

PARAFIN CORPORATION
(A Development Stage Company)
BALANCE SHEETS
UNAUDITED (Prepared by Management)

	ASSETS	
	September 30 <u>2012</u>	September 30 <u>2013</u>
Current Assets:		
Account Receivable (Note 2.)	\$ 3,075	\$ 2,402
Other Assets		
Investment in Bearer Bonds (Note 1.)	1,210,000,000	1,210,000,000
Investment in Preferred Shares (Note 3.)	<u>6,000,000</u>	<u>6,000,000</u>
Total Assets	<u><u>1,216,003,075</u></u>	<u><u>1,216,002,402</u></u>

LIABILITIES AND STOCKHOLDERS EQUITY (DEFICIT)

Current Liabilities:		
Debenture payable, JRM		
Financial Services Inc. (Note 4.)	1,069,796	549,265
Accounts payable	<u>9,313</u>	<u>9,013</u>
	<u>1,079,109</u>	<u>558,278</u>
Stockholders Equity (Deficit):		
Preferred stock, par value \$0.001, 10,000,000 shares authorized, issued and outstanding - 1,210	1	1
Common stock, par value \$0.001, 7,990,000,000 shares authorized, 9,680,280,671 shares issued and outstanding	7,680,281	9,680,281
Paid-in-capital in excess of par value	1,263,030,337	1,262,370,337
Deficit accumulated during the Development stage	<u>(55,786,653)</u>	<u>(56,606,495)</u>
Total Stockholders Equity	<u>1,214,923,966</u>	<u>1,215,444,124</u>
Total Liabilities and Stockholders Equity	<u><u>\$1,216,003,075</u></u>	<u><u>\$ 1,216,002,402</u></u>

The accompanying notes are an integral part of the Financial Statements.

PARAFIN CORPORATION
(A Development Stage Company)
STATEMENTS OF OPERATIONS
UNAUDITED (Prepared by Management)

	From Inception (October 3, 1978) to September 30, <u>2013</u>	For the Year Ended September 30, <u>2012</u>	For the Year Ended September 30, <u>2013</u>
Revenues			
Royalty Income (Note 2.)	\$ <u>267,532</u>	\$ <u>66,938</u>	\$ <u>38,798</u>
General and Administrative Expenses:			
Accounting and legal	2,494,889	--	6,925
Amortization	8,143,848	--	--
Web Home Page	250,000	--	--
Depreciation	534,886	--	--
Consulting and management fees	35,377,473	744,000	744,000
Transfer and filing fees	219,999	17,269	9,516
Stock option expense	<u>6,394,000</u>	<u>--</u>	<u>--</u>
Total General and Administrative Expenses	<u>53,415,095</u>	<u>761,269</u>	<u>760,441</u>
Net (Loss) Before Other Income (Expenses)	<u>(53,147,563)</u>	<u>(694,331)</u>	<u>(721,643)</u>
Other Income and (Expenses):			
Interest expense	(3,481,397)	(306,800)	(98,199)
Loss on Sale of P-CE (Note 3.)	(59,552)	--	--
Forgiveness of debt	<u>82,007</u>	<u>--</u>	<u>--</u>
Total Other Income and Expenses	<u>(3,458,942)</u>	<u>(306,800)</u>	<u>(98,199)</u>
Net (Loss) Basic and Diluted	<u>\$(56,606,505)</u>	<u>\$(1,001,131)</u>	<u>\$(819,842)</u>
Earnings Per Share	n/a	<u>\$(0.001)</u>	<u>\$(0.00)</u>
Weighted Average Number Of Shares Outstanding	n/a	<u>7,218,741,819</u>	<u>8,218,736,769</u>

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