



WWC, P.C. CERTIFIED PUBLIC ACCOUNTANTS

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Audited Financial Statements
December 31, 2014 and 2013

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)

<u>Content</u>	<u>Page</u>
Report of Independent Registered Public Accounting Firm	1
Balance Sheets	2
Statements of Operations and Comprehensive Loss	3
Statements of Stockholders' Deficiency	4
Statements of Cash Flows	5
Notes to Financial Statements	6-17



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)

We have audited the accompanying balance sheets of Beverly Hills Group, Inc. as of December 31, 2014 and 2013, and the related statements of operations, comprehensive loss, stockholders' deficiency, and cash flows for each of the years in the two-year period ended December 31, 2014. Beverly Hills Group, Inc.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion.

An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beverly Hills Group, Inc. as of December 31, 2014 and 2013, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 9 to the financial statements, the Company has incurred substantial losses which raise substantial doubt about its ability to continue as a going concern. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

San Mateo, California
December 18, 2015

WWC, P.C.
WWC, P.C.
Certified Public Accountants

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Audited Balance Sheets
As of December 31, 2014 and 2013
(Stated in US Dollars)

	<u>12/31/2014</u>	<u>12/31/2013</u>
<u>ASSETS</u>		
<i>Current asset</i>		
Cash	\$ 1,336	\$ 3,244
Total current asset	1,336	3,244
<i>Non-current asset</i>		
Intangible asset	37,500	-
Total Assets	\$ 38,836	\$ 3,244
<u>LIABILITIES & STOCKHOLDERS' DEFICIENCY</u>		
<i>Current Liabilities</i>		
Loan	\$ -	\$ 180,000
Other payable	2,000	-
Accounts payable	-	8,686
Accrued liabilities	15,676	148,650
Total current liabilities	17,676	337,336
<i>Long Term Liabilities</i>		
Convertible note payable	335,850	-
Related party payable – convertible notes	339,597	-
Total liabilities	693,123	337,336
<i>Stockholders' deficiency</i>		
Common stock, \$0.001 par value, 300,000,000 shares authorized, 52,918,205 and 809,064 shares issued and outstanding as of December 31, 2014 and 2013, respectively.	52,918	809
Additional paid in capital	6,250,084	5,867,293
Subscription receivable	(200,000)	-
Accumulated deficit	(6,757,289)	(6,202,194)
Total stockholder's deficiency	(654,287)	(334,092)
Total Liabilities & Stockholders' Deficiency	\$ 38,836	\$ 3,244

See Accompanying Notes to the Financial Statements and Accountant's Report

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Audited Statements of Operations and Comprehensive Loss
For the years ended December 31, 2014 and 2013
(Stated in US Dollars)

	For the years ended	
	<u>2014</u>	<u>2013</u>
Revenues	\$ -	\$ -
General & administrative expenses	442,754	-
Operating Loss from continuing operations	<u>(442,754)</u>	<u>-</u>
Other income/ (expenses)		
Other income	-	-
Interest expenses	<u>(15,676)</u>	<u>-</u>
Total other income / (expenses)	<u>(15,676)</u>	<u>-</u>
Loss from continuing operations before tax	<u>(458,430)</u>	<u>-</u>
Income Tax	-	-
Net loss from continuing operations	(458,430)	-
Net loss from discontinued operations, net of tax	(96,665)	(79,619)
Net loss	\$ (555,095)	\$ (79,619)
Other comprehensive loss	-	-
Comprehensive Loss	<u>\$ (555,095)</u>	<u>\$ (79,619)</u>
Basic loss per share of common stock	<u>\$ (0.07)</u>	<u>\$ (0.12)</u>
-Loss from continuing operations	<u>\$ (0.06)</u>	<u>\$ (0.00)</u>
-Loss from discontinued operations	<u>\$ (0.01)</u>	<u>\$ (0.12)</u>
Diluted loss per share of common stock	<u>\$ (0.00)</u>	<u>\$ (0.12)</u>
-Loss from continuing operations	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
-Loss from discontinued operations	<u>\$ (0.00)</u>	<u>\$ (0.12)</u>
Weighted average shares outstanding		
-Basic	<u>7,409,018</u>	<u>650,248</u>
-Diluted	<u>149,121,071</u>	<u>650,248</u>

See Accompanying Notes to the Financial Statements and Accountant's Report

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Audited Statements of Stockholders' Deficiency
For the years ended December 31, 2014 and 2013
(Stated in US Dollars)

	Common Stock Outstanding	Common Stock	Additional Paid in Capital	Subscription Receivable	Subscription Payable	Accumulated Deficit	Total Stockholders' Deficiency
Balance at January 1, 2013*	608,140	\$ 608	\$ 6,347,354	-	\$ 50,000	\$ (7,027,601)	\$ (629,639)
Net Loss	-	-	-	-	-	(79,619)	(79,619)
Shares issued for cash	10,740	11	48,989	-	-	-	49,000
Shares issued for service	190,184	190	172,890	-	-	-	173,080
Settlement	-	-	-	-	(50,000)	-	(50,000)
Prior Period Adjustment	-	-	(701,940)	-	-	905,026	203,086
Balance at December 31, 2013*	<u>809,064</u>	<u>\$ 809</u>	<u>\$ 5,867,293</u>	<u>-</u>	<u>-</u>	<u>\$ (6,202,194)</u>	<u>\$ (334,092)</u>
Balance at January 1, 2014	809,064	\$ 809	\$ 5,867,293	-	-	\$ (6,202,194)	\$ (334,092)
Net Loss	-	-	-	-	-	(555,095)	(555,095)
Shares issued for cash	5,333	6	4,194	-	-	-	4,200
Shares issued for service	52,053,808	52,053	341,147	(250,000)	-	-	143,200
Shares issued for intangible asset	50,000	50	37,450	-	-	-	37,500
Service expensed	-	-	-	50,000	-	-	50,000
Balance at December 31, 2014	<u>52,918,205</u>	<u>\$ 52,918</u>	<u>\$ 6,250,084</u>	<u>\$ (200,000)</u>	<u>-</u>	<u>\$ (6,757,289)</u>	<u>\$ (654,287)</u>

*Common Stock and Additional Paid-In Capital at January 1, 2013 and December 31, 2013 have been adjusted retroactively to reflect a 1 for 30 reverse stock splits effected July 8, 2014.

See Accompanying Notes to the Financial Statements and Accountant's Report

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Audited Statements of Cash Flow
For the years ended December 31, 2014 and 2013
(Stated in US Dollars)

	For the years ended,	
	December 31, 2014	December 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (555,095)	\$ (\$79,619)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Discontinued operations loss, net of tax	96,665	79,619
Loss on disposal	25,000	
Stock issued for services	146,900	-
Increase in other payable and accrued liabilities	17,676	-
Cash used in operating activities – continuing operations	(268,854)	-
Cash (used in)/ provided by operating activities – discontinued operations	(51,851)	117,472
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	<u>(320,705)</u>	<u>117,472</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash paid for disposal of discontinued operation	(19,607)	-
Cash used in investing activities – continuing operations	(19,607)	-
Cash used in investing activities – discontinued operations	(5,393)	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	<u>(25,000)</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of common stock	200	-
Advances from related parties	289,597	-
Cash provided by financing activities – continuing operations	289,797	-
Cash used in financing activities – discontinued operations	54,000	(128,044)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES	<u>343,797</u>	<u>(128,044)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents for the year – continuing operations	1,336	-
Net Increase/(Decrease) in Cash & Cash Equivalents for the year- discontinued operations	(3,244)	(10,572)
Net Increase/(Decrease) in Cash & Cash Equivalents for the year	<u>(1,908)</u>	<u>(10,572)</u>
Cash & Cash Equivalents, beginning of year – continuing operations	-	
Cash & Cash Equivalents, beginning of year – discontinued operations	3,244	13,816
Cash & Cash Equivalents, beginning of year	<u>3,244</u>	<u>13,816</u>
Cash & Cash Equivalents, end of year – continuing operations	1,336	-
Cash & Cash Equivalents, end of year- discontinued operations	-	3,244
Cash & Cash Equivalents, end of year	<u>\$ 1,336</u>	<u>\$ 3,244</u>
SUPPLEMENTARY DISCLOSURES:		
Interest received	-	-
Interest paid	-	-
Income tax paid	-	-
NON-CASH INVESTING & FINANCING ACTIVITIES – CONTINUING OPERATIONS		
Common stock issued for intangible asset	37,500	-

See Accompanying Notes to the Financial Statements and Accountant's Report

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Beverly Hills Group, Inc. (“the Company”) was incorporated in the State of Nevada on March 2, 2000 as The Motion Picture Hall of Fame, Inc. The Company engaged in the business of creating, developing and managing a themed attraction dedicated to the history and art of making motion pictures, and to create, build and maintain a Motion Picture Hall of Fame (the “Themed Attraction Business”).

On August 22 2014, the Company acquired assets and intellectual property related to a line of beauty and skin care and Nutraceuticals products (the “Cosmetic Assets”) that the Company intends to launch under the name “Latitud 32”. The Company intends to use these products as a base line portfolio and to continue researching, developing and launching natural ingredient products. Immediately after acquiring the Cosmetic Assets, the Company sold all assets and intellectual property related to the Themed Attraction Business. Accordingly, the Company changed its operational focus to developing the products related to the Cosmetic Assets and discontinued its operations in the Themed Attraction Business upon completion of the transfer of the related assets and intellectual property.

On July 8, 2014, the Company effected a 1-for-30 reverse stock split of its issued and outstanding shares of common stock. The par value and number of authorized shares of the common stock remained unchanged. All references in the accompanying financial statements as to the Company’s equity structure and to the number of shares outstanding and per-share amounts have been restated to reflect in the indicated amendment to the articles of incorporation and to the 1-for-30 reverse stock split.

On September 18, 2014, the Company approved the structuring of two subsidiaries, namely Beverly Hills Group Mexico Inc. and Beverly Hills Group Products Inc. As of December 31, 2014, the two subsidiaries are not capitalized and the Company does not possess any equity ownership or investment in these entities. Accordingly, the accounts of these two entities are not consolidated.

On October 1, 2014, the Company approved an amendment to its articles of incorporation to increase the authorized common and preferred shares from 300,000,000 shares to 500,000,000 shares and from 0 share to 25,000,000 shares, respectively. This amendment has not been filed with the Nevada Secretary of State; therefore, it is not effected as of December 31, 2014.

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America.

Certain prior-period amounts on the financial statements have been reclassified to conform to the current period presentation. These reclassifications did not affect the net losses incurred for the periods presented.

The statements of cash flows include the cash flows from operating, financing, and investing activities of both continuing operations and discontinued operations. All other financial information is reported on a continuing operations basis, unless otherwise noted. Refer to Note 10 to the financial statements for discussion regarding discontinued operations.

(b) Use of estimates

In preparing the financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheets and revenues and expenses during the year reported. Actual results may differ from these estimates.

(c) Revenue recognition

The Company derives revenues from membership sales and public relations in its discontinued operations.

In accordance with guidance issued by the FASB and Staff Accounting Bulletin (SAB) 104, the Company recognizes revenue when persuasive evidence of an arrangement exists, transfer of title has occurred or services have been rendered, the selling price is fixed or determinable, no other significant obligations of the Company exist, and collectability is reasonably assured. The Company's sales arrangements are not subject to warranty.

(d) Cash and Cash Equivalent

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

(e) Accounting for the Impairment of Long-Lived Assets

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

The long-lived assets held by the Company are reviewed in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Subtopic 360-10-35, “Accounting for the Impairment or Disposal of Long-Lived Assets,” for impairment whenever events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. It is reasonably possible that these assets could become impaired as a result of technology or other industry changes. Impairment is present if carrying amount of an asset is less than its undiscounted cash flows to be generated.

If an asset is considered impaired, a loss is recognized based on the amount by which the carrying amount exceeds the fair market value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. The Company believes no impairment has occurred to its assets during 2014 and 2013.

(f) Related parties

Parties, which can be a corporation or individual, are considered to be related if the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence. Material related party transactions have been identified in the financial statements.

(g) Issuance of shares for Service

The Company accounts for the issuance of equity instruments to acquire goods and services based on the fair value of the goods and services or the fair value of the equity instrument at the time of issuance, whichever is more reliably measurable.

(h) Stock-based Compensation

The Company accounts for stock-based compensation under ASC Topic 505-50, formerly Statement of Financial Accounting Standards (“SFAS”) No. 123R, “Share-Based Payment” and SFAS No. 148, “Accounting for Stock-Based Compensation – Transition and Disclosure – An amendment to SFAS No. 123.” These standards define a fair-value-based method of accounting for stock-based compensation.

(i) Discontinued Operations

The Company applied discontinued operations accounting in accordance with ASC Topic 205-20, Presentation of Financial Statements—Discontinued Operations.

(j) Income taxes

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

The Company accounts for its income taxes under the provisions of ASC Topic 740, "Income Taxes." The method of accounting for income taxes under ASC 740 is an asset and liability method. The asset and liability method requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between tax bases and financial reporting bases of other assets and liabilities. The Company had no material unrecognized income tax assets or liabilities for the year ended December 31, 2014. The Company recognizes income tax interest and penalties as a separately identified component of general and administrative expense. During year ended December 31, 2014, there were no income taxes or related interest and penalty items in the income statement, and no liabilities was recorded on the balance sheet.

(k) Net earnings/ (loss) per share

The Company reports earnings/ (loss) per share in accordance with ASC Topic 260-10, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (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.

As of December 31, 2014, the Company had several convertible promissory notes in the amount of 675,447 which are convertible into common shares.

The following table sets forth the computation of basic net income/ (loss) per share for the years ended December 31, 2014 and 2013, respectively:

	<u>For the years ended,</u>	
	<u>December 31,</u>	<u>December 31,</u>
	<u>2014</u>	<u>2014</u>
<u>Basic (loss) earnings per share:</u>		
Numerator:		
Net loss used in computing basic earnings per share	\$ <u>(555,095)</u>	\$ <u>(79,619)</u>
Denominator:		
Weighted average common shares outstanding	<u>7,409,018</u>	<u>650,248</u>
Basic loss per share	\$ <u>(0.07)</u>	\$ <u>(0.12)</u>
<u>Diluted earnings per share:</u>		
Numerator:		

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

Net loss used in computing diluted earnings per share	\$ <u>(555,095)</u>	\$ <u>(79,619)</u>
---	---------------------	--------------------

Denominator:

Weighted average common shares outstanding	<u>7,409,018</u>	<u>650,248</u>
Weighted average effect of dilutive securities:		
Convertible promissory notes	141,712,053	-
Shares used in computing diluted earnings per share	<u>149,121,071</u>	<u>650,248</u>

Diluted loss per share	\$ <u>(0.00)</u>	\$ <u>(0.12)</u>
-------------------------------	------------------	------------------

(l) Recent accounting pronouncements

In April 2014, FASB issued ASU No. 2014-08, Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity.

This ASU changes the criteria for reporting discontinued operations while enhancing disclosures in this area. It also addresses sources of confusion and inconsistent application related to financial reporting of discontinued operations guidance in GAAP. Additionally, the new guidance requires expanded disclosures about discontinued operations that will provide financial statement users with more information about the assets, liabilities, income, and expenses of discontinued operations. Entities are required to apply the amendments in this ASU for annual reporting periods beginning on or after December 15, 2014. Early adoption is allowed for disposals only or classifications as held for sale that have not been reported in financial statements previously issued or available for issuance. The adoption of ASU 2014-08 is not expected to have a material effect on the Company's financial statements.

In May 2014, the FASB issued Accounting Standards Update ASU No. 2014-09, "Revenue from Contracts with Customers", a converged standard on revenue recognition. The new pronouncement requires revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also specifies the accounting for some costs to obtain or fulfil a contract with a customer, as well as enhanced disclosure requirements. ASU 2014-9 is effective for annual reporting periods beginning after December 15, 2016. Early adoption is not permitted. The adoption of ASU 2014-09 is not expected to have a material effect on the Company's financial statements.

In August 2014, the FASB issued Accounting Standards Update ASU No. 2014-15, "Presentation of Financial Statements Going Concern (Subtopic 205-40) – Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern". Currently, there

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

is no guidance in U.S. GAAP about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern or to provide related footnote disclosures. The amendments in this Update provide that guidance. In doing so, the amendments are intended to reduce diversity in the timing and content of footnote disclosures. The amendments require management to assess an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments (1) provide a definition of the term substantial doubt, (2) require an evaluation every reporting period including interim periods, (3) provide principles for considering the mitigating effect of management's plans, (4) require certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans, (5) require an express statement and other disclosures when substantial doubt is not alleviated, and (6) require an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). The adoption of ASU 2014-09 is not expected to have a material effect on the Company's financial statements.

In January 2015, The FASB issued ASU No. 2015-01, "Income Statement—Extraordinary and Unusual Items (Subtopic 225-20)". This Update eliminates from GAAP the concept of extraordinary items. Subtopic 225-20, Income Statement—Extraordinary and Unusual Items, required that an entity separately classify, present, and disclose extraordinary events and transactions. Presently, an event or transaction is presumed to be an ordinary and usual activity of the reporting entity unless evidence clearly supports its classification as an extraordinary item. Paragraph 225-20-45-2 contains the following criteria that must both be met for extraordinary classification:

- 1.) Unusual nature. The underlying event or transaction should possess a high degree of abnormality and be of a type clearly unrelated to, or only incidentally related to, the ordinary and typical activities of the entity, taking into account the environment in which the entity operates.
- 2.) Infrequency of occurrence. The underlying event or transaction should be of a type that would not reasonably be expected to recur in the foreseeable future, taking into account the environment in which the entity operates.

If an event or transaction meets the criteria for extraordinary classification, an entity is required to segregate the extraordinary item from the results of ordinary operations and show the item separately in the income statement, net of tax, after income from continuing operations. The entity also is required to disclose applicable income taxes and either present or disclose earnings-per-share data applicable to the extraordinary item.

The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. A reporting entity may apply the amendments prospectively. A reporting entity also may apply the amendments

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

retrospectively to all prior periods presented in the financial statements. Early adoption is permitted provided that the guidance is applied from the beginning of the fiscal year of adoption. The effective date is the same for both public business entities and all other entities.

The adoption of ASU 2015-01 is not expected to have any impact on the Company's financial statements.

In February 2015, the FASB issued Accounting Standards Update ASU No. 2015-02, "Consolidation" (Topic 810). ASU 2015-02 changes the guidance with respect to the analysis that a reporting entity must perform to determine whether it should consolidate certain types of legal entities. All legal entities are subject to reevaluation under the revised consolidation mode. ASU 2015-02 affects the following areas: (1) Limited partnerships and similar legal entities. (2) Evaluating fees paid to a decision maker or a service provider as a variable interest. (3) The effect of fee arrangements on the primary beneficiary determination. (4) The effect of related parties on the primary beneficiary determination. (5) Certain investment funds. ASU 2015-02 is effective for public business entities for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the guidance in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. A reporting entity may apply the amendments in this guidance using a modified retrospective approach by recording a cumulative-effect adjustment to equity as of the beginning of the fiscal year of adoption. A reporting entity also may apply the amendments retrospectively. The Company is currently evaluating the impact of the adoption of this ASU on its financial statements.

In April 2015, the FASB issued ASU No. 2015-03, "Simplifying the Presentation of Debt Issuance Costs". The accounting guidance requires that debt issuance costs related to a recognized debt liability be reported on the Statements of Financial Condition as a direct deduction from the carrying amount of that debt liability. The guidance is effective for the Company retrospectively beginning in the first quarter of fiscal 2017 and early adoption is permitted. The Company is currently evaluating the impact of the adoption of this ASU on its financial statements.

In September 2015, the FASB issued ASU 2015-16, the guidance eliminates the requirement to restate prior period financial statements for measurement period adjustments following a business combination. The new guidance requires that the cumulative impact of a measurement period adjustment (including the impact on prior periods) be recognized in the reporting period in which the adjustment is identified. The prior period impact of the adjustment should be either presented separately on the face of the income statement or disclosed in the notes.

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

The Company is currently evaluating the impact of the adoption of this ASU on its financial statements.

As of December 31, 2014, there are no other recently issued accounting standards not yet adopted that would or could have a material effect on the Company's financial statements.

3. INTANGIBLE ASSETS

On August 22, 2014, Beverly Hills Group acquired from a third party certain intangible assets pertaining to skin care and beauty products created by seller that the Company plans to manufacture and market. Under the terms of the agreement the Company is to issue seller 50,000 shares of its common stock. Seller agreed to execute a lock up agreement restricting the sale of the common shares to no more than 10,000 shares during each of the three month period for a total of the twelve months beginning at the closing date and no more than 20,000 shares during a three month period for the next twelve month period. The lock up agreement terminates 24 months from the closing date.

As the intangible assets have no defined life, the intangible assets acquired are not subject to amortization. In accordance with ASC 350, "Goodwill and Other Intangible Assets", An intangible asset that is not subject to amortization shall be tested for impairment annually and more frequently if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. As of December 31, 2014, the management considered that no impairment is required.

4. LOAN PAYABLE AND CONVERTIBLE NOTE PAYABLE

In August 2002, the Company received a loan from an unrelated individual ("original holder") amounting to \$180,000. Interest on this loan is \$1,050 per month and payable monthly. The loan was due and payable on October 30, 2007. On May 29, 2014, after the debt was assigned to another party ("new holder"), the Company issued a replacement convertible promissory note to the new holder of this debt in the principal amount of \$335,850 with due date on August 12, 2017. The new holder is a related party and is controlled by the major shareholder of the Company.

The face amount of the new note reflects the principal and accrued interest of the August 2002 loan payable through March 31, 2014, which was originally due to the old holder and subsequently transferred to the new holder. The convertible promissory note accrues interest at 6% per annum and permits the holder to convert the principal, excluding

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

accrued interest and subject to a 9.99% ownership limitation, into shares of common stock at a conversion price of \$0.0025 per share.

On August 1, 2014, the new holder assigned and transferred the note to another unrelated entity (“unrelated holder”).

On November 15, 2014, the Company received a conversion notice from the unrelated holder of the note requesting the issuance of 5,081,734 shares upon conversion of \$12,704.34 of the note’s outstanding balance, leaving a principle amount of \$323,145.66. The Company issued out 5,081,734 shares on January 6, 2015.

5. RELATED PARTY PAYABLE

As of December 31, 2014 and 2013, the Company had related party payables in the amount of \$339,597 and \$0, respectively.

	<u>12/31/2014</u>	<u>12/31/2013</u>
Notes Payable to Related Party	\$ 339,597	\$ -

During the year ended December 31, 2014, a related party made advances and directly paid Company expenses. The related party is controlled by the major shareholder of the Company. The Company issued two separate convertible promissory notes in the amounts of \$239,659 and \$99,938 to the holder on October 1, 2014 and December 31, 2014, respectively. Both notes have a due date on October 1, 2016. The convertible promissory note accrues interest at 6% per annum and permits the holder to convert principal, excluding any accrued interests, into shares of common stock at a conversion price of \$0.0025 per share.

6. SHAREHOLDER’S EQUITY

Effective October 17, 2003, the Company executed a 10 to 1 reverse stock split for all outstanding common stock with par value of \$0.0001.

Effective July 1, 2013 the Company increased its authorized capital to 150,000,000 common shares with \$0.0001 par value.

Effective June 5, 2014 the Company increased its authorized capital to 300,000,000 common shares with \$0.001 par value.

Effective July 8, 2014 the Company split its issued common shares 1 for 30 leaving the authorized capital unchanged.

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

All common stock amounts, as well as the weighted average and per share amounts, have been retroactively restated to reflect this reverse split.

7. STOCK BASED COMENPENSATION

During the years ended December 31, 2014 and 2013, the Company recorded a total of \$193,200 and \$173,080 stock compensation expense, which is included in general and administrative expenses. Market price of issuance date is used to measure compensation cost.

8. INCOME TAXES

No provision has been made for income taxes. Through December 31, 2014, the Company incurred net operating losses for income tax purposes of approximately \$6,757,289. The net operating loss carryforwards maybe used to reduce taxable income through the year 2034, subject to limitations pursuant IRC Section 382. The net deferred tax asset balance due to net operating loss carryforward as of December 31, 2014 was approximately \$2,365,051. A 100% valuation allowance has been established against the deferred tax asset, as the utilization of the loss carryforward cannot reasonably be assured.

9. GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred net losses from inception to December 31, 2014 of \$6,757,289 and as of December 31, 2014. Losses are expected to continue for the immediate future.

Management has taken certain action and continues to implement changes designed to improve the Company's financial results and operating cash flows. The actions involve certain cost-saving initiatives and growing strategies, including (a) reductions in corporate overhead expenses; (b) obtainment of new capital from investors; (c) obtainment of convertible loans to fund the capital expenditure projects; and (d) engagement in new profitable business through acquisitions. Management believes that these actions will enable the Company to improve future profitability and cash flow in its continuing operations through December 31, 2015. As a result, the 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 outcome of the Company's ability to continue as a going concern.

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

10. DISCONTINUED OPERATIONS

On August 22, 2014, the Company discontinued the operations of its Motion Picture Hall of Fame concept and sold all intellectual properties rights associated therein to an entity owned by the former management of the Company. As a result of the disposal of the business, the Company recorded a loss of \$25,000 in 2014.

In accordance with ASC Topic 205-20, Presentation of Financial Statements—Discontinued Operations, the results of discontinued operations have been excluded from continuing operations and reported as discontinued operations for the current and prior periods.

In April 2014, FASB issued ASU No. 2014-08, Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity. The adoption of ASU 2014-08 is not expected to have a material effect on the Company's financial statements since the disposal represents a strategic shift that has a major effect on the Company's operations and financial results. Under this ASU, the Company would not be required to change its presentations in discontinued operations.

The following table summarizes the amounts included in income/ (loss) from discontinued operations for all periods presented:

	For the years ended	
	<u>2014</u>	<u>2013</u>
Revenues	\$ 12,675	\$ 30,296
General & administrative expenses	105,140	263,876
Operating Loss from discontinued operations	<u>(92,465)</u>	<u>(233,580)</u>
Other income/ (expenses)		
Other income	-	166,561
Interest expenses	(4,200)	(12,600)
Total other income / (expenses)	<u>(4,200)</u>	<u>153,961</u>
Loss from discontinued operations before tax	<u>(96,665)</u>	<u>(79,619)</u>
Income Tax	-	-
Net loss from discontinued operations	(96,665)	(79,619)

Beverly Hills Group, Inc.
(f/k/a Motion Picture Hall of Fame, Inc.)
Notes to Financial Statements
December 31, 2014 and 2013
(Stated in US Dollars)

As of December 31, 2014 and 2013, the discontinued business has no asset or liability with carrying values. As such, no asset or liability has been classified as held for sale.

11. SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the Company has analyzed its operations subsequent to December 31, 2014 to the date these financial statements were issued and the Company has identified the following material subsequent event to disclose in these financial statements:

On August 12, 2015, Beverly Hills Group, Inc. has entered into an agreement to acquire a private Company with various subsidiaries having diverse operations in retail stores, wholesale distribution, construction, real estate development, banking and financial services throughout Mexico.