

PARAFIN CORPORATION  
(A Development Stage Company)  
BALANCE SHEET  
AS AT MARCH 31, 2014  
UNAUDITED (Prepared by Management)

ASSETS

Current Assets:		
Account Receivable (Note 2.)	\$	2,513
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>1,566,002,513</u>

LIABILITIES AND STOCKHOLDERS EQUITY (DEFICIT)

Current Liabilities:		
Debenture payable, JRM (Note 4.)		
Financial Services Inc.		956,785
Accounts payable		<u>9,313</u>
		<u>966,098</u>
Stockholders Equity (Deficit):		
Preferred stock, par value \$0.001, 10,000,000 shares authorized, issued and outstanding - 1,210		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>( 57,014,204)</u>
Total Stockholders Equity (Deficit)		<u>1,565,036,415</u>
Total Liabilities and Stockholders Equity		<u>\$1,566,002,513</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 March 31, 2014	For the Six Months Ended March 31, 2014
Revenues		
Royalty Income (Note 2.)	\$ 283,670	\$ 16,138
General and Administrative Expenses:		
Accounting and legal	2,487,914	--
Amortization	8,143,848	--
Web Home Page	250,000	--
Depreciation	534,886	--
Consulting and management fees	35,749,473	372,000
Transfer and filing fees	227,404	7,405
Stock option expense	<u>6,394,000</u>	<u>--</u>
Total General and Administrative Expenses	<u>53,794,500</u>	<u>379,405</u>
Net (Loss) Before Other Income (Expenses)	<u>(53,510,830)</u>	<u>( 363,267)</u>
Other Income and (Expenses):		
Interest expense	( 3,525,839)	( 44,442)
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>( 3,436,657)</u>	<u>( 44,442)</u>
Net (Loss)	<u>\$ (57,014,204)</u>	<u>\$ ( 407,709)</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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