

Gunther Grant, Inc.
Consolidated Financial Statements
December 31, 2017
(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, 2017 and the related consolidated statements of operations, shareholders' equity and cash flows for the three months and twelve months 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
February 4, 2018

GUNTHER GRANT, INC.
Consolidated Balance Sheets
December 31, 2017
(Unaudited)

Assets

Current Assets:

Accounts receivable	\$	12,000
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Other Assets:

Property and equipment, net		5,505
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Loans receivable- officer		185,403
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Investment		2,600
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Deferred compensation		50,000
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Total Assets	\$	<u>255,508</u>
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Liabilities and Shareholders' Equity

Current Liabilities:

Accrued expenses	\$	1,000
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Total Current Liabilities		1,000
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Total Liabilities		1,000
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Shareholders' Equity

Common stock, no par value, authorized 4,500,000,000		
1,093,812,811 issued and outstanding.		332,995

Paid-in capital		1,202,773
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Accumulated deficit		(1,281,260)
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Total Shareholders' Equity		254,508
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Total Liabilities and Shareholders' Equity	\$	<u>255,508</u>
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See accountant's compilation report and notes to financial statements

GUNTHER GRANT, INC.
Consolidated Statements of Operations
For the Three Months and Twelve Months Ended December 31, 2017
(Unaudited)

	<u>Three Months Ended December 31, 2017</u>	<u>Twelve Months Ended December 31, 2017</u>
Licensing/consulting fee income	\$ 6,000	\$ 12,000
Cost of goods sold	<u>-</u>	<u>-</u>
Gross Profit	<u>6,000</u>	<u>12,000</u>
Operating Expenses		
Total Operating Expenses	<u>4,750</u>	<u>7,500</u>
Net Income	<u>\$ 1,250</u>	<u>\$ 4,500</u>
Loss Per Share		
Basic and diluted net income per share	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Weighted average common shares outstanding, basic and diluted	<u>1,018,558,879</u>	<u>1,043,558,879</u>

See accountant's compilation report and notes to financial statements

GUNTHER GRANT, INC.
Consolidated Statements of Shareholder's Equity
For the Three Months and Twelve Months Ended December 31, 2017 (unaudited)

	<u>Common Stock</u>		<u>Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Treasury Stock</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>				
Balance, October 1, 2017 (unaudited)	1,093,812,811	\$ 332,995	\$ 1,202,773	\$ (1,282,510)	\$ -	\$ 253,258
Net income	-	-	-	1,250	-	1,250
Stock based employee compensation (deferred)	-	-	-	-	-	-
Balance, December 31, 2017 (unaudited)	<u>1,093,812,811</u>	<u>\$ 332,995</u>	<u>\$ 1,202,773</u>	<u>\$ (1,281,260)</u>	<u>\$ -</u>	<u>\$ 254,508</u>
Balance, January 1, 2017 (unaudited)	993,812,811	\$ 332,995	\$ 1,152,773	\$ (1,285,760)		\$ 200,008
Net income	-	-	-	4,500	-	4,500
Stock based employee compensation (deferred)	100,000,000	-	50,000	-	-	50,000
Balance, December 31, 2017	<u>1,093,812,811</u>	<u>\$ 332,995</u>	<u>\$ 1,202,773</u>	<u>\$ (1,281,260)</u>	<u>\$ -</u>	<u>\$ 254,508</u>

See accountant's compilation report and notes to financial statements

GUNTHER GRANT, INC.
Consolidated Statements of Cash Flows
For the Three Months and Twelve Months Ended December 31, 2017
(Unaudited)

	<u>Three Months Ended December 31, 2017</u>	<u>Twelve Months Ended December 31, 2017</u>
Cash Flows From Operating Activities:		
Net income	\$ 1,250	\$ 4,500
Adjustments to reconcile net income to cash provided by operations:		
Increase in accounts receivable	(6,000)	(12,000)
(Decrease) in accrued expenses	(250)	(2,000)
Cash Flows (Used) by Operating Activities	<u>(5,000)</u>	<u>(9,500)</u>
Cash Flows (Used) By Investing Activities:	-	
Investment	<u>(2,600)</u>	<u>(2,600)</u>
Cash Flows Provided By Financing Activities:	-	
Loan receivable - officer	<u>7,600</u>	<u>12,100</u>
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
December 31, 2017

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 three months and year ended December 31, 2017. 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 services are rendered or when goods are shipped from production facilities to customers. Revenue is recognized when the following four criteria have been met: the service/product has been completed/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
December 31, 2017

Product Development Costs

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

Net Income/Loss per Common Stock

Income per common share are calculated by dividing net income 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 income per share computations:

	December 31, 2017 (unaudited)
Numerator for basic and diluted loss per share:	
Net income available to common shareholders	\$ 4,500
Denominator for basic and diluted loss per common share:	
Weighted average common shares outstanding	<u>1,043,558,879</u>
Net loss per common share available to common Shareholders - basic and diluted	<u>\$ 0.00</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, 2017 (unaudited)
Furniture, fixtures, and improvements	\$ 17,020
Production machinery, equipment, and molds	75,612
Other equipment	<u>17,550</u>
	110,182
Less: Accumulated depreciation	<u>(104,677)</u>
Property and equipment, net	<u>\$ 5,505</u>

Gunther Grant, Inc.
Notes to Consolidated Financial Statements
December 31, 2017

NOTE 4- LOANS RECEIVABLE- OFFICER

The balance due from officer as of December 31, 2017 is \$185,403. The officer's salary for the three months and year ended December 31, 2017 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, 2017:

	December 31, 2017 (unaudited)
Refundable income taxes attributable to:	
Current Operations	\$ -
Less: valuation allowance	-
Net provision for income taxes	<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, 2017:

	December 31, 2017 (unaudited)
Deferred tax asset attributable to:	
Net operating loss carryforward	\$ 372,000
Less: valuation allowance	(372,000)
Net deferred tax asset	<u>\$ -</u>

The Company has net operating loss carryforwards for tax purposes of approximately \$930,000 as of December 31, 2017.

Gunther Grant, Inc.
Notes to Consolidated Financial Statements
December 31, 2017

NOTE 7- INVESTMENT

The Company investment consists of gold and silver recorded at cost.

NOTE 8 – DEFERRED COMPENSATION

The Company has recorded deferred compensation to an officer as equity in the amount of \$50,000. A recognized expense will only be recognized if and when certain conditions are met.