations, shareholders' equity and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Stewart Gelman & Associates, CPAs, P.C.

Stewart Gelman & Associates, CPAs, P.C.

East Islip, New York

November 6, 2017

GUNTHER GRANT, INC.
Consolidated Balance Sheets
December 31, 2016 and 2015

	<u>December 31,</u>	
	<u>2016</u>	<u>2015</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>
Assets		
Current Assets:		
Total Current Assets	-	-
Other Assets:		
Property and equipment, net	5,505	5,505
Loans receivable- officer	<u>197,503</u>	<u>197,503</u>
Total Assets	<u>\$ 203,008</u>	<u>\$ 203,008</u>
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accrued expenses	<u>3,000</u>	<u>3,000</u>
Total Current Liabilities	<u>3,000</u>	<u>3,000</u>
Total Liabilities	<u>3,000</u>	<u>3,000</u>
Shareholders' Equity		
Common stock, no par value, authorized 4,500,000 993,812,811 issued and outstanding in 2016 and 2015.	332,995	332,995
Paid-in capital	1,152,773	1,152,773
Accumulated deficit	<u>(1,285,760)</u>	<u>(1,285,760)</u>
Total Shareholders' Equity	<u>200,008</u>	<u>200,008</u>
Total Liabilities and Shareholders' Equity	<u>\$ 203,008</u>	<u>\$ 203,008</u>

See accountant's compilation report and notes to financial statements

GUNTHER GRANT, INC.
Consolidated Statements of Operations
For the Year Ended December 31, 2016 and 2015

	For the Year Ended December 31,	
	2016	2015
	(unaudited)	(unaudited)
Net Sales	\$ -	\$ -
Cost of goods sold	-	-
Gross Profit	-	-
Operating Expenses		
Total Operating Expenses	-	-
Net Loss	\$ -	\$ -
Loss Per Share		
Basic and diluted net loss per share	\$ -	\$ -
Weighted average common shares outstanding, basic and diluted	993,812,811	993,812,811

See accountant's compilation report and notes to financial statements

GUNTHER GRANT, INC.
Consolidated Statements of Shareholder's Equity
For the Year Ended December 31, 2016 (unaudited) and December 31, 2015 (unaudited)

	<i>Common Stock</i>		<i>Paid-in Capital</i>	<i>Accumulated Deficit</i>	<i>Treasury Stock</i>	<i>Total</i>
	<i>Shares</i>	<i>Amount</i>				
Balance, January 1, 2015 (unaudited)	993,812,811	\$ 332,995	\$ 1,152,773	\$ (1,285,760)	\$ -	\$ 200,008
Net income/loss	-	-	-	-	-	-
Balance, December 31, 2015 (unaudited)	993,812,811	\$ 332,995	\$ 1,152,773	\$ (1,285,760)	\$ -	\$ 200,008
Net income/loss	-	-	-	-	-	-
Balance, December 31, 20016 (unaudited)	<u>993,812,811</u>	<u>\$ 332,995</u>	<u>\$ 1,152,773</u>	<u>\$ (1,285,760)</u>	<u>\$ -</u>	<u>\$ 200,008</u>

See accountant's compilation report and notes to financial statements

GUNTHER GRANT, INC.
Consolidated Statements of Cash Flows
For the Year Ended December 31, 2016 and 2015

	<u>For the Year Ended December 31,</u>	
	<u>2016</u>	<u>2015</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>
Cash Flows From Operating Activities:		
Net income/loss	\$ -	\$ -
Cash Flows From Investing Activities	-	-
Cash Flows From Financing Activities	-	-
Net Increase/(Decrease) in Cash	-	-
Cash at Beginning of Period	-	-
Cash at End of Period	<u>\$ -</u>	<u>\$ -</u>

See accountant's compilation report and notes to financial statements

Gunther Grant, Inc.
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2016 (unaudited) and 2015 (unaudited)

NOTE 1- ORGANIZATION AND MERGER

Gunther Grant, Inc. (the "Company") is a Delaware Corporation headquartered in Las Vegas, Nevada. On January 1, 2005 the Company entered into an agreement (the "*Stock Transfer Agreement*") with *Got Chocolates, Inc.* a privately owned corporation whereby the Company exchanged 18,750,000 shares of its own stock in exchange for all of the outstanding shares of Got Chocolates, Inc. (100 shares). Upon closing of the merger transaction, Got Chocolates, Inc. became a wholly-owned subsidiary of the Company. The merger was accounted for at historical cost basis since the business combination was for entities under common control.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Gunther Grant, Inc. (the Company) is a holding company organized under the laws of the State of Delaware. Its only subsidiary is Got Chocolates, Inc., a wholly owned company organized under the laws of the State of New York. Got Chocolates, Inc. is engaged in the development, production, distribution and marketing of chocolates and various chocolate related items through retail and wholesale channels.

Basis of Financial Statement Presentation and Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Got Chocolates, Inc. Intercompany transactions and accounts have been eliminated.

Reporting Period

The reporting period of these financial statements are for the years ending December 31, 2016 and December 31, 2015. The Company operates on a December 31st fiscal year end.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets, ranging from five to ten years. Leasehold improvements are amortized over the lesser of the useful life or over the remaining lease period. Expenditures for maintenance and repairs are charged to expense as incurred.

Income Taxes

The Company accounts for income taxes in accordance with SFAS No. 109, Accounting for Income Taxes. Under the asset and liability method of accounting for income taxes deferred tax assets and liabilities are recognized for the future tax consequences. Accordingly, deferred tax assets and liabilities are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities, using enacted tax rates in effect for the year in which the differences are expected to reverse.

Revenue Recognition

Revenue is recognized when goods are shipped from production facilities to customers. Revenue is recognized when the following four criteria have been met: the product has been shipped and the Company has no significant remaining obligations; persuasive evidence of an arrangement exists; the price to the buyer is fixed or determinable; and collection is probable. Deductions from sales for discounts are recorded as reductions of revenues and are provided for at the time of initial sale of product.

Gunther Grant, Inc.
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2016 (unaudited) and 2015 (unaudited)

Product Development Costs

Cost of new product development and product redesign are charged to expense as incurred.

Net Income/Loss per Common Stock

Losses per common share are calculated by dividing net loss by the weighted average of number of common shares outstanding during the period.

The following is a reconciliation of the numerators and denominators of the basic and diluted loss per share computations:

	December 31, 2016 (unaudited)	December 31, 2015 (unaudited)
Numerator for basic and diluted loss per share:		
Net loss available to common shareholders	\$ -	\$ -
Denominator for basic and diluted loss per common share:		
Weighted average common shares outstanding	993,812,811	993,812,811
Net loss per common share available to common Shareholders - basic and diluted	<u>\$ -</u>	<u>\$ -</u>

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure on 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 from those estimates.

NOTE 3- PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	December 31, 2016 (unaudited)	December 31, 2015 (unaudited)
Furniture, fixtures, and improvements	\$ 17,020	\$ 17,020
Production machinery, equipment, and molds	75,612	75,612
Other equipment	17,550	17,550
	110,182	110,182
Less: Accumulated depreciation	(104,677)	(104,677)
Property and equipment, net	<u>\$ 5,505</u>	<u>\$ 5,505</u>

Gunther Grant, Inc.
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2016 (unaudited) and 2015 (unaudited)

NOTE 4- LOANS RECEIVABLE- OFFICER

The balance due from officer as of December 31, 2016 and 2015 is \$197,503. The officer's salary for the year ended December 31, 2016 and 2015 was \$-0-.

NOTE 5- OPERATING LEASE AGREEMENTS

The Company has no current lease operating agreements.

NOTE 6- INCOME TAXES

The components of the provision for Federal and State income tax expense are as follows at December 31, 2016 and 2015:

	December 31, 2016 (unaudited)	December 31, 2015 (audited)
Refundable income taxes attributable to:		
Current Operations	\$ -	\$ -
Less: valuation allowance	-	-
Net provision for income taxes	<u>\$ -</u>	<u>\$ -</u>

No net provision for refundable income taxes has been made because no recoverable taxes were paid previously. Similarly, no deferred tax asset attributable to the net operating loss carryforwards has been recognized, as it is not deemed likely to be realized.

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and used for income tax purposes. The cumulative income tax effect at the expected rate of 40% of significant items comprising our net deferred tax amount is as follows as of December 31, 2016 and 2015:

	December 31, 2016 (unaudited)	December 31, 2015 (unaudited)
Deferred tax asset attributable to:		
Net operating loss carryforward	\$ 374,000	\$ 374,000
Less: valuation allowance	(374,000)	(374,000)
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

The Company has net operating loss carryforwards for tax purposes of approximately \$935,000 in 2016 and in 2015.