OTC MARKETS GROUP

BLACKBIRD INTERNATIONAL CORPORATION

(A NEVADA COMPANY)

Quarterly Report for the Period
ended
July 31, 2015
. Pursuant to Rule 1~c2-11

All information in this Information and Disclosure Statement has been compiled to fulfill the Disclosure requirements of rule 15c2-11 promulgated under the Securities and Exchange Act of 1934, as amended. The enumerated captions contained herein correspond to the sequential format set forth in the rule.

No Dealer, salesmen or any other person has been authorized to give any information. or to make any representations not contained herein in connection with the issuer. Such information or representations, if made must not be relied upon as having been authorized by the issuer and:

Delivery of this information file does not any time imply that the information contained herein is correct as of any time subsequent to the date first written above.

The undersigned hereby certifies that the information herein is true and correct to the best of their knowledge and belief

October 19, 2015

Blackbird International Corporation



Daniel Naimi, vice pres.

Email: info@werpo.us

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1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Blackbird International Corporation: name change - Dec. 12, 2010
Formerly known as Blackbird Petroleum Corporation - Dec 5, 2008
Formerly known as Ark Development - Oct 19, 2006

—

2) Address of the issuer's principal executive offices

Company Headquarters
15 Lubetkin St
Tel Aviv 67532
Israel

Email:
Website(s): www.blackbirdinternationalcorporation.com

IR Contact
Investor Relations Consultant
Maximum Performance Advisors
3202 Governor Drive
Suite 205
San Diego, CA, 92122
United States

3) Security Information

Trading Symbol: BBRD
Exact title and class of securities outstanding:
716,260,000 common shares
400,000 preferred shares
CUSIP: 09228B 102
Par or Stated Value: $0.001
Total shares authorized: 900,000,000 common shares as of: July 31, 2015
400,000 preferred shares

Additional class of securities (if necessary): N/A
Trading Symbol: N/A
Exact title and class of securities outstanding: _____
CUSIP:
Par or Stated Value: _____
Total shares authorized: _____ as of: _____
Total shares outstanding: _____ as of: _____

Transfer Agent
Name: Pacific Stock Transfer Inc
Address 1: 4045 South Spencer Street,
Suite 403

Las Vegas, NV 89119
Telephone: 702-361-3033

Is the Transfer Agent registered under the Exchange Act?* Yes: x ☐ No: ☐

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

540,000,000 common shares are restricted

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

The Company underwent a reverse stock split of 20:1 effective Oct 26, 2014.

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

As of the date of this Statement, the Issuer had issued 540,366,371 restricted common shares. The public float consists of 47,372,985 common shares. The remaining portion of the Promissory Note Dated Aug 31, 2011 that has not been converted is $2967.52.

B. Any jurisdictions where the offering was registered or qualified;

_____

C. The number of shares offered;

_____

D. The number of shares sold;

_____

E. The price at which the shares were offered, and the amount actually paid to the issuer;

_____

F. The trading status of the shares; and

_____

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

As of the date of this Statement, the Issuer had issued 540,366,371 restricted common shares. The public float consists of 47,372,985 common shares.

5) Financial Statements

Provide the financial statements described below for the most recent quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

A. Balance sheet;
B. Statement of income;
C. Statement of cash flows;
D. Financial notes; and
E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. "Quarterly Report"

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otciq.com in the field below.

N/A

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. a description of the issuer's business operations;

The Issuer is in the process of acquiring all the outstanding shares of Wave Electricity Renewable Power Ocean (WERPO) which owns the technology of generating electricity from the movements of the sea/ocean. The technology has been implanted in Israel and China and additional projects are in the process of negotiations.
Within the procedure to acquire Wave Electricity Renewable Power Ocean (WERPO), the Company rendered all its current assets, debts and receivables back to Insight Group Technologies Inc.

B. Date and State (or Jurisdiction) of Incorporation:

October 19, 2006 in Nevada

C. the issuer's primary and secondary SIC Codes;

1040

D. the issuer's fiscal year end date;

October 31

E. principal products or services, and their markets;

Implementation of its state of the art technology across the globe. WERPO has representatives in Israel, China, Sri Lanka, Guinea Bissau and in the Caribbean.

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The office and place of business of WERPO is Tel Aviv, Israel.
The technology that it implants is constructed on site in the country that acquires its services..

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Daniel Naimi, Director and vice president and treasurer
Shmuel Ovadia, Director and secretary
John Pedder Director and interim president

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

   No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

   No

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

   No

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Daniel Naimi, 15A Lubetkin, Tel Aviv, Israel, holds the 500,000,000 restricted common shares that were issued as part of the acquisition of WERPO.

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel
Naccarato & Associates
1100 Quail Street
Suite 100
Newport beach, California, 92660
Email: owen@owenn.com

Accountant or Auditor
J. Moraitis & Associates
30 Hunt Street
Suite 207
Ajax, Ontario
Canada, L1S 3M2

Investor Relations Consultant
Maximum Performance Advisors
3202 Governor Drive
Suite 205
San Diego, CA, 92122
United States

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.
Name: None
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____

Email: _____

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Daniel Naimi, certify that:

1. I have reviewed this Quarterly Disclosure Statement of Blackbird International Corporation;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

October 19, 2015



Daniel Naimi , vice pres.

NOTICE TO READER

On the basis of information provided by management, we have compiled the consolidated balance sheet of BLACKBIRD Corp as at July 31, 2015 and the statements of income, cash flows and stockholders' equity for the period then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Jerusalem, Israel
October 12, 2015

Dov Weinstein & Co. C.P.A (Isr.)

Financial Statements of
BLACKBIRD INTERNATIONAL
CORPORATION
As of July 31, 2015

BLACKBIRD INTERNATIONAL CORPORATION

Financial Statements as of July 31, 2015

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BLACKBIRD INTERNATIONAL CORPORATION
Consolidated Balance Sheets
(unaudited)

	Notes	As of July 31 2015 Unaudited $	As of October 31 2014 $
ASSETS			
Curret Assets			
Other receivables	3	26,174	1,100,000
Fixed assets, Net	4	8,352,834	8,973,962
TOTAL ASSETS		**8,379,008**	**10,073,962**
LIABILITY AND STOCKHOLDERS' DEFICIT			
Current liabilities			
Short-term credit		48,318	-
Accounts payable		5,071	-
Other payables		8,658	9,069,007
Total liabilities		62,047	9,069,007
Long-term liabilities			
Long term loans	4	8,000,000	-
Capital and reserves			
Common stock, $0.001 par value; 900,000,000 share authorized; 754,380,028 shares issued and outstanding at July 31, 2015	5	754,380	754,380
Other comprehensive income		(1,014)	-
Discount on capital		(444,935)	(444,935)
Retained earnings		15,923	695,510
Total stockholders' reserve		324,354	1,004,955
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT		**8,386,401**	**10,073,962**

Daniel Naimi
October 12, 2015

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

BLACKBIRD INTERNATIONAL CORPORATION
Consolidated Statement of Operations
(unaudited)

		Period of 3 months ended July 31 2015	Period of 9 months ended July 31 2015	Year ended October 31 2014
			Unaudited	
			$	
Revenue		-	-	1,619,749
Cost of revenues		-	-	274,087
Gross profit		-	-	1,345,662
General and administrative costs	6	(97,349)	(287,084)	(484,148)
Finance income, (costs) net		(889)	(2,016)	2,102
Profit (Loss) before taxation		(98,238)	(289,100)	863,616
Income tax expense		-	-	(244,233)
loss from discontinued operations		-	(390,487)	-
Net profit (loss)		**(98,238)**	**(679,587)**	**619,383**
Net profit (loss) per common share - basic and diluted				
Net profit (loss) per share attributable to common stockholders		(0.00)	(0.00)	0.00
Weighted-average number of common shares outstanding		754,380,028	754,380,028	754,380,028

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

BLACKBIRD INTERNATIONAL CORPORATION
Consolidated Statements of Stockholder's Equity
(unaudited)

	Common Stock					
		Amount	Discount on capital	Other comprehensive income	Accumulated Eqity (Deficit)	Total Shareholder's Deficit
				Unaudited		
	Shares			$		
October 31, 2013	754,380,028	754,380	(444,935)	-	76,127	385,572
Profit for the period	-	-	-	-	619,383	619,383
Balance as of October 31, 2014	754,380,028	**754,380**	**(444,935)**	-	**695,510**	**1,004,955**
Loss for the period	-	-	-	(1,014)	(679,587)	(680,601)
Balance as of July 31, 2015	754,380,028	**754,380**	**(444,935)**	**(1,014)**	**15,923**	**324,354**

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

BLACKBIRD INTERNATIONAL CORPORATION
Consolidated Statement of Cash Flows
(unaudited)

	Period of 9 months ended July 31 2015	Year ended October 31 2014
	Unaudited	
	$	
Cash flow from operating activities		
Net Profit (Loss)	(679,587)	619,383
Ajustments for non-cash incone and expenses		
Depreciation	254,241	65,096
Changes in other income	(1,014)	-
	253,227	65,096
Changes in operating assets and liabilities		
Decrease (Increase) in other receivables	1,073,826	(598,779)
Increase in trade payables	5,071	-
Increase (Decrease) in other payables	(235,575)	8,943,245
	843,322	8,344,466
Net cash earned in operating activities	416,962	9,028,945
Cash flow from investing activities		
disposal (Acquisition) of fixed assets	359,494	(9,034,416)
Net cash earned (used) in investing activities	359,494	(9,034,416)
Cash flow from financing activities		
Proceeds from short term loan from banks	48,318	-
Repayment of long terms loans from related parties	(824,774)	-
Net cash used in financing activities	(776,456)	-
Decrease in cash and cash equivalents	-	(5,471)
Cash and cash equivalents at the beginning of the period	-	5,471
Cash and cash equivalents at the end of the period	-	-

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

BLACKBIRD INTERNATIONAL CORPORATION
Notes to the Consolidated Interim Financial Statements
(unaudited)

Note 1 - General

BLACKBIRD INTERNATIONAL CORPORATION (the "Company") is a Navada Corporation incorporated on October 19, 2006. The Company is a sole shareholder of Werpo wave electricity renewable power ocean Ltd, an Israeli limited company. The operation of the company is through its subsidiary, the subsidiary develops and build power plants that use the ocean waves to create electricity.

Basis of Presentation

The Company maintains its accounting records on an accrual basis in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

These financial statements are presented in US dollars.

Fiscal Year End

The Corporation has adopted a fiscal year end of October 31.

The Company provides renewable energy solutions with its unique sea wave energy system. The Company's services include development of the hydro-pneumatic sea wave energy system, adapting it to suit any terrain, erection of sea wave power plants around the world and operation and/or training local staff to operate said power plants. This includes attaining patents for the Company's unique technology. The original patents and technology were developed by SDE Energy and Desalination Ltd. The company has acquired all of the rights to these patents and technologies. The Company also provides full consultancy services, including wide ranging feasibility studies (i.e. assessment of available energy resources, site surveying and project planning).

The Company's strategy is focused on providing energy where it is most needed by utilizing the underused resource of ocean waves. The Company's goal is to supply millions of people around the world with clean energy by erecting Sea Wave power plants on shores or wave breakers, thus aiding prevent future environmental disaster and introducing a new energy market.

The Company's vision is to become a world leader in the field of renewable energy – providing the world with clean and affordable energy in an environmentally responsible way. The Company works to insure its sea wave energy system is the best possible renewable energy solution through its affordability and integrity under harsh weather conditions.

The Company has signed an agreement with Beijing Capital Group, who will exclusively represent the Company in China. This agreement has a potential of over a billion dollars in income of setting up and building multiple wave power stations all over the Chinese sea coast.

In China, the Company is the final stages of installing a second pilot plant, a 150-KW wave energy system on Hainan Island. This plant is being erected with local partners in China and this it is part of a larger agreement entailing expansion across all of China.

The company has singed an agreement with the government of Guinea Bissau, for the development of a 500MW sea wave power plant along the coastline of guinea Bissau at a value of $500 million dollars.

The company has received approval for a renewable energy project from the Ceylon Electricity Board (CEB), the largest provider of electricity in Sri Lanka. The initial plant would have a capacity of 10 Megawatts, while 10 additional plants are proposed to be set up consequently. The company has created a local subsidiary in Sri Lanka as a result of this approval.

In addition, the Company has signed orders for projects worth more than $500 million with other countries throughout the world.

The Company is working towards implementing a 100-MW wave energy project in Kenya. In addition, The Company plans to deploy its technology in others countries in Africa in the near future, such as Guinea and Gambia.
The Company is currently present in nine markets, including China, Kenya and Sri Lanka.

Note 1 - General (Cont.)

The Company's expansion plans at present involve countries such as Guinea, Guinea-Bissau and Gambia, in addition to China. There is interest from ports in Italy, as well. The company has more than 2 billion dollars of orders.

The company has already signed a power purchase agreement for an initial 100-MW wave energy plant in Guinea-Bissau that may later be expanded to 500 MW. In Conakry, the capital city of Guinea, the Company intends to install 100 MW under a memorandum of understanding with the government.

The Company has met with the Governor of Mississippi, Mr. Phil Bryant and his personnel, in order to explore the installation of the Company's sea wave energy power plants in Mississippi.

The Company is in the process of raising $3 million to fund these projects. However, there is no assurance that the Company will be successful in raising these funds.

The Company was incorporated under the laws of the State of Israel on July 16, 2014.

Note 2 - Significant accounting policies

The principal accounting policies are set out below, these policies have been consistently applied to the period presented, unless otherwise stated:

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts or revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation
The consolidated financial statements include the accounts of BLACKBIRD INTERNATIONAL CORPORATION and its subsidiaries. Intercompany transactions and balances have been eliminated. Equity investments through which we are able to exercise significant influence over but do not control the investee and are not the primary beneficiary of the investee's activities are accounted for using the equity method. Investments through which we are not able to exercise significant influence over the investee and which do not have readily determinable fair values are accounted for under the cost method.

Foreign Currencies
Assets and liabilities recorded in foreign currencies are translated at the exchange rate on the balance sheet date. Revenue and expenses are translated at average rates of exchange prevailing during the year. Translation adjustments resulting from this process are recorded to other comprehensive income ("OCI").

Cash and cash equivalents
Cash and equivalents include investments with initial maturities of three months or less. The Company maintains its cash balances at credit-worthy financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000.

Accounts Receivable
The Company maintains reserves for potential credit losses on accounts receivable. Management reviews the composition of accounts receivable and analyzes historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment patterns to evaluate the adequacy of these reserves. Based on historical collection activity, the Company had no allowances for bad debts at July 31, 2015and 2014.

Inventories

Note 2 - Significant accounting policies (Cont.)

Inventories are stated at average cost, subject to the lower of cost or market. Cost includes materials, labor, and manufacturing overhead related to the purchase and production of inventories. We regularly review inventory quantities on hand, future purchase commitments with our suppliers, and the estimated utility of our inventory. If our review indicates a reduction in utility below carrying value, we reduce our inventory to a new cost basis through a charge to cost of revenue. The determination of market value and the estimated volume of demand used in the lower of cost or market analysis require significant judgment.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Major repairs and betterments that significantly extend original useful lives or improve productivity are capitalized and depreciated over the period benefited. Maintenance and repairs are expensed as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using shorter of useful live of the property or the unit of depletion method. For shorter-lived assets the straight-line method over estimated lives ranging from 3 to 10 years is used as follows:

Patent	25 years
Intangible asset	25 years

Intangible Assets

Intangible assets represent the cost of patents and intellectual property. The Company adheres to the ASC 350, Intangibles - Goodwill and Other. Accordingly, intangible assets with finite lives are amortized over their estimated useful lives.

The Company recognizes impairment losses on intangible assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. The impairment loss is measured by comparing the fair value of the asset to its carrying amount. Fair value is estimated based on discounted future cash flows.

The Company's intangible assets are defined as non-monetary long-term assets which have no physical substance and are held for the production of goods and provision of services, lease, operation or management. They are mainly patents. Intangible assets are stated at actual cost of acquisition, and are amortized over their estimated useful life of 25 years.

Impairment Long-Lived Assets

For purposes of recognition and measurement of an impairment loss, a long-lived asset or assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. The Company assesses the impairment of long-lived assets (including identifiable intangible assets) annually or whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

When management determines that the carrying value of long-lived assets may not be recoverable based upon the existence of one or more of the above indicators of impairment, we test for any impairment based on a projected undiscounted cash flow method. Projected future operating results and cash flows of the asset or asset group are used to establish the fair value used in evaluating the carrying value of long-lived and intangible assets. The Company estimates the future cash flows of the long-lived assets using current and long-term financial forecasts. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If this were the case, an impairment loss would be recognized. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value.

Accounts Payable and Accrued Expenses

Note 2 - Significant accounting policies (Cont.)

Accounts payable and accrued expenses are carried at amortized cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

Earnings per Share
The Company computes net loss per share in accordance with ASC 260, "Earnings Per Share" ASC 260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of all potential dilutive common shares, which comprise options granted to employees. As July 31, 2015, the Company had no potentially dilutive shares.

Income Taxes
Income taxes are accounted for in accordance with ASC Topic 740, "Income Taxes." Under the asset and liability method, deferred tax assets and liabilities are recognized for the future consequences of differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases (temporary differences). Deferred tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are recovered or settled. Valuation allowances for deferred tax assets are established when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company is subject to Israeli income tax laws. The corporate income tax rate for 2014 was 26.5%.

Revenue Recognition
The Company recognizes revenue when all of the following have occurred: persuasive evidence of an agreement with the customer exists, delivery has occurred or services have been rendered, the selling price is fixed or determinable and collectability of the selling price is reasonably assured.
Revenue consists of computer services provided to customers.

Fair Value of Financial Instruments
The Company measures assets and liabilities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level.

The following are the hierarchical levels of inputs to measure fair value:
- Level 1: Quoted prices in active markets for identical instruments;
- Level 2: Other significant observable inputs (including quoted prices in active markets for similar instruments);
- Level 3: Significant unobservable inputs (including assumptions in determining the fair value of certain investments).

Recently Issued Accounting Pronouncements
In June 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-10–Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation. ASU 2014-10 eliminates several of the reporting requirements for development stage entities, including the requirement to present inception to date information in the statements of income, cash flows, and shareholder equity, and to label the financial statements as those of a development stage entity. ASU 2014-10 also clarifies that the guidance in Accounting Standards Codification ("ASC") Topic 275, "Risks and Uncertainties", is applicable to entities that have not commenced principal operations, and eliminates an exception to the sufficiency-of-equity risk criterion for development stage entities, and will require all reporting entities that have an interest in development stage enterprises to apply consistent consolidation guidance for

Note 2 - Significant accounting policies (Cont.)

variable interest entities. ASU 2014-10 is effective for all annual reporting periods beginning after December 15, 2014 and for interim reporting periods beginning after December 15, 2015, with early adoption permitted.

Note 3 - Other receivables

	As of July 31	As of October 31
	2015	2014
	Unaudited	
	$	
Institutions	2,766	-
Related parties	23,408	1,100,000
	26,174	**1,100,000**

Note 4 - Fixed assets, Net

At August 26th the company bought the rights of an intellectual property from V.T.G Technologies LTD. The company will pay for the property $ 8,000,000. According to the agreement the company will pay when it become public and begins retaining revenues.

Note 5 - Capital stock

Authorized capital of share consists of the following:

900,000,000 common shares at par value of $ 0.001
400,000 preferred shares at a par value of $ 0.001

Authorized capital of share consists of the following:

754,380,028 common shares

Note 6 - General and administrative costs

	Period of 3 months ended July 31 2015	Period of 9 months ended July 31 2015	Year ended October 31 2014
		Unaudited	
		$	
Salaries and wages	3,910	11,874	99,167
Vehicle expenses	357	900	33,594
Office expenses	4,482	5,051	98,767
Repairs and maintenance	499	696	305
Rental	-	-	32,841
Professional fees	1,714	4,260	16,820
Advertising	26	2,182	-
Setup fees	-	3,454	-
Communication	441	2,977	8,387
Refreshments, gifts and fines	574	742	11,359
Travel	600	707	105,978
Depreciation	84,746	254,241	65,096
Insurance	-	-	11,834
Total operating expenses	**97,349**	**287,084**	**484,148**