# CLEAN ENERGY PATHWAYS, INC.

Financial Statements

As of and for the Nine Months Ending September 30, 2015 and September 30, 2014

CLEAN ENERGY PATHWAYS, INC.

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CLEAN ENERGY PATHWAYS, INC.

Balance Sheet

| For the Nine Months Ending: | September 30, 2015 | September 30, 2014 |
|---|---|---|
| **Assets:** | | |
| Current Assets: | | |
| Cash | $ 211 | $ 4,015 |
| Accounts Receivable (Shareholder) | 7,765 | 7,765 |
| Inventory | 23,400 | 23,400 |
| Total Current Assets | $ 31,376 | $ 31,180 |
| Furniture, Fixtures, and Equipment (net) | 1,233 | 2,561 |
| Total Assets | $ 32,609 | 37,741 |
| **Liabilities and Stockholder's Equity (Deficit)** | | |
| Current Liabilities | | |
| Trade Accounts Payable | $ 97,497 | $ 97,497 |
| Loans/Note/Accounts Payable | 24,627 | 15,000 |
| Deferred Revenue | 3,530,191 | 3,530,191 |
| Other Accrued Expenses | 348,463 | 348.463 |
| Total Liabilities | $ 4,000,778 | $ 3,991,151 |
| Stockholder's Equity (Deficit) | | |
| **Common Stock**, $.001 par value, 190,000,000 shares authorized, 164,509,162 and 142,509,162 issued and outstanding at September 30, 2015 and September 30, 2014, respectively | $ 146,509 | $ 146,509 |
| **Convertible preferred stock**, $.001 par value, 10,000,000 shares authorized, 1,520,000 and 1,520,000 issued and outstanding at September 30, 2015 and September 30, 2014 respectively | 1,520 | 1,520 |
| **Treasury Stock,** at cost; 950,000 shares at September 30, 2015 and 650,000 at September 30, 2014 | (199,599) | (196,599) |
| Additional Paid-In Capital | 13,442,577 | 13,442,577 |
| Retained Earnings (Deficit) | (17,359,176) | (17,347,417) |
| Total Stockholder's Equity (Deficit) | $ (3,968,169) | $ (3,957,093 |
| Total Liabilities and Stockholder's Equity (Deficit) | $ 32,609 | $ 37,741 |

CLEAN ENERGY PATHWAYS, INC.

Statement of Operations

| For the nine months ended | | September 30, 2015 | | September 30, 2014 |
|---|---|---|---|---|
| Revenue | $ | 440 | $ | 4,051 |
| Cost of Goods Sold | | 0 | | 0 |
| Gross Margin | $ | 440 | $ | 4,051 |
| Operating Expenses | $ | 12,841 | $ | 996 |
| **Net Income (Loss) Before Taxes** | $ | (12,401) | $ | 3.019 |
| Provision for Income Taxes | | 0 | | 0 |
| **Net Income (Loss)** | $ | (12,401) | $ | 3.019 |
| **Net income (loss) per share:** | | | | |
| Basic | $ | 0.00 | $ | (0.00) |
| Diluted | $ | 0.00 | $ | (0.00) |
| Weighted average shares outstanding: basic | | 148,029,162 | | 148,029,162 |
| Weighted average shares outstanding: diluted | | 148,029,162 | | 148,029,162 |

CLEAN ENERGY PATHWAYS, INC.

Statement of Stockholder's Equity (Deficit)
For the Nine Months Ending September 30, 2015

| | Common Stock Number Of Shares | $0.001 Par Value | Preferred Stock Number Of Shares | $0.001 Par Value | Treasury Stock Number Of Shares | Cost | Additional Paid-In Capital | Accumulated (Deficit) | Total Stockholders Equity(Defic |
|---|---|---|---|---|---|---|---|---|---|
| Balance December 31, 2014 | 164,509,162 | $ 164,509 | 1,520,000 | $ 1,520 | 650,000 | $ (198,099) | $ 13,422,577 | $ (17,346,775) | $ (3,954,2 |
| Stock Issued for Services | | | | | | | | | |
| Conversion from Preferred to Common | | | | | | | | | |
| Purchase Treasury Stock | | | | | 300,000 | 1,500 | | | |
| Net Income | - | - | - | - | - | - | - | (12,401) | (1,5 (12,4 |
| Balance September 30, 2015 | 164,509,162 | $ 164,509 | 1,520,000 | $ 1,520 | 950,000 | $ (199,599) | $ 13,422,577 | $ (17,359,176) | $ (3,968,1 |

CLEAN ENERGY PATHWAYS, INC.

Statement of Cash Flows

| For the nine Months Ended | September 30, 2015 | September 30, 2014 |
|---|---|---|
| **Operating Activities** | | |
| Net Income (Loss) | $ (12,401) | $ 3,019 |
| Adjustments to reconcile net loss to cash provided by operating activities: | | |
| Bad Debts | 0 | 0 |
| Depreciation | 996 | 996 |
| Common Stock Issued for Services | 0 | 0 |
| Loss on Disposal of Assets | 0 | 0 |
| (Increase) Decrease in: | | |
| Accounts Receivable | 0 | 0 |
| Prepaid Expenses | 0 | 0 |
| Prepaid Income Taxes | 0 | 0 |
| Inventory | 0 | - |
| (Increase) Decrease in: | | |
| Accounts Payable | (9,627) | 0 |
| Other Accrued Expenses | 0 | 0 |
| **Cash Used in Operating Activities** | $ (1,778) | $ 4,015 |
| **Financing Activities** | | |
| Purchase of Treasury Shares | $ 1,500 | $ 0 |
| **Cash Provided by Financing Activities** | $ (1,500) | $ 4,015 |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | $ 3,278 | $ 0 |
| **Cash and Cash Equivalents-**Beginning of Period | $ 3,489 | $ 0 |
| **Cash and Cash Equivalents-**End of Period | $ 211 | $ 4,015 |