

**PARAFIN CORPORATION**  
(A Development Stage Company)  
**BALANCE SHEET**  
AS AT JUNE 30, 2014  
UNAUDITED (Prepared by Management)

ASSETS

Current Assets:		
Account Receivable (Note 2.)	\$	2,620
Other Assets		
Investment in Bearer Bonds (Note 1.)		1,210,000,000
Investment in Preferred Shares (Note 3.)		<u>6,000,000</u>
Total Assets		<u><u>1,216,002,620</u></u>

LIABILITIES AND STOCKHOLDERS EQUITY (DEFICIT)

Current Liabilities:		
Debenture payable, JRM Financial Services Inc. Note 4.)		1,168,860
Accounts payable		<u>11,625</u>
		<u>1,180,485</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 outstanding		9,680,281
Paid- in-capital in excess of par value		1,262,370,337
Deficit accumulated during the Development stage		<u>( 57,228,485)</u>
Total Stockholders Equity (Deficit)		<u>1,214,822,135</u>
Total Liabilities and Stockholders Equity		<u><u>\$1,216,002,620</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 <u>June 30, 2014</u>	For the Nine Months Ended <u>June 30, 2014</u>
Revenues		
Royalty Income (Note 2 .)	\$ <u>291,812</u>	\$ <u>24,280</u>
General and Administrative Expenses:		
Accounting and legal	2,494,839	-
Amortization	8,143,848	-
Web Home Page	250,000	-
Depreciation	534,886	-
Consulting and management fees	35,935,473	558,000
Transfer and filing fees	232,323	12,324
Stock option expense	<u>6,394,000</u>	<u>-</u>
Total General and Administrative Expenses	<u>53,985,369</u>	<u>570,324</u>
Net (Loss) Before Other Income (Expenses)	<u>(53,693,557)</u>	<u>( 546,044)</u>
Other Income and (Expenses):		
Interest expense	( 3,557,393)	( 75,946)
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>( 3,534,938)</u>	<u>( 75,946)</u>
Net (Loss)	<u>\$ ( 57,228,495)</u>	<u>\$ ( 621,990)</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>

The accompanying notes are an integral part of the financial statements.

