

**ENTERTAINMENT ARTS RESEARCH, INC.**  
**(A Development Stage Company)**  
**BALANCE SHEETS**

	<b>September 30, 2014</b>	<b>December 31, 2013</b>
Assets:		
Current assets		
Cash and cash equivalents	\$ 680	\$ 1,939
Accounts Receivable	-	-
Deposit	3,002,039	3,002,039
Total Current Assets	<u>3,002,719</u>	<u>3,003,978</u>
Intangible Assets-Technology License	62,000	62,000
Total Assets	<u>\$ 3,064,719</u>	<u>\$ 3,065,978</u>
Liabilities and Stockholders' Deficit:		
Accounts Payable	5,000	15,000
Related Party Loan	\$ 28,000	\$ 25,000
Notes Payable	<u>6,000</u>	<u>26,000</u>
Total Current Liabilities	<u>39,000</u>	<u>66,000</u>
Total Liabilities	<u>39,000</u>	<u>66,000</u>
Stockholders' Equity:	891	908
Common Stock, 100,000,000 shares authorized, 89,127,040 and 90,848,140 issued and outstanding @.00001 respectively		
Common Stock, B, 50,000,000 shares authorized, 5,200,000 shares issued @.00001	52	52
Preferred Stock, A, 25,000,000 shares authorized, and 10,743,010 and 10,643,010 shares issued @.0001 par value, respectively	108	107
Preferred Stock, B, 25,000,000 shares authorized, 2,237,900 shares issued@.00001 respectively,	22	22
Preferred Stock, D, 25,000,000 shares authorized, 15,000,000 shares issued @.00001 par value	150	150
Additional Paid in Capital	8,790,599	8,534,802
Common Stock Payable	2,050	-
Deficit Accumulated During the Development Stage	<u>(5,768,153)</u>	<u>(5,536,063)</u>
Total Stockholders' Equity (Deficit)	<u>3,025,719</u>	<u>2,999,978</u>
Total Liabilities and Stockers Equity	<u>\$ 3,064,719</u>	<u>\$ 3,065,978</u>

The accompanying notes are an integral part of these unaudited financial statements.

**ENTERTAINMENT ARTS RESEARCH, INC.**  
**(A Development Stage Company)**  
**STATEMENTS OF OPERATIONS**

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>		<b>Inception to September 30, 2014</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	
Total Revenue	<u>\$74</u>	<u>\$24,317</u>	<u>\$13,951</u>	<u>\$58,211</u>	<u>\$119,763</u>
Expenses:					
Stock for Services	-	-	92,500	12,000	1,998,394
General and Administrative	<u>15,197</u>	<u>76,767</u>	<u>47,861</u>	<u>98,650</u>	<u>3,783,842</u>
Total operating expenses	<u>15,197</u>	<u>76,767</u>	<u>140,361</u>	<u>110,650</u>	<u>5,782,236</u>
Loss from operations	<u>(15,123)</u>	<u>(52,470)</u>	<u>(126,410)</u>	<u>(52,439)</u>	<u>\$(5,662,473)</u>
Other income or (expense)					
Other	<u>(105,680)</u>	<u>-</u>	<u>(105,680)</u>	<u>-</u>	<u>(105,680)</u>
Profit (Loss)	<u>\$(120,803)</u>	<u>\$(52,470)</u>	<u>\$(232,090)</u>	<u>(52,439)</u>	<u>\$(5,768,153)</u>
Common shares outstanding	<u>89,689,310</u>	<u>79,535,596</u>	<u>90,879,955</u>	<u>74,956,911</u>	
Net (loss) per share	<u>\$(0.00)</u>	<u>\$ (0.00)</u>	<u>\$(0.00)</u>	<u>\$ (0.00)</u>	
Fully Diluted shares outstanding	<u>122,870,220</u>	<u>89,012,996</u>	<u>124,060,865</u>	<u>84,434,311</u>	

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**ENTERTAINMENT ARTS RESEARCH, INC.**  
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**STATEMENTS OF CASH FLOWS**

	<b>For the Nine Months Ended September 30, 2014</b>	<b>For the Nine Months Ended September 30, 2013</b>	<b>For the Period of Inception to September 30,2014</b>
Cash flows from operating activities:			
Net (Loss) for the period	\$(232,090)	\$(52,439)	\$(5,768,153)
Stock Issued	92,500	12,000	1,998,393
Adjustments to reconcile net (loss) to net cash (used) by operating activities:Interest	105,680		105,680
(Increase) in Deposits		(230,000)	(230,000)
Increase in Accounts Payable and Accrued Expenses	26,651	-	26,651
Net cash (used) by operating activities	(7,259)	(270,439)	(3,867,429)
Cash Flows from Investing Activities:			
Purchase of Technology			
Cash Flows used in Investing Activities			(62,000)
Cash Flows from Financing Activities:			
Stock issued for cash		-	3,549,609
Proceeds from Loans	9,000	310,000	368,501
	-		
Repayment of note	(3,000)	(19,000)	(3,000)
Net cash provided by financing activities	6,000	291,000	3,915,110
Net increase (decrease) in cash	(1,259)	20,561	680
Cash – beginning	1,939	5,763	-
Cash – ending	\$680	\$26,324	\$680

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