

Taylor Consulting, Inc.
Profit & Loss
January 2022 through March 2022
Accrual Basis

Ordinary Income/Expense

Expense	
Interest Expense	\$ 29,328.50
Total Expense	<u>\$ 29,328.50</u>
Net Ordinary Income	<u>\$ (29,328.50)</u>
Net Income	<u><u>\$ (29,328.50)</u></u>

Taylor Consulting, Inc.
Balance Sheet
As of March 31, 2022
Accrual Basis

ASSETS

Current Assets		
Cash at Bank	\$	-
Accounts Receivable		-
Total Current Assets		<u>-</u>
Non-Current Assets		
Property, Plant & Equipment	\$	1,000,000.00
Financial Investments		749,895.40
Total Non-Current Assets	\$	<u>1,749,895.40</u>
Total Assets	\$	<u><u>1,749,895.40</u></u>

LIABILITIES & EQUITY

LIABILITIES

Current Liabilities		
AP and Accrued Liabilities	\$	8,905.75
Tax Payable		-
Total Current Liabilities	\$	<u>8,905.75</u>
Non-Current Liabilities		
Accrued Interest Payable	\$	668,765.65
Convertible Notes Payable		469,256.00
Total Long Term Liabilities	\$	<u>1,138,021.65</u>
Total Liabilities	\$	<u><u>1,146,927.40</u></u>

EQUITY

Accumulated Deficit	\$	(1,639,441.99)
Additional Paid In Capital		1,639,430.00
Investment Financial Investments		749,895.40
Additional Paid in Capital for Acquisition		999,959.78
Capital Stock		53.18
Preferred Stock		1.00
Retained Earnings		(1,117,600.87)
Net Income		(29,328.50)
Total Equity	\$	<u>602,968.00</u>
TOTAL LIABILITIES & EQUITY		<u><u>1,749,895.40</u></u>

Taylor Consulting, Inc.
Statement of Cash Flows
As of March 31, 2022
Accrual Basis

OPERATING ACTIVITIES

Net Income	\$ (29,328.50)
Net Cash provided by Operating Activities	<u>\$ (29,328.50)</u>

FINANCING ACTIVITIES

Accrued Interest	\$ 29,328.50
Net Cash provided by Financing Activities	<u>\$ 29,328.50</u>

Net Cash Increase for Period	<u>\$ -</u>
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Cash at End of Period	<u><u>\$ -</u></u>
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Taylor Consulting, Inc.
Consolidated Statement of Change in Shareholders' Equity (Deficit)
Period End: March 31, 2022
Form Type: 10-K
Accrual Basis

	Series E Preferred Stock		Common Stock		Investment Financial	Additional Paid in	Additional Paid	Accumulated	
	Shares	Amount	Shares	Amount	Investments	Capital for	In Capital	Deficit	Total
Balance, December 31, 2021	1,000,000	\$ 1	10,982,404	\$ 10.98	\$ -	\$ -	\$ 1,639,430	\$ (2,757,043)	\$ (1,117,613)
Net Loss	-	-	-	-			-	\$ (29,329)	(29,329)
Balance, March 31, 2022	1,000,000	\$ 1	53,182,404	\$ 53.2	\$ 749,895	\$ 999,960	\$ 1,639,430	\$ (2,786,371)	\$ 602,968

TAYLOR CONSULTING INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2022

Note 1. Background Information

Taylor Consulting Inc. ("Taylor" or, collectively with its subsidiaries, the "Company") was incorporated in Delaware on February 29, 2012. The Company is headquartered, manages, and operates its business at 1773 Westborough Suite 101 Dr. Katy, Texas 77449 USA. The company operates on an annual basis with year-ending on March 31st.

Taylor originally was engaged in consulting to improve performance enhancement and maximization of basketball related activities but in 2014 the Company discontinued its basketball consulting business to focus on real estate opportunities. On April 3, 2014, Taylor formed Third Avenue Development LLC ("Third Avenue") under the laws of the State of Texas. Then on October 10, 2014, Third Avenue acquired White Buffalo Property Solutions, LLC ("White Buffalo"), a Texas limited liability company. White Buffalo, a licensed real estate broker based in Abilene, Texas, compliments our ability to offer real estate services in the Texas oil market.

Over the past several years, TAYO has been focusing on acquiring real estate especially distressed oil and gas properties. By leveraging legacy, displaced and stranded gas production, TAYO aims to covert the gas production to cryptocurrency with a goal of being a carbon neutral operation. Effective March 30, 2022, Taylor Consulting acquired 100% of the outstanding equity interest of Gordon Industries, LLC in exchange for 40,000,000 newly issued shares of Taylor common stock.

Note 2. Significant Accounting Policies

The significant accounting policies that the Company follows are:

Basis of Presentation

The Financial Statements and related disclosures have been prepared pursuant to the rules and regulations of the SEC. The Financial Statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles ("GAAP") of the United States.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 from those estimates.

Cash and Cash Equivalents

All cash, other than held in escrow, is maintained with a major financial institution in the United States. Deposits with this bank may exceed the amount of insurance provided on such deposits. Temporary cash investments with an original maturity of three months or less are considered to be cash equivalents. Cash and cash equivalents were \$0 on March 31, 2022.

Accounts Receivable

Pursuant to FASB ASC paragraph 310-10-35-47 trade receivables that management has the intent and ability to hold for the foreseeable future shall be reported in the balance sheet at outstanding principal adjusted for any charge-offs and the allowance for doubtful accounts. The Company follows FASB ASC paragraphs 310-10-35-7 through 310-10-35-10 to estimate the allowance for doubtful accounts.

Pursuant to FASB ASC paragraph 310-10-35-9, losses from uncollectible receivables shall be accrued when both of the following conditions are met: (a) Information available before the financial statements are issued or are available to be issued (as discussed in Section 855-10-25) indicates that it is probable that an asset has been impaired at the date of the financial statements, and (b) The amount of the loss can be reasonably estimated.

Those conditions may be considered in relation to individual receivables or in relation to groups of similar types of receivables. If the conditions are met, accrual shall be made even though the particular receivables that are uncollectible may not be identifiable. The Company reviews individually each trade receivable for collectability and performs on-going credit evaluations of its customers and adjusts credit limits based upon payment history and the customer's current credit worthiness, as determined

by the review of their current credit information; and determines the allowance for doubtful accounts based on historical write-off experience, customer specific facts and general economic conditions that may affect a client's ability to pay. Bad debt expense is included in general and administrative expenses, if any.

Pursuant to FASB ASC paragraph 310-10-35-41 Credit losses for trade receivables (uncollectible trade receivables), which may be for all or part of a particular trade receivable, shall be deducted from the allowance. The related trade receivable balance shall be charged off in the period in which the trade receivables are deemed uncollectible. Recoveries of trade receivables previously charged off shall be recorded when received. The Company charges off its trade account receivables against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

As of March 31, 2022, the Company had \$0 Accounts Receivable.

Fixed Assets

Fixed assets are comprised of land, buildings, and furniture. We depreciate buildings over a ten-year life using the straight-line depreciation method. We depreciate our furniture assets over a seven-year period, using the double declining balance depreciation method.

Acquisition

Effective March 30, 2022, Taylor Consulting acquired 100% of the outstanding equity interest of Gordon Industries, LLC in exchange for 40,000,000 newly issued shares of Taylor common stock.

The Transferred Interest from Gordon Industries, LLC to Taylor Consulting, Inc. includes all of Gordon Industries, LLC right, title and interest in and to the assets listed below, along with the operational responsibilities and those respective vendor and/or creditor liabilities that pre-dated this Effective Date:

- Stock Sale Agreement of Brown Industrial Gas, Inc. from AMIBA Energy, LLC to Gordon Industries, LLC, with an Effective Date of 01 Sept. 2020;
- Assignment of 100% Membership Interest in Buffalo Brazos Pipeline, LLC by Arkose Energy Corp. to Gordon Industries, LLC, with an Effective Date of 01 Sept 2020;
- Stock Sale Agreement of Canadian River Trading Company II from Ian B. Acrey to Gordon Industries, LLC with an Effective Date Of 31 Dec. 2020;
- Pw-chase And Sale Agreement ("PSA") between Liberty Energy Future Holdings, LLC and Gordon Industries MGMT & Property Co., LLC a Texas subsidiary of Gordon Industries, LLC executed on or about 20 Aug 2021;

- Warranty Deed with Vendor's Lien recorded between KB Land Development, LLC and Gordon Industries MGMT & Property Co., LLC a Texas subsidiary of Gordon Industries, LLC on or about 04 Oct 2021, along with that respective PSA and Promissory Note(s);
- Assignment of 100% Membership Interest in Petrolia Group, L.L.C. to Gordon Industries LLC, with an Effective Date of 29 Oct. 2021; also

The Transferred Interests from Assignor to Assignee also includes the Company's stock holdings held in Book Entry at Pacific Stock Transfer Company itemized as:

- 2,499,477 Common shares of Arkose Energy Corp., with an Issue Date of 04 Jan 21, and
- 2,500 Series B Preferred shares of Arkose Energy Corp., with an Issue Date of 29 Oct 21.

Cash Flow Reporting

The Company follows ASC 230, Statement of Cash Flows, for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by ASC 230, Statement of Cash Flows, to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments.

The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period.

Revenue and cost recognition

In accordance with ASC 605, Revenue Recognition, the Company recognizes revenue when persuasive evidence of an arrangement exists, product delivery has occurred, or the services have been rendered, the price is fixed or determinable and collectability is reasonably assured. Revenue is generated from consulting services, real estate commissions, mining for cryptocurrency and from the rental of storage units. Revenue is recognized net of sales returns and allowances.

Beneficial Conversion Discount

The intrinsic value of a beneficial conversion feature inherent to a convertible note payable, which is not bifurcated and accounted for separately from the convertible note payable and may not be settled in cash upon conversion, is treated as a discount to the convertible note payable. This discount is amortized over the period from the date of issuance to the date the note is due using the effective interest method.

If the note payable is retired prior to the end of its contractual term, the unamortized discount is expensed in the period of retirement to interest expense. In general, the beneficial conversion feature is measured by comparing the effective conversion price, after considering the relative fair value of detachable instruments included in the financing transaction, if any, to the fair value of the common shares at the commitment date to be received upon conversion.

Income Taxes

The Company accounts for income taxes under ASC 740 Income Taxes. Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations. No deferred tax assets or liabilities were recognized as of March 31, 2022.

Financial Instruments

The Company's balance sheet includes certain financial instruments. The carrying amounts of current assets and current liabilities approximate their fair value because of the relatively short period between the origination of these instruments and their expected realization.

FASB Accounting Standards Codification (ASC) 820 Fair Value Measurements and

Disclosures (ASC 820) defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of March 31, 2022. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include accounts receivable, other current assets, accounts payable, and accrued expenses. The fair value of the Company's notes payable is estimated based on current rates that would be available for debt of similar terms that is not significantly different from its stated value.

Commitments and Contingencies

The Company follows ASC 450-20, Loss Contingencies, to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. There were no known commitments or contingencies as of March 31, 2022.

Concentrations of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist of cash and accounts receivable. The Company places its cash with high credit quality financial institutions. At time, such cash may be in excess of the FDIC limit. With respect to accounts receivable, the Company routinely assesses the financial strength of its customers and, as a consequence, believes that the accounts receivable credit risk exposure is limited.

Subsequent events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Recently Issued Accounting Pronouncements

We have reviewed the FASB issued Accounting Standards Update ("ASU") accounting pronouncements and interpretations thereof that have effectiveness dates during the periods reported and in future periods. The Company has carefully considered the new pronouncements that alter previous generally accepted accounting principles and does not believe that any new or modified principles will have a material impact on the corporation's reported financial position or operations in the near term. The applicability of any standard is subject to the formal review of our financial management and certain standards are under consideration.

Note 8. Income Taxes

There is no current or deferred income tax expense or benefit for the period ended March 31, 2022.

The provision for income taxes is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The items causing this difference for the period ended March 31, 2022, are as follows.

	<u>2022</u>
Tax benefit at U.S. Statutory Rate	\$ 273,004
Amortization of Beneficial Conversion Feature	(5,805)
Stock Based Expenses	(48,125)
Valuation Allowance	<u>(219,074)</u>
Net Tax Benefit	\$ <u> -</u>

The Company has not recognized an income tax benefit for the period based on uncertainties concerning its ability to generate taxable income in future periods. The tax benefit for the current period presented is offset by a valuation allowance (100%) established against deferred tax assets arising from operating losses and other temporary differences, the realization of which could not be considered more likely than not. In future periods, tax benefits and related deferred tax assets will be recognized when management considers realization of such amounts to be more likely than not.

The tax return for fiscal year 2022 is still open for review by the Internal Revenue Service.

As of March 31, 2022, the Company had United States net operating loss carryforwards ("NOLs") of approximately \$665,000, which begin to expire in 2024. These NOLs may be used to offset future taxable income, to the extent we generate any taxable income, and thereby reduce or eliminate our future federal income taxes otherwise payable. Section 382 of the Internal Revenue Code imposes limitations on a corporation's ability to utilize NOLs if it experiences an ownership change as defined in Section 382. We may be found to have experienced an ownership change under Section 382 as a result of events in the past or the issuance of shares of common stock upon a conversion of notes. If so, the use of our NOLs against our future taxable income may be subject to an annual limitation under Section 382.

Note 9. Convertible Notes Payable

Convertible notes payable consisted of the following at March 31, 2022:

March 31, 2022

Convertible note payable in the original principal amount of \$113,806, issued September 30, 2015, and due June 30, 2017, bearing interest at 10% per year, convertible into common stock at a rate of \$0.03 per share.	\$ 113,806
Convertible note payable in the original principal amount of \$249,565, issued September 30, 2017, and due September 30, 2016, bearing interest at 10% per year, convertible into common stock at a rate of \$0.08 per share.	249,565
Convertible note payable in the original principal amount of \$105,885, issued December 31, 2015, and due December 31, 2018, bearing interest at 10% per year, convertible into common stock at a rate of \$0.01 per share.	<u>105,885</u>
Total convertible notes payable	\$ 469,256
Less: discount on noncurrent convertible notes payable	<u>0</u>
Long-term convertible notes payable, net of discount	<u>\$ 469,256</u>

All the above notes are unsecured. All principal along with accrued interest is payable on the maturity date. The notes are convertible into common stock at the option of the holder. The holder of the notes cannot convert the notes into shares of common stock if that conversion would result in the holder owning more than 4.99% of the outstanding stock of the Company.

Convertible notes issued

During the years ended 2014 and 2015, the Company signed convertible promissory notes of \$469,256 in total with Vista View Ventures Inc. These notes are payable at maturity and bear interest at 10% per annum. The holder of the notes may not convert the convertible promissory note into common stock if that conversion would result in the holder owing more than 4.99% of the number of shares of common stock outstanding on the conversion date. The convertible promissory notes are convertible into common stock at the option of the holder.

<u>Date Issued</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Conversion Rate Per Share</u>	<u>Amount of Note</u>
June 30, 2015	June 30, 2017	10%	\$ 0.03	\$ 113,806
September 30, 2014	September 30, 2016	10%	0.20	249,565
December 31, 2015	December 31, 2018	10%	0.01	<u>105,885</u>
Total				<u>\$ 469,256</u>

The Company evaluated the terms of the new note in accordance with ASC Topic No. 815 - 40, Derivatives and Hedging - Contracts in Entity's Own Stock and determined that the underlying common stock is indexed to the Company's common stock. The Company determined that the conversion features did not meet the definition of a liability and therefore did not bifurcate the conversion feature and account for it as a separate derivative liability. The Company evaluated the conversion feature for a beneficial conversion feature. The effective conversion price was compared to the market price on the date of the note and was deemed to be less than the market value of underlying common stock at the inception of the note. Therefore, the Company recognized beneficial conversion features in the amounts of \$113,806, \$249,565, and \$105,885 on September 30, 2020, December 31, 2020, and March 31, 2021, respectively. The beneficial conversion features were recorded as an increase in additional paid-in capital and a discount to the convertible notes payable.

Issuance of Preferred Stock

On May 9, 2014, the Board of Directors amended the Articles of Incorporation of the Company to designate Series E Preferred Stock. There are 1,000,000 shares of authorized Series E Preferred Stock with a par value of \$0.000001 per share. All shares of Series E Preferred Stock rank subordinate to all of the Company's common stock. The shares of outstanding Series E Preferred Stock have the right to vote based on the number of votes equal to twice the number of votes of all outstanding shares of capital stock such that the holders of outstanding shares of Series E Preferred Stock shall always constitute sixty-six and two thirds of the voting rights of the Company.

On May 9, 2015, the Company issued 1,000,000 shares of Series E preferred stock to Lozells

Enterprises Inc., a Panama corporation, ("Lozells") in order for Lozells to retain control of the Company which could have been lost as a result of expected issuances of common stock for conversions of convertible notes payable. The Company recorded \$137,500 of expense based on the fair value of the Series E preferred stock. Lozells owned 5,000,000 shares of common stock of the Company prior to this transaction.

Effective March 30, 2022, Taylor Consulting acquired 100% of the outstanding equity interest of Gordon Industries, LLC in exchange for 40,000,000 newly issued shares of Taylor common stock.