Emaji, Inc.
8001 Irvine Center Drive, Suite 400
Irvine, California 92618

EMAJI, INC.
UNAUDITED
FINANCIAL STATEMENTS & BALANCE SHEET
Issuer's most recent Balance Sheet and Financial Statements
for the
3-month interim period ending June 30, 2014

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UNAUDITED
FINANCIAL STATEMENTS & BALANCE SHEET

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Emaji, Inc.
(A Development Stage Company)
Balance Sheet

ASSETS

		June 30, 2014 (Unaudited)		December 31, 2013 (Unaudited)
Current Assets				
Cash	$	28	$	807
Total Current Assets		28		807
Other Assets				
Trademark		500,000		500,000
Accumulated Amoritzation		(87,500)		(38,397)
Total other assets		412,500		461,603
Total Assets	$	412,528	$	462,410
LIABILITIES AND STOCKHOLDERS' DEFICIT				
Current Liabilities				
Accounts Payable and Accrued Liabilities	$	852,862	$	816,167
Notes Payable		969,793		1,143,613
Shareholder advances		1,864,356		1,862,353
Total Current Liabilities		3,687,011		3,822,133
Long Term Liabilities				
Accrued Payroll		1,124,954		1,000,000
Total Long Term Liabilities		1,124,954		1,000,000
Total Liabilities		4,811,965		4,822,133
Stockholder's Deficit				
Prefered Stock		6,800		6,800
par value $0.0001 per share, 200,000,000 shares authorized; 68,000,000 shares issued and outstanding as of June 30, 2014				
par value $0.0001 per share, 200,000,000 shares authorized; 68,000,000 shares issued and outstanding as of December 31, 2013				
Common Stock		409,467		365,802
Par Value $0.00001 per share, 39,800,000,000 shares authorized; 15,616,180,087 issued and Outstanding as of June 30, 2014				
Par Value $0.00001 per share, 39,800,000,000 shares authorized; 11,249,680,087 issued and Outstanding as of December 31, 2013				
Stockholders' Deficit				
Additional Paid in Capital		3,312,198		3,143,851
Accumulated Deficit		(8,127,902)		(7,876,176)
Total Stockholders' Deficit		(4,399,437)		(4,359,723)
		(77,315)		
Total Liabilities and Stockholders' Deficit	$	412,528	$	462,410

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

Emaji, Inc.
(A Development Stage Company)
Statements of Operations

	For the Six Months Ended June 30, 2014 (Unaudited)	For the Six Months Ended June 30, 2013 (Unaudited)	From Inception on August 14, 1996 through June 30, 2014 (Unaudited)
REVENUE	$ 13,400	$ 24,361	$ 90,253
Total Revenue	13,400	24,361	90,253
EXPENSES			
Costs of services	$ -	$ -	$ 14
Sales and marketing	-	-	62,158
Research and development	-	-	-
General and administrative	140,126	22,118	2,365,789
Payroll Expense	125,000	125,000	1,125,000
Stock Compensation Expense	-	-	753,810
Impairment of assets	$ -	-	$ 3,911,384
Total Expenses	265,126	147,118	8,218,155
NET OPERATING LOSS	$ (251,726)	$ (122,757)	$ (8,127,902)
OTHER INCOME (EXPENSES)	-	-	-
NET LOSS	$ (251,726)	$ (122,757)	$ (8,127,902)
BASIC AND DILUTIVE LOSS PER COMMON SHARE	$ (0.00)	$ (0.03)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	13,159,124,838	4,090,847	13,359,124,838

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

Emaji Inc.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Six Months Ended June 30, 2014 (Unaudited)	For the Six Months Ended June 30, 2013 (Unaudited)	From Inception Through June 30, 2014 (Unaudited)
Cash Flows From Operating Activities			
Net Loss	$ (251,726)	$ (122,757)	$ (8,127,902)
Adjustments to reconcile from Net Loss to net cash used in operating activities:			
Depreciation and Amortization	49,103	-	87,500
Common Stock Issued For Services	-	-	753,810
Changes in operating assets and liabilities			
Accounts Payable and Accrued Expenses	36,695	-	852,862
Accrued Salaries	124,954	125,000	1,124,954
Shareholder Advances	2,003	(2,600)	1,864,356
Net cash used in operating activities	(38,971)	(357)	(3,444,420)
Cash flows from investing activities			
Trademark	-	-	(500,000)
Net cash provided by Investing Activities	-	-	(500,000)
Cash flows from financing activities			
Net Proceeds From (Payments On) Notes Payable	(134,608)	10,700	1,235,152
Shares Issued for Conversion of Notes Payable	142,300	-	-
Shares Issued for Extinguishment of Debt	-	-	-
Shares Issued for Cash	30,500	-	2,566,996
Net cash provided by financing activities	38,192	10,700	3,802,148
Net Increase/(Decrease) in Cash	(779)	10,343	(142,272)
Cash, Beginning of Period	807	4	-
Cash, End of Period	$ 28	$ 10,347	$ (142,272)
Non Cash Financing Activities			
Common stock issued on conversion of notes payable	$ 179,850	$ -	$ 262,500
Common stock issued for extinguishment of debt	$ -	$ -	$ 1,197

The accompanying notes are an integral part of these condensed financial Statements.

EMAJI, INC.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (unaudited)

	Common Stock		Preferred Stock				
	Shares	**Amount**	**Shares**	**Amount**	**Additional Paid-In Capital**	**Accumulated Deficit During the Development Stage**	**Total Stockholders' Equity (Deficit)**
Balance at Inception, August 14, 1996	-	$ -	-	$ -	$ -	$ -	$ -
Sale of stock for cash	1,846,337	17,305	-	-	2,519,191	-	2,536,496
Shares issued for services	-	-	38,000,000	3,800	-	-	3,800
Net loss for the period ended December 31, 2010	-	-	-	-	-	(6,313,965)	(6,313,965)
Balance, December 31, 2010	1,846,337	$ 17,305	38,000,000	$ 3,800	$ 2,519,191	$ (6,313,965)	$ (3,773,669)
Shares issued for services	3,133,750	125,350	-	-	624,660	-	750,010
Net loss for the year ended December 31, 2011	-	-	-	-	-	(1,010,789)	(1,010,789)
Balance, December 31, 2011	4,980,087	$ 142,655	38,000,000	$ 3,800	$ 3,143,851	$ (7,324,754)	$ (4,034,448)
Shares issued for services	-	-	-	-	-	-	-
Net loss for the year ended December 31, 2012	-	-	-	-	-	(264,482)	(264,482)
Balance, December 31, 2012	4,980,087	$ 142,655	38,000,000	$ 3,800	$ 3,143,851	$ (7,589,236)	$ (4,298,930)
Shares issued for conversion of debt	11,125,000,000	221,950	30,000,000	3,000	-	-	224,950
Shares issued for extinguishment of debt	119,700,000	1,197					1,197
Net loss for the period ended December 31, 2013	-	-	-	-	-	(286,940)	(286,940)
Balance, December 31, 2013	11,249,680,087	$ 365,802	68,000,000	$ 6,800	$ 3,143,851	$ (7,876,176)	$ (4,359,723)
Shares issued for conversion of debt	4,366,500,000	43,665	-	-	10,697	-	54,362
Shares to be issued for cash	-	-	-	-	157,650		157,650
Net loss for the period ended June 30, 2014	-	-	-	-	-	(251,726)	(251,726)
Balance, June 30, 2014	15,616,180,087	$ 409,467	68,000,000	$ 6,800	$ 3,312,198	$ (8,127,902)	$ (4,399,437)

See accompanying notes to financial statements

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NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Emaji, Inc. (the "Company" or "Emaji"), a Delaware corporation, is a youth-oriented entertainment, sports and toy company. As of June 30, 2014, Emaji had limited operations, generated limited revenues and therefore has continued to be classified as a development stage company. Since its inception in 1996, the Company is not and has never been a shell company. The Company has continuously been in the entertainment industry, originally incorporated on August 14, 1996 as Brave Entertainment Corporation. The Company has gone through various name changes since inception, including two changes that were tied to transactions that were never completed. Following the acquisition of a toy company in early 1999, in May 1999, the Company expanded its entertainment related business to include the unveiling of our on-line toy business Netoy.com, Inc., which had been in development since 1996. During fiscal year 2010 the Company began development of its current expanded business model, which includes the addition of Flashback Camps International and Sportsworld Entertainment. Combined with Netoy.com, Inc., these three parts have given the Company a solid plan to fully develop its youth-oriented entertainment, sports and toy company. On December 16, 2013, the Company decreased the authorized common stock to 39,800,000,000 shares and increased the authorized preferred shares to 200,000,000 with a par value of $.00001. Prior to December 16, 2013, on September 3, 2013, the Company's Board of Directors and Stockholders authorized an increase in the authorized shares to 40,000,000,000 total shares authorized, including 39,900,000,000 common shares at a par value of $.00001, and 100,000,000 shares of preferred stock at their then par value of $.0001. In addition, the Company authorized three additional classes of preferred stock, creating Class C, Class D and Class E preferred. Before changing its name to Emaji, Inc., the Company had operated for the majority of its existence as Netoy.com, Inc., which is now one of our divisions.

Emaji, "Where Imagination Comes Alive", has a business model which plans to initially be comprised of two main divisions:

Emaji plans on launching Sportsworld Entertainment ("Sportsworld"), which is developing its participatory collegiate and professional sports camps through Flashback Camps International ("FCI"), a financial and marketing support program for a wide variety of athletic enterprises, including youth athletic programs, and its Professional Sports Acquisition Group ("PSAG"), which is currently exploring acquisition opportunities in professional sports, is expected to generate revenue on a long term basis when compared to the Company's EBD division, at least initially. Sportsworld is currently looking to acquire an NBA Development League team through PSAG, and plans to develop and produce a reality competition syndicated series as part of its FCI participatory camps.

Emaji Business Development ("EBD") is developing the rollout of the Company's revamped online toy portal Netoy.com, an on-line toy web portal that will include its on-line retail store, while incorporating several new features, including industry related developments, news and interactive feedback between consumers and toy manufacturers. EBD will be assembling a team of collegiate students to complete the development, design, launch and marketing of the new Netoy.com. Emaji expects income to develop in the short term as the site is rolled out, with the majority of initial sales to be generated from ad and manufacturer based revenue. EBD is also exploring potential technology acquisitions that would compliment its business model.

The primary focus of the Company during 2014 is to continue the development of these two divisions. The Company has been negotiating potential funding which will allow us to implement our plans for both Sportsworld and EBD. During the 2014 fiscal year, the Company plans to file an S-1 Registration Statement with the Securities and Exchange Commission ("SEC") along with Form 8-A in order to register its shares and to become a fully reporting company.

All of the aforementioned acquisitions and negotiations are complex financial transactions and there can be no guarantee that we will be able to successfully complete any or all of those transactions. A third party has made a claim that it has obtained ownership of the URL "Netoy.com." Although this claim only involves the URL and not the Company or its operations, the Company's counsel has been taking steps to resolve this issue. As the Company is in the process of revamping this division as described above, this issue should have minimal impact on the Company going forward. However, volatile market conditions and the ongoing uncertainty of the global economic outlook could stymie any potential growth the Company plans on achieving at any time and increase the pressure on an already strained corporate financial structure. In order to continue the development of its three divisions, the Company must be successful in acquiring the necessary funding it is seeking. The inability to do so will result in the Company experiencing serious delays in implementing its business plan. Any or all of the above uncertainties could have a material adverse effect on the Company.

Critical to our success will be our ability to attract a strong management team at both the parent and at each division. As acquisition and financial transactions, even at a basic level, become more complex, the financial and managerial experience of the Company's management team will play a major role in the success or failure of the Company. Additional information on Emaji's operations can be found in the accompanying Quarterly Report filed with OTC Markets.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - *continued*

Basis of Presentation

Emaji is considered to be a development stage enterprise as defined in Statement of Financial Accounting Standards ("SFAS") No. 7, "Accounting and Reporting by Development Stage Enterprises." Consequently, Emaji has presented these financial statements in accordance with that Statement, including losses incurred from April 14, 1996 (Inception) to June 30, 2014.

Income Taxes - Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Due to historical net losses, a valuation allowance has been established to offset the deferred tax assets.

In July 2006, the FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes— an interpretation of FASB Statement No. 109 ("FIN 48")", codified into ASC 740. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS No. 109, Accounting for Income Taxes. FIN 48 describes a recognition threshold and measurement attribute for the recognition and measurement of tax positions taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The cumulative effect of adopting FIN 48 is required to be reported as an adjustment to the opening balance of retained earnings (or other appropriate components of equity) for that fiscal year, presented separately. The adoption of FIN 48 did not have a material impact to the Company's financial statements.

Fair Value of Financial Instruments - The carrying amount of the Company's cash, accounts receivables, accounts payables, and accrued expenses approximates their estimated fair values due to the short-term maturities of those financial instruments.

The Company has adopted a single definition of fair value, a framework for measuring fair value, and providing expanded disclosures concerning fair value whereby estimated fair value is the price to be paid for an asset or the amount to settle a liability in an orderly transaction between market participants at the measurement date. Accordingly, fair value is a market-based measurement and not an entity-specific measurement.

The Company utilizes the following hierarchy in fair value measurements:

- Level 1 – Inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2 – Inputs use other inputs that are observable, either directly or indirectly. These inputs include quoted prices for similar assets and liabilities in active markets as well as other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3 – Inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

As a result, prior to fiscal year ended December 31, 2011, the Company adopted ASC 820 ("ASC 820") Fair Value Measurements and Disclosures. The Company did not record an adjustment to retained earnings as a result of the adoption of the guidance for fair value measurements, and the adoption did not have a material effect on the Company's results of operations. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability.

As of June 30, 2014, the Company's derivative liabilities are considered a level 2 item, see Note 3 and 6.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles 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 of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - ***continued***

Stock-Based Compensation - The Company accounts for stock options issued to employees and consultants under ASC 718 formerly SFAS No. 123(R), "Share-Based Payment". Under SFAS 123(R), share-based compensation cost to employees is measured at the grant date, based on the estimated fair value of the award, and is recognized as expense over the employee's requisite vesting period. The Company measures compensation expense for its non-employee stock-based compensation under ASC 505 formerly EITF No. 96-18 "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services" ("EITF 96-18"). The fair value of the shares or options issued or committed to be issued is used to measure the transaction, as this is more reliable than the fair value of the services received. The fair value is measured at the value of the Company's common stock on the date that the commitment for performance by the counterparty has been reached or the counterparty's performance is complete. The fair value of the equity instrument is charged directly to stock-based compensation expense and credited to additional paid-in capital.

Impairment of Long-lived Assets - Impairment of long-lived assets is assessed by the Company whenever there is an indication that the carrying amount of the asset may not be recoverable. Recoverability of these assets is determined by comparing the forecasted undiscounted cash flows generated by those assets to the assets' net carrying value. The amount of impairment loss, if any, is measured as the difference between the net book value of the assets and the estimated fair value of the related assets.

Modifications to Convertible Debt -The Company accounts for modifications of ECFs in accordance with EITF 06-6 "Debtors Accounting for a Modification (or exchange) of Convertible Debt Instruments", codified into ASC 470 EITF 06-6 requires the modification of a convertible debt instrument that changes the fair value of an ECF be recorded as a debt discount and amortized to interest expense over the remaining life of the debt. If modification is considered a substantial (i.e. greater than 10% of the carrying value of the debt), an extinguishment of the debt is deemed to have occurred, resulting in the recognition of an extinguishment gain or loss.

Equity Instruments Issued with Registration Rights Agreement - The Company accounts for registration rights agreement penalties as contingent liabilities. Accordingly, the Company recognizes the damages when it becomes probable that they will be incurred and amounts are reasonably estimable. As of June 30, 2014, the Company does not believe damages related to these rights are probable, and thus, an accrual has not been recorded.

Earnings (Loss) per Share - Basic earnings (loss) per share are based on the weighted average number of shares of Common Stock outstanding during the period. Diluted earnings (loss) per share also includes the effect of stock options, other Common Stock equivalents outstanding during the during the period, and assumes the conversion of the Company's Class A, B and C preferred stock and conversion of convertible notes payable for the period of time such stock and notes were outstanding, if such preferred stock and convertible notes are dilutive.

The following table sets forth the computation of the numerator and of basic and diluted loss per share for the period ended June 30, 2014 and the year ended December 31, 2013. There were no adjustments to the denominator. The following items were anti-dilutive and thus excluded from the calculation.

	June 30, 2014	December 31, 2013
Weighted average common shares outstanding		
Used in calculating basic loss per share	13,359,124,838	49,800,870
Effect of dilutive convertible preferred stock, convertible notes and warrants	27,145,300,870	3,104,980,087

As of June 30, 2014, the Company has 39,800,000,000 common shares authorized, thus the effects of convertible preferred stock and notes into common stock are limited, if applicable, to the amount authorized by the Company's stockholders. Please note that subsequent to June 30, 2014, the Company retired a total of 4,000,000,000 shares, which is not reflected in the above table. The retirement of the shares had originally been approved by the Company in April 2014.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - *continued*

Recent Accounting Pronouncements

In May 2009, the FASB issued ASC 855 "Subsequent Events" (formerly SFAS No. 165, Subsequent Events). FASB ASC 855 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. ASC 855 is effective for interim and annual financial periods ending after June 15, 2009 with no impact on the accompanying financial statements.

In June 2009, the FASB issued ASC 105 "Generally Accepted Accounting Principles" (formerly SFAS No. 168 The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles – a replacement of FASB Statement No. 162). ASC 105 establishes the FASB Accounting Standards Codification as the source of authoritative U.S. GAAP recognized by the FASB to be applied by nongovernmental entities. ASC 105, which changes the referencing of financial standards, is effective for interim or annual financial periods ending after September 15, 2009. The Company adopted ASC 105 prior to fiscal year ended December 31, 2011 with no impact to its financial statements, except for the changes related to the referencing of financial standards.

2. GOING CONCERN

The accompanying financial statements have been prepared assuming that Emaji will continue as a going concern. During the period ended June 30, 2014, Camelot had limited revenue producing operations; negative working capital of $3,822,105 and an accumulated deficit from Inception of $8,127,902. These conditions raise substantial doubt about Emaji's ability to continue as a going concern. The financial statements do not include any adjustments to reflect the possible future effects on the classification of liabilities that may result from the outcome of this uncertainty.

Management's plans with respect to the current situation consist of increasing the revenues being generated by Emaji subsequent to year end, successfully complete implementation of its business model and the resultant revenues that come as operations continue to develop, restructuring its debt, seeking additional financial resources from its existing investors, note holders, debt holders, officers, directors (past and present) and it's Chairman Robert Atwell. There are no assurance that the Company's efforts will be successful and/or at acceptable terms. During the period ended June 30, 2014, the Company received additional funding from Robert Atwell and others to fund operations. See Note 3 for additional information regarding the secured convertible notes payable.

Prior to the period ended June 30, 2014, the Company had entered into four Stock Purchase Agreements ("SPA") to provide the Company with up to $8,000,000 in funding. The majority of the stock is to be purchased at an average twenty per cent (20%) discount to the market, unless otherwise amended by the parties, pursuant to an effective registration statement that the Company expects to file with the Securities and Exchange Commission ("SEC"). In accordance with the terms and conditions of the SPA, the funding is supposed to take place no later than December 31, 2014. As of June 30, 2014, the Company had not received any material proceeds as a result of these agreements. In the event this funding is completed, the Company would be in a position to have a determination made that it would no longer be a development stage company and further, that it would no longer warrant a going concern statement in the financial footnotes. In the event the funding is not completed, the Company would remain a development stage company and the going concern statement would remain. There can be no assurance that this funding will be completed under the terms and conditions of the SPA. In the event the funding is not completed, this could have a material adverse effect on the Company. Due to the Company having not received the funding as contracted for as of June 30, 2014, the Company has been delayed in implementing its business model and this has had an adverse effect on the Company. However, subsequent to June 30, 2014 the Company has taken preliminary steps to rectify this situation and will be updating its stockholders once additional developments occur.

Additional Agreements

On November 12, 2013, the Company executed a Memorandum of Understanding ("MOU"), which begins the process for the Company to begin the long term process of becoming listed in the future on one of the exchanges. In order to qualify for the listing, the Company must have a net minimum value of $4,000,000, a minimum number of stockholders, a minimum stock price and additional items that will take significant time to complete. The MOU establishes the parameters under which the Company will address these issues, including the elimination to the greatest extent possible of the Company's debt. The Company began the process on November 12, 2013. The Company will issue additional updates as the process moves forward. There can be no assurance that the Company will be able to complete the process or be approved for listing on an exchange if and when it completes the process. The potential effect of the MOU, if and when completed, and this process on the Company has yet to be determined. As of June 30, 2014, there has been no additional developments on this process. If this status remains, the Company will terminate the MOU and proceed on its own volition.

3. CONVERTIBLE NOTES AND NOTES PAYABLE

Convertible Notes Payable

Prior to June 30, 2014, Emaji issued various callable secured convertible notes payable for various amounts to various holders. Emaji previously received proceeds either directly in cash or in consideration for services provided to the Company. The notes payable normally provided for annual interest ranging between 5% and 15%, secured by various assets of the Company, with maturity dates beginning in 2013. The principal and accrued interest of the notes are convertible into Emaji's Common Stock either at the current par value at the time of issuance, the current market price, or at a variable conversion price, which can range between 10% to 50% of the average market price of the Common Stock of the lowest three to ten trading days prior to the date of conversion. In addition, some of these notes may have registration rights agreements, which could call for liquidated damages in the event an effective registration statement is not filed within a timely basis.

Emaji evaluated the notes under the pertaining accounting standards and determined that the notes contained embedded conversion features that needed to be accounted for as derivative liabilities. Emaji determined that the embedded conversion features required bi-furcation from the note instrument and required an estimate of its fair market value. The fair market value of the embedded conversion feature was estimated using a lattice model incorporating weighted average probability cash flow. The fair market value of the warrants was estimated using the Black Scholes model.

As of June 30, 2014, the Company had secured convertible notes payable outstanding of $2,782,353, of which $10,000 become due during fiscal year ended December 31, 2013. The remaining notes become due over a period of years between 2014 and 2018. The Company has not received a letter of default on any of the notes. In addition, the holders are expected to convert the secured convertible notes payable into common and/or preferred stock. Many of the notes payable were issued at a time when the Company's common stock had limited or no trading and further, the bid was at par value or below. Future notes will be issued in accordance with the liquidity and market value of the stock as the market for the Company's stock develops. The Company is required to have sufficient authorized shares to allow for conversion of all of its convertible notes and other debt instruments that may result in the issuance of common and or preferred stock. The current authorized shares for the Company is 40,000,000,000, with 39,800,000,000 common stock and 200,000,000 preferred stock authorized. The majority of the common stock authorized is to provide coverage for existing notes held by management. Those shares, which are classified as affiliate control shares, have significant resale restrictions placed upon them, and as a result are not available for resale at the present time. The Company has no plans to increase the outstanding common shares beyond current levels for the foreseeable future. As described in the Subsequent Events section of these financial footnotes, the Company has retired a substantial number of shares and expects to retire additional shares in the future.

Current Long Term Material Notes:

Name	Issuance Date	Amount as of 12/31/13	Term	Interest	Conversion Price	Maturity Date	Consideration
The Atwell Group (1)	1/1/09	$1,855,853	7 Years	5%	Various	1/1/16	Cash/Equivalent
The Atwell Group (1)	1/1/09	$500,000	7 Years	5%	Various	1/1/16	Cash/Equivalent
The Atwell Group (1)	1/1/09	$5,100	7 Years	5%	Various	1/1/16	Cash/Equivalent
Sub-Total:		$2,360,953					
Playground Partners	8/22/11	$7,500	5 Years	5%	Par Value	8/21/16	Cash
Playground Partners	8/29/11	$7,500	5 Years	5%	Par Value	8/28/16	Cash
Playground Partners	10/3/11	$7,500	5 Years	5%	Par Value	10/2/16	Cash
Playground Partners	10/17/11	$2,500	5 Years	5%	Par Value	10/16/16	Cash
Playground Partners	10/24/12	$7,500	5 Years	5%	Par Value	10/23/16	Cash
Playground Partners	11/7/11	$7,500	5 Years	5%	Par Value	11/6/16	Cash
Playground Partners	11/21/11	$7,500	5 Years	5%	Par Value	11/20/16	Cash
Playground Partners	12/27/11	$5,000	5 Years	5%	Par Value	12/26/16	Cash
Playground Partners	6/4/12	$2,000	5 Years	5%	Par Value	6/3/17	Cash
Playground Partners	6/11/12	$2,000	5 Years	5%	Par Value	6/11/17	Cash
Playground Partners	6/18/12	$3,000	5 Years	5%	Par Value	6/17/17	Cash
Playground Partners	7/2/12	$3,000	5 Years	5%	Par Value	7/1/17	Cash
Playground Partners	7/9/12	$3,000	5 Years	5%	Par Value	7/8/17	Cash
Playground Partners	7/17/11	$1,000	5 Years	5%	Par Value	7/16/17	Cash
Playground Partners	7/23/12	$4,000	5 Years	5%	Par Value	7/22/17	Cash
Playground Partners	7/30/12	$2,000	5 Years	5%	Par Value	7/29/17	Cash
Playground Partners	8/6/12	$3,000	5 Years	5%	Par Value	8/5/17	Cash
Playground Partners	8/20/12	$2,000	5 Years	5%	Par Value	8/19/17	Cash
Sub-Total:		$77,500					
Christopher Flannery	12/31/08	$10,000	5 Years	8%	Market %	12/30/13	Legal Services
Christopher Flannery	12/31/09	$36,000	5 Years	8%	Market %	12/20/14	Legal Services
Christopher Flannery	12/31/10	$36,000	5 Years	8%	Market %	12/30/15	Legal Services
Christopher Flannery	12/31/11	$48,000	5 Years	8%	Market %	12/30/16	Legal Services
Christopher Flannery	12/31/12	$36,000	5 Years	8%	Market %	12/30/17	Legal Services
Christopher Flannery	11/14/13	$44,000	5 Years	8%	Market %	12/30/18	Legal Services
Sub-Total:		$210,000					
Gilbert Serrano	12/31/08	$77,451	7 Years	5%	Market %	12/20/15	Services
Sub-Total:		$77,451					
Additional Notes	Pre-2008	$56,449	Various	Various	Market %	Various	Various
Sub-Total:		$56,449					
Total at 3/31/14:		$2,782,353					
Notes: (1) Affiliate							

Short-Term Notes Payable

On July 30, 2013, the Company issued a promissory note to Evolution Capital, LLC, in the amount of $27,000 with a maturity date of October 15, 2013, unless otherwise amended by the parties. The promissory notes carries a fixed interest amount of $20,250, resulting in a total amount owed of $47,250. As of June 30, 2014, the Company had received $27,000 in cash and credit for getting current related expenses and monies sent to a third party who facilitated certain filing fees and costs. The Note is to be paid out of funding proceeds from a stock purchase agreement between the Company and a third party who is purchasing preferred stock. The Company has been notified that the face amount of the note has been paid as of June 30, 2014.

Notes Assigned, Sold and/or Transferred

During the period ended June 30, 2014, no notes had been assigned, sold and/or transferred.

Notes Converted

During the period ended June 30, 2014, no notes were converted to common stock.

4. INCOME TAXES

At June 30, 2014 and December 31, 2013, Emaji had net losses of $251,726 and $286,940. As a result, Emaji has not recorded any income tax liability for those periods. The Company has an ongoing loss carry forward of $8,127,902 since inception.

5. RELATED PARTY TRANSACTIONS

Accrued Salaries

At June 30, 2014, the Company has accrued compensation of $1,125,000 due to its officers.

Advances from Affiliates

As of the period ended June 30, 2014, the Company had received $1,861,343 in advances from affiliates, including its CEO Robert Atwell. During the period ended June 30, 2014, the Company paid $1,739 of these amounts, leaving a balance due of $1,859,604 at June 30, 2014.

Stock Issued to Affiliates

None.

6. PREFERRED STOCK

Preferred Stock

As of June 30, 2014, Emaji had five classes of Preferred Stock authorized for issuance in our Certificate of Incorporation, Class A Preferred, Class B Preferred, Class C Preferred, Class D Preferred and Class E Preferred.

The Class A Preferred converts to 50 shares of Common Stock for every one share of Class A Preferred. Each share of Class A Preferred is entitled to 50 votes on all matters put to a vote of the Company's stockholders and votes with the Common Stock on all matters. Class A Preferred ranks superior to our Common Stock and our Class C and Class D Preferred and ranks junior to our Class B Preferred and Class E Preferred.

The Class B Preferred converts to 100 shares of Common Stock for every one share of Class B Preferred. Each share of Class B Preferred is entitled to 1,000 votes on each matter put to a vote of stockholders and votes with the Common Stock on all matters. Class B Preferred ranks superior to our Common Stock and our Class A, Class C, and Class D Preferred and ranks junior to our Class E Preferred.

The Class C Preferred shall be convertible at par value $0.00001 per share (the “Series C Preferred”), at any time, and/or from time to time, into the number of shares of the Corporation's common stock, par value $0.00001 per share (the "Common Stock") equal to the price of the Series C Preferred Stock as stated in 2.6 of the Bylaws, divided by the par value of the Series C Preferred, subject to adjustment as may be determined by the Board of Directors from time to time (the "Conversion Rate"). For example, assuming a $2.50 price per share of Series C Preferred Stock, and a par value of $0.00001 per share for Series C Preferred each share of Series C Preferred Stock would be convertible into 100,000 shares of Common Stock. Such conversion shall be deemed to be effective on the business day (the "Conversion Date") following the receipt by the Corporation of written notice from the holder of the Series D Preferred Stock of the holder's intention to convert the shares of Series C Stock, together with the holder's stock certificate or certificates evidencing the Series C Preferred Stock to be converted. Each share of Class C Preferred is entitled to 1 vote on all matters put to a vote of the Company’s stockholders and votes with the Common Stock on all matters. Class C Preferred ranks senior to our Common Stock and ranks junior to our Class A, Class B, Class D and Class E Preferred.

The Class D Preferred shall be convertible at par value $0.00001 per share (the “Series D Preferred”), at any time, and/or from time to time, into the number of shares of the Corporation's common stock, par value $0.00001 per share (the "Common Stock") equal to the price of the Series D Preferred Stock as stated in 2.6 of the Bylaws, divided by the par value of the Series D Preferred, subject to adjustment as may be determined by the Board of Directors from time to time (the "Conversion Rate"). For example, assuming a $2.50 price per share of Series D Preferred Stock, and a par value of $0.00001 per share for Series D Preferred each share of Series D Preferred Stock would be convertible into 100,000 shares of Common Stock. Such conversion shall be deemed to be effective on the business day (the "Conversion Date") following the receipt by the Corporation of written notice from the holder of the Series D Preferred Stock of the holder's intention to convert the shares of Series D Stock, together with the holder's stock certificate or certificates evidencing the Series D Preferred Stock to be converted. Each share of Class D Convertible Preferred Stock shall entitle the holder thereof to a number of votes equal to ten (10) votes for any election or other vote placed before the shareholders of the Corporation. Class D Preferred ranks senior to our Common Stock and our Class C Preferred and ranks junior to our Class A, Class B and Class E Preferred.

The Class E Preferred shall be convertible:

(A) If at least one share of Series E Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series E Preferred Stock at any given time, regardless of their number, shall be convertible into the number of shares of Common Stock which equals four times the sum of: i) the total number of shares of Common Stock which are issued and outstanding at the time of conversion, plus ii) the total number of shares of all other Preferred Stock which are issued and outstanding at the time of conversion.

(B) Each individual share of Series E Preferred Stock shall be convertible into the number of shares of Common Stock equal to:

[four times the sum of: {all shares of Common Stock issued and outstanding at time of conversion + all shares of Series A, B, C and Series D Preferred Stocks issued and outstanding at time of conversion}]

divided by:

[the number of shares of Series E Preferred Stock issued and outstanding at the time of conversion]

(C) Shares of Preferred Stock may only be issued in exchange for the partial or full retirement of debt held by Management, employees or consultants, or as directed by a majority vote of the Board of Directors. The number of Shares of Preferred Stock to be issued to each qualified person (member of Management, employee or consultant) holding a Note shall be determined by the following formula:

For retirement of debt:

$$\sum_{i=1}^{n} x_i = \text{number of shares of Series E Preferred Stock to be issued}$$

where $x_1 + x_2 + x_3 \ldots + \ldots x_n$ represent the discrete notes and other obligations owed the lender (holder), which are being retired.. The holders of shares of Class E Convertible Preferred Stock shall have the following voting rights:

(A) If at least one share of Series E Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series E Preferred Stock at any given time, regardless of their number, shall have voting rights equal to four times the sum of: i) the total number of shares of Common Stock which are issued and outstanding at the time of voting, plus ii) the total number of shares of all other Preferred Stock which are issued and outstanding at the time of voting.

(B) Each individual share of Series E Preferred Stock shall have the voting rights equal to:

[four times the sum of: {all shares of Common Stock issued and outstanding at time of voting + all shares of Preferred Stock issued and outstanding at time of voting}]

divided by:

[the number of shares of Series E Preferred Stock issued and outstanding at the time of voting]

Class E Preferred ranks senior to our Common Stock and all other classes and/or series of Preferred Stock.

7. COMMITMENTS

Operating Leases

Current Leases:

Our corporate headquarters are located at 8001 Irvine Center Drive, Suite 400, Irvine, CA 92618. The space is leased on an annual basis. The current lease expires on December 31, 2014. The agreement for the office is for a period of thirteen (12) months with base minimum monthly payments of approximately $1,590 per month. Annual base rent costs are approximately $19,080. In addition, the Company pays for phone, Internet and other office related services. These services cost approximately $350 per month for an annual expense of $4,200. The office comes with reception service and other related general office activities, including usage of conference rooms, common areas and client lounge areas. The total annual aggregate costs are approximately $23,280. This represents a savings of approximately $10,000 annually when compared to office costs during 2013.

In comparison, should the Company elect to move to a standard office, the annual costs, including receptionist, utilities, parking, insurance, etc. would be approximately $54,000. Once the Company increases its staff and operational space requirements beyond the current requirements, at some point in the future it will become more cost effective to relocate to a standard type office.

8. STOCKHOLDERS' DEFICIT

Authorized Shares

No changes.

Determination of Fair Value

The fair value of the Company's Common Stock issuances are normally based upon the closing market price of the Company's Common Stock on the date of issuance assuming no future and or prior performance commitments exist. In some cases, the fair value is based upon the closing market price of the stock, if any, on the date consideration was paid and received by the Company for the shares. In some cases, the fair value is determined by terms and conditions of a specific contractual obligation between the Company and the stockholder. All shares discussed below are valued using these assumptions.

Common Stock Issued for Related Party Services as of June 30, 2014

None

Common Stock Issued for Services as of June 30, 2014

None

Common Stock Issued During Fiscal Year 2014 as of June 30, 2014

Name	Date	Issuance Type	Shares Issued	Price Paid	Issuance Exemption	Trading Status Upon Issuance	Current Issuance Legend Status	Holder Exemption	Consideration	Consideration Date
EKO Corp Svcs	01/07/14	Common	50,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
EKO Corp Svcs	01/07/14	Common	30,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Quail Management	01/07/14	Common	50,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Quail Management	01/07/14	Common	35,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Left Coast Pictures Inc.	1/21/14	Common	50,000,000	$.0001	4.2	Restricted	Shares Available for Resale	144	Cash	2/23/12
Left Coast Pictures Inc.	1/21/14	Common	50,000,000	$.0001	4.2	Restricted	Shares Available for Resale	144	Cash	2/23/12
Left Coast Pictures Inc.	1/21/14	Common	50,000,000	$.0001	4.2	Restricted	Shares Available for Resale	144	Cash	2/23/12
Left Coast Pictures Inc.	1/21/14	Common	50,000,000	$.0001	4.2	Restricted	Shares Available for Resale	144	Cash	2/23/12
International Consulting Experts	1/29/14	Common	82,500,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
MacKnight	2/7/14	Common	75,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Corporate Excellence	2/7/14	Common	75,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Harbor Point	2/10/14	Common	79,500,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Sonny Williams LLC	2/14/14	Common	60,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Maxcede Holdings	2/18/14	Common	100,000,000	$.00001263	4.2	Restricted	Shares Available for Resale	144	Cash	7/17/12
							Shares Available for			

Weinberger	2/20/14	Common	65,000,000	$.00002	4.2	Restricted	Resale	144	Cash	6/20/11
Playground Partners LLC	2/26/14	Common	100,000,000	$.00001	4.2	Restricted	Shares Available for Resale	144	Cash	8/1/11
Playground Partners LLC	2/26/14	Common	100,000,000	$.00001	4.2	Restricted	Shares Available for Resale	144	Cash	8/1/11
Playground Partners LLC	2/26/14	Common	100,000,000	$.00001	4.2	Restricted	Shares Available for Resale	144	Cash	8/1/11
Playground Partners LLC	2/26/14	Common	100,000,000	$.00001	4.2	Restricted	Shares Available for Resale	144	Cash	8/1/11
Playground Partners LLC	2/26/14	Common	100,000,000	$.00001	4.2	Restricted	Shares Available for Resale	144	Cash	8/1/11
Benchmark Advisory Partners	3/7/14	Common	50,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
JT Sands Corp	3/7/14	Common	65,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Maxcede	3/21/14	Common	100,000,000	$.00001251	4.2	Restricted	Shares Available for Resale	144	Cash	8/13/12
Guy Street Corporation	3/25/14	Common	1,000,000,000	$.000011346	4.2	Restricted	Shares Available for Resale	144	Cash	8/9/11 11/15/11
Maxcede	3/28/14	Common	100,000,000	$.00001251	4.2	Restricted	Shares Available for Resale	144	Cash	8/27/12
PC Trust	3/28/14	Common	50,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Nelson Grist	3/28/14	Common	92,500,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
David M Edwards	4/1/14	Common	60,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
1st NRG Group	5/8/14	Common	55,000,000	$.00002	4.2	Restricted	Shares Available for Resale	144	Cash	6/20/11
Blackbridge Capital *	6/11/14	Common	1,400,000,000	$.0001	4.2	Restricted	Shares Restricted	144	Contract Fee	6/11/14

*The restricted shares issued to Blackbridge Capital were issued in accordance with the terms and conditions of a funding agreement between Blackbridge Capital and the Company that was subsequently terminated by the Company.

9. SUBSEQUENT EVENTS

Common Stock Issuances

Between July 1, 2014 and August 14, 2014, the Company issued the following common stock:

Name	Date	Issuance Type	Shares Issued	Price Paid	Issuance Exemption	Trading Status Upon Issuance	Current Issuance Legend Status	Holder Exemption	Consideration	Consideration Date
Beaufort Capital	7/31/14	Common	750,000,000	$.00001	4.2	Restricted	Shares Available for Resale	144	Cash	8/22/11

Common Stock Retirements

Subsequent to July 1, 2014, the Company had scheduled the following common stock to be retired:

Name	Date	Type	Shares
The Corporate Solution, Inc.	4/4/14	Common	3,000,000,000
The Corporate Solution, Inc.	4/10/14	Common	1,000,000,000

Short-Term Notes Payable

On July 23, 2014, the Company issued a promissory note to Beaufort Capital Partners, LLC, in the face amount of $35,000 with a maturity date of July 23, 2015, unless otherwise amended by the parties. The promissory notes carries no interest rate unless there is a default, at which time as rate of 12% per annum would be activated. The Note is convertible at $.00001 on or after October 23, 2014. The note can be pre-paid prior to October 23, 2014 at the sole discretion of the Issuer. Between October 23, 2014 and July 23, 2015, pre-payment of the note is subject to approval of both the Issuer and the Noteholder. Subsequent to June 30, 2014, in accordance with the terms and conditions of the Note, the Company received $25,000 in cash and credit for current filings, reports and related expenses, accounting and legal costs, transfer agent fees, administrative costs and fees related to the transaction.

Notes Assigned, Sold and/or Transferred

Between July 1, 2014 and August 14, 2014, the following notes had been assigned, sold and/or transferred. None the entities involved in the assignments, sells and/or transfers are affiliated with the Company and to the best knowledge of the Company the entities have no affiliation with each other. None of the agreements and/or contracts that are part of these transactions acknowledge, demand, provide, and/or require that any of the funds generated as a result of the these transactions be transmitted to the Company.

Holder:	Acquired From:	Note Date:	Note Amount*:	Assigned	Shares:	Date Issued:
Beaufort Capital	Playground Partners	8/22/11	$7,500	7/22/14	750,000,000	7/31/14

Notes Converted

Between July 1, 2014 and August 14, 2014, the following notes had been converted to common stock. None the entities involved in the conversions are affiliated with the Company. None of the agreements and/or contracts that are part of these transactions acknowledge, demand, provide, and/or require that any of the funds generated as a result of the these transactions be transmitted to the Company.

Holder:	Consideration:	Note Date:	Note Amount:	Converted:	Shares:	Date Issued:
Beaufort Capital	Cash	8/22/11	$7,500	7/31/14	750,000,000	7/31/14

Operating Leases

Current Leases:

Subsequent to June 30, 2014, the Company decided to reduce our office space at our current corporate headquarters, which are located at 8001 Irvine Center Drive, Suite 400, Irvine, CA 92618. The new space is leased on an annual basis and is classified as a “Virtual Office Space,” which provides physical office space on an as needed basis. The current lease expires on July 31, 2015. The agreement for the office is for a period of thirteen (12) months with base minimum monthly payments of approximately $244 per month. Annual base rent costs are approximately $3,000. Included in this rate are mail, phone and other office related services. The office comes with reception service and other related general office activities, including usage of conference rooms, common areas and client lounge areas. The total annual aggregate costs are approximately $9,000, when estimating physical office needs at the Irvine location during the next year. This represents a savings of approximately $24,000 annually when compared to office costs during 2013.

In comparison, should the Company elect to move to a standard office, the annual costs, including receptionist, utilities, parking, insurance, etc. would be approximately $54,000. Once the Company increases its staff and operational space requirements are a necessity on-site, at some point in the future it will become more cost effective to relocate to a standard type office.

This change was made possible by having those working with the Company provide their services from other locations, thereby reducing travel time and increasing productivity.