

FLAMERET, INC.
(A Development Stage Company)
Balance Sheets
(Unaudited)

ASSETS

	May 31, 2014	August 31, 2013
CURRENT ASSETS		
Cash	\$ 3,636	\$ 1
Prepaid expenses	-	-
Total Current Assets	<u>3,636</u>	<u>1</u>

LIABILITIES AND STOCKHOLDERS' (DEFICIT)

CURRENT LIABILITIES		
Accounts payable and accrued expenses	475,288	334,553
Accrued interest payable	116,088	105,784
Accrued salaries	621,851	478,251
Notes payable - related parties	147,935	147,935
Notes payable - non-related parties	182,650	182,650
Total Current Liabilities	<u>1,543,812</u>	<u>1,249,173</u>
TOTAL LIABILITIES	<u>1,543,812</u>	<u>1,249,173</u>

STOCKHOLDERS' EQUITY (DEFICIT)

Series A Preferred stock, \$0.0001 par value, 1,000,000 shares authorized, 10 shares issued and outstanding.	1	1
Series B Preferred stock, \$0.0001 par value, 10,000,000 shares authorized, 2,135,000 issued and outstanding respectively.	214	214
Series C Preferred stock, \$0.0001 par value, 10,000,000 shares authorized, no shares issued and outstanding.	-	-
Series D Preferred stock, \$0.0001 par value, 30,000,000 shares authorized, no shares issued and outstanding.	-	-
Series E Preferred stock, \$0.0001 par value, 30,000,000 shares authorized, 1,945,614 and 1,822,914 shares issued and outstanding, respectively.	195	195
Series F Preferred stock, \$0.0001 par value, 10,000,000 shares authorized, 500,000 shares issued and outstanding.	50	50
Common stock, \$0.0001 par value, 500,000,000 shares authorized, 222,528,120 and 30,057,976 shares issued and outstanding, respectively.	22,253	22,253
Additional paid-in capital	6,388,191	6,388,191
Stock subscriptions receivable	(7,633)	(7,633)
Accumulated deficit during the development stage	(7,943,447)	(7,652,443)
Total Stockholders' Equity (Deficit)	<u>(1,540,176)</u>	<u>(1,249,172)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 3,636</u>	<u>\$ 1</u>

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

FLAMERET, INC.
(A Development Stage Company)
Condensed Statement of Operations
(Unaudited)

	For the Three Months Ended May 31,		For the Nine Months Ended May 31,	
	2014	2013	2014	2013
REVENUE	-	-	-	-
OPERATING EXPENSES				
General and administrative expenses	55,076	65,971	167,800	180,426
Professional fees	38,800	18,050	110,400	45,906
Total Operating Expenses	93,876	84,021	278,200	226,332
LOSS FROM OPERATIONS	(93,876)	(84,021)	(278,200)	(226,332)
OTHER INCOME (EXPENSES)				
Interest expense	(5,935)	(3,785)	(12,804)	(11,355)
Total Other Income (Expenses)	(5,935)	(3,785)	(12,804)	(11,355)
LOSS BEFORE INCOME TAXES	(99,811)	(87,806)	(291,004)	(237,687)
Provision for income taxes	-	-	-	-
NET LOSS	(99,811)	(87,806)	(291,004)	(237,687)
OTHER COMPREHENSIVE INCOME (LOSS)				
Foreign currency translation adjustments	-	-	-	-
TOTAL COMPREHENSIVE LOSS	<u>\$ (99,811)</u>	<u>\$ (87,806)</u>	<u>\$ (291,004)</u>	<u>\$ (237,687)</u>
NET LOSS PER COMMON SHARE - BASIC AND DILUTED	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	222,528,120	222,528,120	222,528,120	222,528,120

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

FLAMERET, INC.
(A Development Stage Company)
Condensed Statement of Cash Flows
(Unaudited)

	For the Nine Months Ended	
	May 31,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (291,004)	\$ (237,687)
Adjustments to reconcile net loss to net used by operating activities:		
Expenses paid on behalf of the Company by a related party	-	-
Amortization of expenses prepaid with common stock	-	-
Preferred stock issued for services	-	-
Changes in operating assets and liabilities		
Accounts receivable and prepaid expenses	-	2,943
Accounts payable and accrued expenses	294,639	234,535
Net Cash Provided by Operating Activities	<u>3,635</u>	<u>(209)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Changes in related party payables	-	-
Changes in preferred stock	-	-
Net Cash Used in Financing Activities	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	3,635	(209)
CASH AT BEGINNING OF PERIOD	1	183
CASH AT END OF PERIOD	<u>\$ 3,636</u>	<u>\$ (26)</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
CASH PAID FOR:		
Interest	\$ -	\$ -
Income Taxes	-	-
Common stock issued upon conversion of preferred stock	-	-
Common stock issued for prepaid services	-	-

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

FLAMERET, INC.
(A Development Stage Company)
Notes to Condensed Financial Statements
(Unaudited)

NOTE 1 - NATURE OF BUSINESS

The Company was formed to market a range of fire retardants and treatments that could be used for a wide range of materials and be in liquid, powder or spray formats. Our products aim to significantly change the application of retardants by creating non-toxic products which do not noticeably alter the feel or texture of the end product. Our products will also meet the legislation standards that have been passed or are planned, thus making end products easier to handle and cost effective, as well as being non-toxic, environmentally friendly and safe for the end user.

NOTE 2 - CONDENSED FINANCIAL STATEMENTS

The accompanying financial statements and related notes include the activity of the Company and have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The financial statements have been prepared by the Company without an audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at May 31, 2014 and for all periods presented herein, have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with US GAAP have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's August 31, 2013 unaudited financial statements. The results of operations for the period ended May 31, 2014 is not necessarily indicative of the operating results for the full year.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

The Company's financial statements are prepared using the accrual method of accounting. The Company has elected an August 31 year-end.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recent Accounting Pronouncements

The Company has evaluated recent accounting pronouncements and their adoption has not had, or is not expected to have, a material impact on the Company's financial position, or statements.

NOTE 4 - CONTINGENCIES AND LITIGATION

At the report date, the company had no material unrecorded contingencies.

NOTE 5– EQUITY ACTIVITY

There was no movement during the quarter ending May 31, 2014 in either Common Stock or Preference Shares.

NOTE 6 – SUBSEQUENT EVENTS

In accordance with ASC 855 the Company's management reviewed all material events through the date of this report. The Company has continued the finance prospecting process and from September 2012 to July 2014 has been actively involved in seeking substantial funding resources to promote the company and enable testing and production to start on a commercial scale. Details will be released in the near future as we would not wish to jeopardize the negotiations.