
LevelUp Social Inc.

Financial Information

December 31, 2022

LevelUp Social Inc.

Financial Statements

December 31, 2022

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VAIVE AND ASSOCIATES

Professional Corporation

Compilation Engagement Report

To the management of LevelUp Social Inc.

On the basis of information provided by management, we have compiled the balance sheet of LevelUp Social Inc. as at December 31, 2022, the statement of loss and retained earnings for the year then ended, and note 2, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Vaive and Associates

Ottawa
February 16, 2023

Vaive and Associates Professional Corporation
(Authorized to practice public accounting by the Chartered
Professional Accountants of Ontario)

LevelUp Social Inc.**Statement of Loss and Retained Earnings**

For the year ended December 31,	<u>2022</u>	2021
Revenue	<u>\$ -</u>	<u>\$ 4,795</u>
Expenses		
Amortization	1,123	2,495
Interest and bank charges	47	857
Management fees	97,345	125,398
Office	-	4,202
Professional fees	3,100	2,000
Salaries and benefits	-	130,037
	<u>101,615</u>	<u>264,989</u>
Loss before other item and income taxes	(101,615)	(260,194)
Other income		
Dividends	<u>50,000</u>	<u>196,000</u>
Loss before income taxes	(51,615)	(64,194)
Income tax recovery	<u>-</u>	<u>(10,864)</u>
Net loss	(51,615)	(53,330)
Retained earnings, beginning of year	<u>27,772</u>	<u>81,102</u>
Retained earnings (deficiency), end of year	<u><u>\$ (23,843)</u></u>	<u><u>27,772</u></u>

LevelUp Social Inc.**Balance Sheet**

December 31,	<u>2022</u>	<u>2021</u>
Assets		
Current		
Cash	\$ 4,791	\$ 87,052
Accounts receivable	13,448	13,934
Income taxes receivable	-	10,864
	<hr/>	<hr/>
Total Current	18,239	111,850
Investments	200	-
Property, plant and equipment (note 4)	919	2,041
	<hr/>	<hr/>
	\$ 19,358	\$ 113,891
	<hr/>	<hr/>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 3,001	\$ 46,119
	<hr/>	<hr/>
Total Current	3,001	46,119
Due to related parties	20,200	20,000
Due to shareholder	19,900	19,900
	<hr/>	<hr/>
	43,101	86,019
	<hr/>	<hr/>
Shareholders' equity (deficiency)		
Capital stock (note 5)	100	100
Retained earnings (deficiency)	(23,843)	27,772
	<hr/>	<hr/>
	(23,743)	27,872
	<hr/>	<hr/>
	\$ 19,358	\$ 113,891
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Approved by the board:

Director

LevelUp Social Inc.

Notes to the Financial Information

For the year ended December 31, 2022

1. General information

LevelUp Social Inc. was incorporated on August 12, 2019 under the laws of the Ontario Business Corporations Act. The Company's primary business activity is media and advertising.

2. Basis of accounting

The basis of accounting applied in the preparation of the balance sheet of LevelUp Social Inc. as at December 31, 2022, and the statement of loss and retained earnings for the year then ended, is the historical cost basis and reflects cash transactions with the addition of the following:

- ♦ accounts receivable less an allowance for doubtful accounts
- ♦ property, plant and equipment amortized on the same basis as for income tax
- ♦ accounts payable and accrued liabilities
- ♦ current income taxes payable as at the reporting date

3. Significant accounting policy

Property, plant and equipment

Property, plant and equipment are recorded at cost. The company provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. A full year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal. The annual amortization rate is as follows:

Computer equipment 55%

4. Property, plant and equipment

	2022		
	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 6,256	\$ 5,337	\$ 919
			2021
	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 6,256	\$ 4,215	\$ 2,041

LevelUp Social Inc.

Notes to the Financial Information

For the year ended December 31, 2022

5. Capital stock

	<u>2022</u>	<u>2021</u>
Authorized		
Unlimited number of First Preferred Shares		
Unlimited number of Second Preferred Shares		
Unlimited number of Third Preferred Shares		
Unlimited number of Fourth Preferred Shares		
Unlimited number of Class A Common Shares		
Unlimited number of Class B Common Shares		
Unlimited number of Class C Common Shares		
Unlimited number of Class D Common Shares		
Unlimited number of Class E Common Shares		
Unlimited number of Class F Common Shares		
Unlimited number of Class G Common Shares		
Unlimited number of Class H Common Shares		
Unlimited number of Class I Common Shares		
Unlimited number of Class J Common Shares		
Issued		
100 Class A Common Shares	<u>\$ 100</u>	<u>\$ 100</u>