

# Seeker Tec International, Inc.



## 3rd QUARTER REPORT

September 30th, 2016

# SEEKER TEC INTERNATIONAL, INC.

## QUATER ENDED September 30, 2016

### 1. The exact name of the issuer and the address of its principle executive offices

Seeker Tec International, Inc. hereinafter "Issuer", "the Company", or "SNTL". Formerly International, Inc. name changed March 29, 2013.

### 2. Address of the issuer's principal executive offices

Address: 123 W. Nye Lane, Suite 129  
Carson City,  
NV 89706 Telephone: (800)  
- 382-7271  
Email:  
info@seekertecinternational.com  
Web: www.seeker-tec.com  
No IR Firm

### 3. Security Information

Trading Symbol: **SNTL**  
Exact title and class of securities outstanding: **Common Shares**  
CUSIP: **81572V 109**  
Par or Stated Value: **.001**  
Total shares authorized: **850,000,000** as of: **September 30th, 2016**  
Total shares outstanding: **673,613,904** as of: **September 30th, 2016**

**Transfer Agent:**  
Pacific Stock Transfer  
Company 6725 Via  
Austin Pkwy, Suite 300  
Las Vegas, NV 89119  
Telephone: 702-361-  
3033  
Toll Free: 800-785-  
PSTC (7782) Fax: 702-  
433-1979  
Web: www.pacificstocktransfer.com

The transfer agent is registered under the Exchange Act and operates under the regulatory authority of the SEC and FINRA.

List any restrictions on the transfer of security: **None**

Describe any trading suspension orders issued by the SEC in the past 3 months:

**None**

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 3 months:

**On March 29, 2013, the company acquired 100% of Seeker Technologies Ltd, a UK company, in a share exchange agreement which will remain as a wholly own subsidiary of Seeker Tec Int'l, Inc. The company changed its name to Seeker Tec Int'l to reflect its corporate strategy. The Company declared a stock dividend spin off to current shareholders to form Lectric, Inc. record date of March 29, 2013.** On March 15, 2016, Seeker Technologies Ltd was spun off as part of the change of control, whereby Mark Osgood became the holder of the controlling interest in the company. Seeker Technologies Ltd is no longer a subsidiary of the company.

#### 4. Issuance History

**A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.):** **Non registered shares 4(a)(2)**

**B. Any jurisdictions where the offering was registered or qualified:** **None**

**C. The number of shares offered and sold:**

**2011** 1,210,000 shares - non registered 4(a)(2) subscription - non-affiliate

**2012** 1,950,000 shares, 3,100,000 shares, 2,000,000 shares, and 500,000 shares.  
Non registered Rule 506 Subscriptions - Non- affiliates

**2013** On March 29, 2013, the company acquired 100% of Seeker Technologies, Ltd, a UK company, in a share exchange agreement which will remain as a wholly own subsidiary of Seeker Tec Int'l, Inc.  
475,900,000 shares were issued to Seeker Technologies, Ltd shareholders in exchange for 100% of its shares. 40,000,000 were issued for .001 cent per Subscription to Non- affiliate Freedom Holdings LLC.  
5,000,000 shares and 1,006,711 shares were issued in April 2013 as non registered subscriptions to non- affiliates and 86,789 in August 2013 by subscription.

During the 4<sup>th</sup> quarter ended December 31, 2013 the company issued 1,600,000 shares to Mr. G. Deacon for an investment of \$16,000 in the company and 3,250,000 to the Carlson family for an investment of \$19,500 in the company.

**2014** During 2014 the following share issues tookplace:

Shares	Individual	Consideration \$
70,000,000	D Rex Gay	70,000
12,500,000	D G Wallace	181,250
30,000,000	C Adams	240,000
1,600,000	G Deacon	16,000
2,000,000	J Evans	7,425
300,000	T Piercy	3,750
10,000,000	R Wall	400,000

Following non-compliance with conditions attached to share issues the following shares were cancelled and returned to treasury on the 5 May 2015:

Shares	Individual
47,590,000	Cabu Trust
10,000,000	Rodney Wall

D. The price at which the shares were offered, and the amount actually paid to the issuer:

E. The trading status of the shares: **Restricted**

F. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act: **Yes**

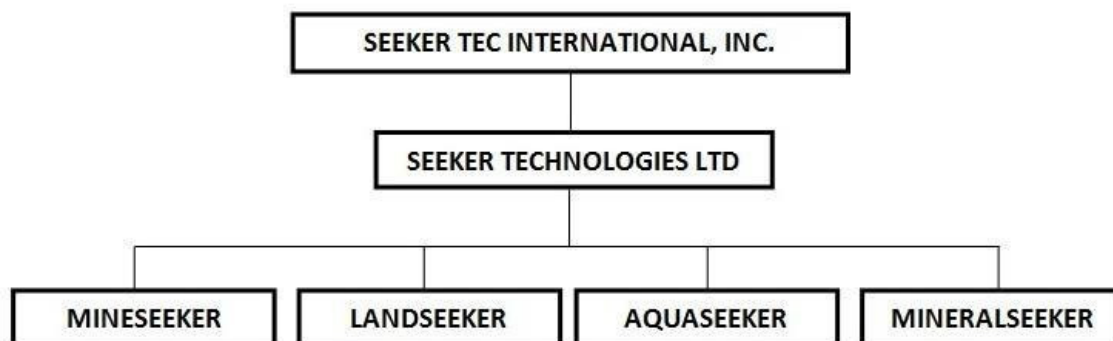
## 5. Financial Statements

The financial statements for year ended September 30th, 2016 are hereby incorporated by reference and attached as Exhibit 1. These financial statements include balance sheets, statements of income, statements of cash flows, a statement of changes in stockholders' equity, and financial statement notes.

## 6. Describe the Issuer's Business, Products and Services

### A. Management's Discussion and Analysis or Plan of Operation

The Seeker Tec International's core business was in aerial survey and mapping using a range of innovative imaging and sensor technology.



The Seeker Tec offering was underpinned by a unique multi-spectral imaging technology that can detect surface and sub-surface objects while mapping the area providing visual overlay of the graphic images. This has applications in oil & gas exploration, agriculture, water exploration, and environmental survey. To date the main focus, through Seeker Tec's Mineseeker division, has been primarily in the detection of landmines and unexploded ordnance (UXO), targeting a humanitarian market in excess of \$50 billion.

Currently the United Nations (along with many other authorities) state that there are over 100 million landmines buried in 70 countries; that it will take hundreds of years to clear, at a cost in excess of \$50 billion. These figures exclude Iraq, Afghanistan and Libya.

The cost of clearing the land is on average more than \$1 million per square kilometer, and it is estimated that over 800 thousand square kilometers are affected across the planet. An average landmine operative can only clear 35 square meters per day!

The Seeker Tec product is unique and offers huge benefits of cost and time over existing methods. The technology is a fusion of multi-spectral images, which have been developed and extensively trialed. Each system has been designed to survey up to 5 square kilometers per day, at a considerable cost saving for the client over traditional clearance methods.

In fact, over 80% of the land designated as minefields is actually free of landmines. Seeker Tec will concentrate on wide area reduction, identifying minefields, and releasing land surveyed as 'mine field free' back to practical usages, quickly and without the need for additional costs of clearance.

This dramatically increases the land available for the economic benefit of the local population and enables businesses to develop the land for agriculture, tourism, mineral exploration, and construction as applicable.

Seeker Tec is already in discussions with potential customers including governments, international funding agencies, and businesses with a commercial interest in land reclamation, such as oil and gas corporations and has established partnerships to market its technology and services in Southern Africa, the Middle East and South America.

Furthermore, these markets also have requirements for specialist aerial surveying and mapping outside the field of minefield detection.

Seeker Tec is uniquely placed to deliver a cost effective, efficient solution to one of the most economically devastating, man-made problems affecting the world today.

## **Plan of Operation**

It is estimated and generally agreed that of all the designated minefields less than 10% actually contain mines. The issue is that no one is certain as to which 10%. Therefore, up to 90% of the funding for mine clearance is often wasted in searching for landmines where there are none.

Seeker Tec's rapid and safe mapping systems can be used highly effectively to survey such areas and identify those areas that are actually mined and those which are not.

It will be possible to release large areas of land back into use as it is identified as minefield free. Expensive and time consuming demining processes should only be necessary on the remaining 10% at a future date and time when the necessary resources are available.

For many governments this will represent significant steps towards economic development as well an important PR gain for them, showing tangible movement towards meeting their international demining obligations and enabling them to claim 90% land clearance in a very short time and at a readily affordable cost.

Not all terrains will be immediately suitable for analysis using GPSAR, but we expect that initially up to 50% will be, representing potentially hundreds of thousands of square kilometers. However, the land most suited to our technology will also be the most valuable and desirable land – agricultural land or areas suitable for mineral and hydro-carbon exploration.

Development plans of Seeker Tec will incrementally allow us to map the remaining terrains. The company has already demonstrated the ability to enhance and cross reference other data from high definition camera systems and other complimentary technology. The Seeker Tec team has significant experience in the operation of aerial imaging systems.

Seeker Tec management is already in discussions with a number of potential customers, including governments and commercial organizations in South Africa, Mozambique and Angola, government representatives and agents in the Middle East as well as oil and gas companies, and landowners with interests in mineral exploration and agricultural development. There has also been significant interest from the traditional demining community.

Following on from the initial service of minefield mapping, there are a number of other service offerings that will take advantage of Seeker Tec's multispectral imaging radar (MIR™).

The list is large, but includes:

- o Buried utilities
- o Pipelines/transmission
- etc. o Geological survey
- o Water exploration
- o Environmental impact monitoring
- o Animal census
- o Plant and crop growth
- o Corridor mapping - power lines, communications planning
- o Change detection – erosion
- o Pipeline monitoring, break detection
- o Border patrols/monitoring

Seeker Tec is committed to assembling cutting edge technology and becoming a recognized leader in the field of specialist aerial survey and mapping.

### Investment Considerations

The company is seeking additional funding in order to grow more quickly, capitalizing on its position as first mover in deploying ground penetrating radar on an aerial platform.

Growing organically utilizing funds generated from sales, while a viable option, would result in a slower initial growth phase due to limitations on its international marketing and business development and allow for the possibility of deploying multiple systems both in terms of equipment cost and in recruiting and training operational teams with the relevant levels of expertise.

### Goals

Seeker Tec International, Inc. is a company that wants to achieve three primary objectives.

- **Deliver a Superior Value Proposition:** Delivering to our customers a faster more cost effective solution allowing for the economic regeneration of land which is currently unusable.
- **Establish a global recognition of the company's services:** Establish the company's reputation amongst its potential customer base within the field of mine clearance and further in market sectors where aerial mapping and survey has the potential to deliver more efficient solutions than currently available.
- **Build strong business partnerships:** Further develop relationships with complementary businesses to extend and capitalize on market opportunities in the aerial survey and mapping industry.

#### Keys to Success

**Innovative Technology:** Seeker Tec has assembled a portfolio of leading technologies and developed innovative solutions to major problems inhibiting economic development in large parts of the world.

**Management Team:** The Company has an experienced management team with unique experience of deploying ground breaking aerial technology across the globe and building sustained growth for shareholders.

#### Finances

The Company acquired Seeker Technologies Ltd together with its assets and liabilities during 2013. It continues to look to fund further growth from a limited number of private placements.

#### Current and Future Cash Requirements and Use

The first immediate cash requirement for the Company is working capital to undertake marketing and business development activities in Africa and North America and establish operations for its first contract in Angola. We are in discussions with potential funders and investment partners to secure the necessary investment. Further funding will be sought if required to accelerate the company development through product enhancement and the deployment of multiple systems, together with associated equipment purchase, recruitment and training.

#### *Total Initial Cash Required*

First phase financing activities is \$485,000 as follows.

Angola Contract	Professional services and travel	\$65,000
Other Working Capital	Business development	\$100,000
Debt Financing & Loan Repayments	Servicing existing loan finance	\$200,000
General Administrative	Corporate expenses, legal and reporting	\$120,000
<b>Total</b>	<b>Total Estimated Cash Requirements</b>	<b>\$485,000</b>

#### B. Date and State of Incorporation:

Seeker Tec International, Inc. Quarterly Report for the Quarter ending September 30th,

The Issuer was incorporated on April 8, 2004 in the State of Nevada

C. The issuer's primary and secondary SIC Codes:

The primary SIC Code is 3612 and there is no secondary SIC Code

D. The issuer's fiscal year end date: Fiscal year is December 31

E. Principal products or services, and their markets: See a)

## 7. Describe the Issuer's leased facilities

### Public Company

123 W. Nye Lane, Suite 129  
Carson City, NV 89706  
Telephone: (800)-382-7271

### Operations

P.O. Box 3699  
Brewer, Maine 04412

## 8. Officers, Directors, and Control Persons

A.

Name	Position	Number of Shares
Donald Rex Gay BA MBA *	President & Director	93,472,858
Mike Kendrick#	Director	254,295,737
Mark Dorey BSc (Econ)#	Director	95,180,000
David Oliver FCCA, ACA#	Director	4,759,000
Mark Osgood	Director & President	349,475,737^

\*Donald Rex Gay resigned as a director on April, 24, 2014

#Each resigned on March 15, 2016.

^Appointed and obtained shares on March 15, 2016

### A. /Disciplinary History

Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses):

**None**

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities:

**None**

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and



Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

**None**

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

**None**

### C. **Beneficial Shareholders**

The following persons own more than ten percent (10%) of issuer's equity securities:

**Marc Osgood** **Director and President** **349,475,737 shares**  
P.O. Box 3699

Brewer, Maine 04412 **Donald Rex Gay** **Director** **93,472,858 shares**  
(Resigned 24 April 2014)  
3433 Highway 190 #365 Mandeville, LA 70471

## 9. Third Party Providers

### **SEC Attorney**

McMurdo Law Group, LLC  
28 West 44<sup>th</sup> Street, 16<sup>th</sup> Floor  
New York, NY 10036

**Other Advisors:** None

## 10. Issuer Certification

I, Mark Osgood certify that:

1. I have reviewed this year end statement of Seeker Tec International, Inc.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

21st June 2016

/s/Mark Osgood

Mark Osgood

Seeker Tec International, Inc. Quarterly Report for the Quarter ending September 30th,

**EXHIBIT 1**

**SEEKER TEC INTERNATIONAL, INC.**

# **FINANCIAL STATEMENTS (Unaudited)**

**For the three months ended September 30th, 2016**

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SEEKER TEC INTERNATIONAL Inc.  
(Formerly Synchronys International Inc)

Balance Sheet September 30th, 2016 and June 30, 2016

	9/30/2016	6/30/2016
	\$	
Assets		
Current Assets		
Debtors		
Cash		
Receivables due from Subsidiary company	—	
Total current assets		
Fixed Assets		
Investment in subsidiary		
Total Assets	<u>                    </u>	<u>                    </u>
Liabilities		
Current Liabilities		
Accounts payable		12,000
Other current liabilities		
Loan from shareholder	<u>50,136</u>	<u>41,636</u>
Total current liabilities	<u>50,136</u>	<u>53,636</u>
Total Liabilities	<u>50,136</u>	<u>53,636</u>
Stockholders Equity		
Common stock ,\$.001 par value		
Authorized 850,000,000		
Issued 673,613,904	673,615	673,615
Additional paid in capital	1,188,647	1,188,647
Deficit accumulated	<u>-1,912,398</u>	1,915,898
Total shareholders' equity	<u>-50,136</u>	-53,636
Total Liabilities and shareholders equity	<u>                    0</u>	<u>                    </u>

Note to financials exceptions:

Note: 1 Reflects transaction up to Exchange Agreement date of 15 March 2016 Note: 2 A liability reported for \$140,498 has been excluded pending verification of debt the offset is to Deficit Accumulated.

SEEKER TEC INTERNATIONAL Inc.  
(Formally Synchronys International Inc)

PROFIT & LOSS ACCOUNT FOR THE QUARTERS ENDED SEPTEMBER 30, 2016

	\$9-30-16	
INCOME:		
Consulting Income	7,000	
TOTAL INCOME:	<u>7,000</u>	
Legal fees	10,000	
Professional Fees	2,500	
Office Rent	1,500	
OTC Fees	1,500	
Transfer agents fees	<u>255</u>	
Purchase Debt	<u>20,000</u>	<u>          </u>
Write Down of Investment Debt	<u>428,210</u>	<u>          </u>
Net Ordinary Income	-457,065	
Net Income	<u>-457,065</u>	

**SEEKER TEC INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (Unaudited)**

Reserves & Share Capital	Shares	Amount	Additional Paid In Capital	Retained Earnings	Other	Accumulated Deficit	Total Stockholders' Equity
31.12.12	67,960,403	67,961	722,068	(133,679)		(727,349)	(70,999)
Shares Issued	475,900,000	475,900					475,900
	40,000,000	40,000	50				40,050
Net Loss						(16,231)	(16,231)
31.03.13	583,860,403	583,861	722,118	(133,679)		(743,580)	428,720
Shares Issued	1,006,711	1,007	28,993				30,000
	5,000,000	5,000					5,000
Foreign Currency					1,026		1,026
Net Loss						(170,628)	(170,628)
30.06.13	589,867,114	589,868	751,111	(133,679)	1,026	(914,208)	294,118
Shares Issued	86,789	87	4,861		(1,026)		3,922
Net Loss						(212,204)	(212,204)
30.09.13	589,953,903	589,955	755,972	(133,679)	-	(1,126,412)	85,836
Shares Issued	4,850,000	4,850	30,650				35,500
Transfer				133,679		(133,679)	
Foreign Currency							
Net Loss						(247,772)	(247,772)
31.12.13	594,803,903	594,805	786,622	-	-	(1,507,863)	(126,436)
Shares Issued							
D Rex Gay	70,000,000	70,000					70,000
David G Wallace	12,000,000	12,000	162,000				174,000
David G Wallace	500,000	500	6,750				7,250
Chris Adams	30,000,000	30,000	210,000				240,000
Geoff Deacon	1,600,000	1,600	14,400				16,000
John Evans	2,000,000	2,000	5,425				7,425
Tyler Piercy	300,000	300	3,450				3,750
Rodney Wall	10,000,000	10,000	390,000				400,000
Loss						(740,852)	(740,852)
31.12.14	721,203,904	721,205	1,578,647			(2,248,715)	51,137

The accompanying notes are an integral part of these financial statements

**SEEKER TEC INTERNATIONAL, INC.**

**CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (Unaudited)**

Continued

	Shares	Amount	Additional Paid In Capital	Retained Earnings	Other	Accumulated Deficit	Total Stockholders' Equity
31.12.14	721,203,904	71,205	1,578,647			-2,248,715	51,137
31.12.15							
Revised loss 2014						400,000	
Shares Canceled Cabu	-47,590,000	-47590	-390000		140000	393,382	355,792
Shares Canceled R Wa	-1000000	-10000	-10000				
Carlson Shares Issued	1000000	10000	10000				
31.12.15	673,613,904	23,615	1,188,647			-1,455,333	406,929

**SEEKER TEC INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**

	<b>Month Ended</b> <b><u>30-Sep-16</u></b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>\$</b>	
Net loss	-457,065.-	
Adjustments to reconcile net income to		
Net cash provided by operations:		
gain (loss) of foreign currency translation		
and amortization of assets		
Increase in provision for Bad Debts		
Changes in operating assets and liabilities		
Accounts receivable	686,167	
Accounts payable	-35,501	
Loans from Shareholder	-11,094	
Other Current Liabilities:		
License fees due	-35,916	
Other Current Liabilities:		
Management charges	-575,000	<u>          </u>
Net cash provided by Operating Activities	-428,310	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment in subsidiary	428,310	
Net cash provided by Investing Activities	00	-
<b>FINANCING ACTIVITIES</b>		
Additional Paid in Capital		
Common Stock, \$0.001 Par: Issued	673,613,904	
Retained Earnings		<u>          </u>
Net cash provided by Financing Activities		<u>          </u>
Net cash increase for period	<u><u>-99</u></u>	<u>          </u>
Cash at end of period	00	

00

# SEEKER TEC INTERNATIONAL, INC.

## NOTES TO FINANCIAL STATEMENTS (Unaudited)

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### **NOTE 1 – Business description and significant accounting policies**

#### Organization

Synchronys International, Inc. (the “Company”) was incorporated in the State of Nevada on April 8, 2004, under the name of AVL Global, Inc. On January 18, 2006, the Company changed its name to China Northwest Biotech Corp. On June 18, 2007, the Company changed its name to LGM Biopharma, Inc. The Company changed its name to Synchronys International, Inc. on November 23, 2007, and considers January 1, 2007 to be the date of commencement of new developments of its principle business plan (date of inception). On March 31, 2013 the Company changed its name to Seeker Tec International, Inc.

The Company has been devoting most of its efforts to raising capital and developing a business plan and, consequently, meets the definition of a Development Stage Enterprise, as defined in Statement of Financial Accounting Standards FASB Topic 915 “Accounting and Reporting for Development Stage Enterprises.” Under FASB Topic 915, certain additional financial information is required to be included in the financial statements for the period from inception of the Company to the current balance sheet date.

#### Principles of Consolidation

Investments in unconsolidated subsidiaries representing ownership of at least 20% but less than 50% is accounted for under the equity method. Non-marketable investments in which the Company has less than 20% ownership and in which it does not have the ability to exercise significant influence over the investee is initially recorded at cost and periodically reviewed for impairment. As of September 30th, 2016, the Company did not have non-marketable investments.

#### Cash and cash equivalents

Cash and cash equivalents include all cash balances in non-interest bearing accounts and money-market accounts. The Company place its temporary cash investments with quality financial institutions. At times, such investments may be in excess of Federal Deposit Insurance Corporation (FDIC) insurance limit. The Company does not believe it is exposed to any significant credit risk on cash and cash equivalents. For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less is considered to be cash equivalents. Cash equivalents were \$99 as of September 30th, 2016.

#### Credit Risks

Financial instruments that potentially subject us to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At September 30th, 2016, the Company did not have balances in excess of FDIC insured limits.

#### Revenue recognition

The Company recognizes revenue in accordance with ASC subtopic 605-10 (formerly SEC Staff Accounting Bulletin No. 104 and 13A, “Revenue Recognition”) net of expected cancellations and allowances.

The company has recognized the revenue and cost of sales relating to its contract in Angola. However, a provision has been made against profits from the last five months of operations due to an ongoing dispute with the main contractor. Our partner in Angola expects this to be resolved in the company’s favor by the end of quarter 2, 2016

#### Advertising costs

The Company expenses all costs of advertising as incurred. There were nil advertising and promotion costs as of September 30th, 2016.

#### Use of estimate

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.



### Fair value of financial instruments

Fair value estimates discussed herein is based upon certain market assumptions and pertinent information available to management as of September 30th, 2016. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash, accounts receivable, accounts payable, accrued liabilities and notes payable. Fair values were assumed to approximate carrying values because they is short term in nature and their carrying amounts approximate fair values or they is payable on demand.

### Impairment of long-lived assets

The Company reviews its long-lived assets and intangibles periodically to determine potential impairment by comparing the carrying value of the long-lived assets with the estimated future cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future cash flows be less than the carrying value, the Company would recognize an impairment loss. An impairment loss would be measured by comparing the amount by which the carrying value exceeds the fair value of the long-lived assets and intangibles. The Company recognizes impairment losses during the year ended September 30th, 2016 of \$438,310 relating to spin off costs.

### Loss per share

Loss per share is provided in accordance with ASC Topic 260 "Earnings per Share" (as amended). The Company presents basic earnings per share ("EPS") and diluted EPS on the face of consolidated statements of operations. Basic EPS is computed by dividing reported earnings by the weighted average shares outstanding. Diluted EPS is computed by adding to the weighted average shares the dilutive effect if stock options and warrants were exercised into common stock. Basic loss per share is computed by dividing losses available to common stockholders by the weighted average number of common shares outstanding during the period. Basic earnings per common share is based on the weighted average number of common shares outstanding during the year. Diluted earnings per share is based on the weighted average number of common shares, plus all stock options and warrants convertible into common stock. There are no stock options or warrants issued and outstanding as of September 30th, 2016.

### Share-based compensation

The Company has adopted FASB Accounting Standards Codification Topic 718-10, "Compensation- Stock Compensation" ("ASC 718-10") which requires the measurement and recognition of compensation expense for all stock-based payment awards made to employees and directors. Under the fair value recognition provisions of ASC 718-10, stock-based compensation cost is measured at the grant date based on the value of the award and is recognized as expense over the vesting period.

Determining the fair value of stock-based awards at the grant date requires considerable judgment, including estimating the expected future volatility of our stock price, estimating the expected length of term of granted options and selecting the appropriate risk-free rate.

### Dividends

The Company has not yet adopted any policy regarding payment of dividends.

### Recent Accounting Pronouncements

The Company reviews all of the Financial Accounting Standard Board's updates periodically to ensure the Company's compliance of its accounting policies and disclosure requirements to the Codification Topics.

In February 2013, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2013-02, Comprehensive Income (Topic 220)—Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income (ASU 2013-02), to require entities to provide information about significant amounts reclassified out of accumulated other comprehensive income by component and their corresponding effect on net income. ASU 2013-02 is effective for us in the first quarter of our fiscal year ending February 28, 2014. We do not believe that this updated standard will have a significant impact on our consolidated financial statements.

In July 2012, the FASB issued Accounting Standards Update No. 2012-02, Intangibles—Goodwill and Other (Topic 350)—Testing Indefinite-Lived Intangible Assets for Impairment (ASU 2012-02), to simplify how entities test intangibles with indefinite lives for impairment. ASU 2012-02 gives entities the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of an intangible asset is less than its carrying amount. If greater than 50 percent likelihood exists that the fair value is less than the carrying amount then a quantitative impairment test as described in Subtopic 350-30 must be performed. ASU 2012-02 is

effective for us in the first quarter of our fiscal year ending February 28, 2014. We have reviewed development costs and have amortized accordingly.

The Company will continue to monitor these emerging issues to assess any potential future impact on its financial statements.

## NOTE 2 – Going concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. Its ability to continue as a going concern is dependent upon attaining profitable operations based on the development of distributions platforms through which its products that can be sold. The Company intends to use borrowings and security sales to mitigate the effects of its cash position, however, no assurance can be given that debt or equity financing, if required, will be available. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the Company be unable to continue in existence.

## NOTE 3 – Fair value

Its financial instruments consist principally of notes payable and lines of credit. Notes payable and lines of credit is financial liabilities with carrying values that approximate fair value. Management determines the fair value of notes payable and lines of credit based on the effective yields of similar obligations and believe all of the financial instruments' recorded values approximate fair market value because of their nature and respective durations.

The Company comply with the provisions of ASC 820, “Fair Value Measurements and Disclosures” (“ASC 820”). ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements required under other accounting pronouncements. ASC 820-10-35, “Fair Value Measurements and Disclosures - Subsequent Measurement” (“ASC 820-10-35”), clarifies that fair value is an exit price, representing the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants. ASC 820-10-35 also requires that a fair value measurement reflect the assumptions market participants would use in pricing an asset or liability based on the best information available. Assumptions include the risks inherent in a particular valuation technique (such as a pricing model) and/or the risks inherent in the inputs to the model. The Company also follows ASC 825 “Interim Disclosures about Fair Value of Financial Instruments”, to expand required disclosures.

ASC 820-10-35 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820-10-35 is described below:

*Level 1.* Valuations based on quoted prices in active markets for identical assets or liabilities that an entity has the ability to access.

*Level 2.* Valuations based on quoted prices for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that is not active, or other inputs that is observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.

*Level 3.* Valuations based on inputs that is supported by little or no market activity and that is significant to the fair value of the assets or liabilities.

The Company utilizes the best available information in measuring fair value. The following table summarizes, by level within the fair value hierarchy, the financial assets and liabilities recorded at fair value on a recurring basis as of September 30th, 2016:

	Fair Value Measurements			Total Fair Value
	Level 1	Level 2	Level 3	
Liabilities				
Loans from officer	\$ -	\$ 41,636	\$ -	\$ 41,636
Total	\$ -	\$ 41,636	\$ -	\$ 41,636

## NOTE 4 – Income taxes

At September 30th, 2016, the Company had approximately \$1,915,898 of federal and state net operating losses. For the year ended

September 30th, 2016, the Company reported net losses of \$460,565. No provision for income tax expense has been recorded. In addition no benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets. The net operating loss carry forwards, if not utilized will begin to expire in 2026.

For financial reporting purposes, the Company has incurred historical losses. Based on the available objective evidence, including the Company's history of its loss, management believes it is more likely than not that, the net deferred tax assets will not be fully realizable. Accordingly, the Company provided for a full valuation allowance against its net deferred tax assets at September 30th, 2016

**NOTE 5 – Stockholder's equity**

The Company is authorized to issue up to 850,000,000 shares of \$0.001par value common stock.

During the year the Company issued and canceled the following shares of \$0.001 par value common stock:

Shares	Individual	Consideration \$
47,590,000	Cabu Trust shares cancelled	47,590
10,000,000	Carlson	10,0000
10,000,000	R Wall Cancelled	10,000

**NOTE 6 – Commitments and contingencies**

Leases

The Company's office is at P.O. Box 3699

**Brewer, Maine 04412.NOTE 7 – Related party transactions – Loans from Officer**

Mr. Donald R Gay, an officer and director of the Company, has loaned the Company money in order to pursue its planned business model. The non- interest bearing loans are due on demand. The balance due is \$61,230 as of September 30th, 2016. No interest has been recorded for the period ended September 30th, 2016, as the Company considers these imputed amounts to be nominal to the overall financial statements.

**NOTE 8 – Subsequent events**

In accordance with ASC 855, management evaluated all activity of the Company through the issue date of the financial statements and concluded that no other subsequent events have occurred that would require recognition or disclosure in the financial statements.