

PARAFIN CORPORATION  
(A Development Stage Company)  
BALANCE SHEET  
AS AT DECEMBER 31, 2013  
UNAUDITED (Prepared by Management)

ASSETS

Current Assets:	
Account Receivable (Note 2.)	\$ 2,769
Other Assets	
Investment in Bearer Bonds (Note 1.)	1,560,000,000
Investment in Preferred Shares (Note 3.)	<u>6,000,000</u>
Total Assets	<u>1,566,002,769</u>

LIABILITIES AND STOCKHOLDERS EQUITY (DEFICIT)

Current Liabilities:	
Debenture payable, JRM (Note 4.)	
Financial Services Inc.	749,048
Accounts payable	<u>9,013</u>
	<u>758,061</u>
Stockholders Equity (Deficit):	
Preferred stock, par value \$0.001, 10,000,000 shares authorized, issued and outstanding - 1,560	2
Common stock, par value \$0.001, 9,990,000,000 shares authorized, 9,680,280,671 shares issued and outstanding	9,680,281
Paid-in-capital in excess of par value	1,612,370,336
Deficit accumulated during the Development stage	<u>( 56,805,911)</u>
Total Stockholders Equity (Deficit)	<u>1,565,244,708</u>
Total Liabilities and Stockholders Equity	<u>\$1,566,002,769</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 <u>December 31, 2013</u>	For the Three Months Ended <u>December 31, 2013</u>
Revenues		
Royalty Income (Note 2.)	\$ <u>275,071</u>	\$ <u>7,539</u>
General and Administrative Expenses:		
Accounting and legal	2,494,889	-
Amortization	8,143,848	-
Web Home Page	250,000	-
Depreciation	534,886	-
Consulting and management fees	35,563,473	186,000
Transfer and filing fees	221,767	1,768
Stock option expense	<u>6,394,000</u>	<u>-</u>
Total General and Administrative Expenses	<u>53,602,863</u>	<u>187,768</u>
Net (Loss) Before Other Income (Expenses)	<u>(53,327,792)</u>	<u>(180,229)</u>
Other Income and (Expenses):		
Interest expense	( 3,500,584)	( 19,187)
Loss on Sale of P-CE (Note 3.)	( 59,552)	--
Forgiveness of debt	<u>82,007</u>	<u>--</u>
Total Other Income and Expenses	<u>( 3,478,129)</u>	<u>( 19,187)</u>
Net (Loss)	<u>\$ ( 56,805,911)</u>	<u>\$ ( 199,416)</u>
Basic and Diluted Earnings Per Share	n/a	<u>\$ ( 0.000)</u>
Weighted Average Number Of Shares Outstanding	n/a	<u>9,680,280,671</u>

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