

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

	ASSETS	
	September 30 <u>2014</u>	September 30 <u>2013</u>
Current Assets:		
Account Receivable (Note 2.)	\$ 2,474	\$ 2,402
Other Assets		
Investment in Bearer Bonds (Note 1.)	1,560,000,000	1,210,000,000
Investment in Preferred Shares (Note 3.)	<u>6,000,000</u>	<u>6,000,000</u>
Total Assets	<u><u>1,566,002,474</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.)	1,385,527	549,265
Accounts payable	<u>13,170</u>	<u>9,013</u>
	<u>1,398,697</u>	<u>558,278</u>
Stockholders Equity (Deficit):		
Preferred stock, par value \$0.001, 10,000,000 shares authorized, 1,560 shares issued and outstanding	2	1
Common stock, par value \$0.001, 9,990,000,000 shares authorized, 9,680,280,671 shares issued and outstanding	9,680,281	9,680,281
Paid-in-capital in excess of par value	1,612,370,337	1,262,370,337
Deficit accumulated during the Development stage	( 57,446,843)	( 56,606,495)
Total Stockholders Equity	<u>1,564,603,777</u>	<u>1,215,444,124</u>
Total Liabilities and Stockholders Equity	<u><u>\$1,566,002,474</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>2014</u>	For the Year Ended September 30, <u>2014</u>	For the Year Ended September 30, <u>2013</u>
Revenues			
Royalty Income (Note 2.)	\$ <u>298,839</u>	\$ <u>31,307</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	36,121,473	744,000	744,000
Transfer and filing fees	233,868	13,869	9,516
Stock option expense	<u>6,394,000</u>	<u>--</u>	<u>--</u>
Total General and Administrative Expenses	<u>54,172,964</u>	<u>757,869</u>	<u>760,441</u>
Net (Loss) Before Other Income (Expenses)	<u>(53,874,125)</u>	<u>( 726,562)</u>	<u>( 721,643)</u>
Other Income and (Expenses):			
Interest expense	( 3,595,183)	( 113,786)	( 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>( 3,572,728)</u>	<u>( 113,786)</u>	<u>( 98,199)</u>
Net (Loss) Basic and Diluted	<u>\$(57,446,853)</u>	<u>\$( 840,348)</u>	<u>\$( 819,842)</u>
Earnings Per Share	n/a	<u>\$( 0.00)</u>	<u>\$( 0.00)</u>
Weighted Average Number Of Shares Outstanding	n/a	<u>9,680,280,671</u>	<u>8,218,736,769</u>

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