

PERMANENT TECHNOLOGIES, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2016

Permanent Technologies, Inc.
Balance Sheet
September 30, 2016

Assets

2016

Current Assets

Cash in Banks	\$ 42,552
Other Receivables	-
Inventory	-
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Total Current Assets	\$ 42,552

Property and Equipment

Equipment	33,590
Less: Accumulated Depreciation	33,590
	<hr/>
Net Equipment	-
Patents	334,892
Less: Accumulated Amortization	196,313
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Net Patents	138,579
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Total Property and Equipment	138,579

Other Assets

	-
	<hr/>
Total Assets	\$ 181,131
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Current Liabilities

Accounts Payable	\$ -
Loan Payable	-
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Total Current Liabilities	-

Long Term Liabilities – Note Payable

	50,000
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Total Liabilities	50,000

Shareholders' Equity

Capital Stock	1,612,677
Retained Earnings – Ending	(1,481,546)
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Total Shareholders' Equity	131,131

Total Liability and Shareholders' Equity	\$ 181,131
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Permanent Technologies, Inc.
Statement of Income and Retained Earnings
For the Quarter Ended September 30, 2016

Sales	\$	-
Cost of Sales		
Beginning Inventory		-
Production Costs		-
Contract Labor		-
Ending Inventory		-
Total Cost of Sales		<u>-</u>
Gross Profit/(Loss)		-
Operating Expenses (Schedule One)	5,582	
Selling Expenses (Schedule Two)	-	
General & Admin Expenses (Schedule Three)	<u>9,588</u>	
Total Expenses		<u>15,170</u>
Operating Income/(Loss)		(15,170)
Other Income and Expense		
Interest (Income)/Expense		<u>0</u>
Income Before Taxes		(15,170)
Provision for Income Taxes		<u>-</u>
Net Income/(Loss)		(15,170)
Retained Earnings - Beginning		<u>(1,466,376)</u>
Retained Earnings - Ending		<u><u>\$ (1,481,546)</u></u>

Permanent Technologies, Inc.
Statement of Income and Retained Earnings
September 30, 2016

Operating Expenses

Schedule One:

Supplies	\$	-
Insurance		-
Depreciation		<u>5,582</u>
Total Operating Expenses	\$	<u>5,582</u>

Selling Expenses

Schedule Two:

Advertising		<u>0</u>
Total Selling Expenses	\$	<u>0</u>

General & Administrative Expenses

Schedule Three:

Office Expense	\$	171
Filing Fees		3,165
License & Permits		-
Dues & Subscriptions		595
Bank Charges		75
Professional Expenses		4,660
Interest Expense		-
Travel & Entertainment		<u>922</u>
Total G & A Expenses	\$	<u>9,588</u>

Permanent Technologies, Inc.
Statement of Cash Flows
For The Three Months Ended September 30, 2016

Net Income/(Loss)		\$ (15,170)
Add:		
Depreciation	5,582	
Change in Payables	-	
Write off of Loan Payable	-	
Adjusted Cash Flow from Operating Activities		(9,588)
Cash Flows from Investing Activities		
Capital Expenditures	-	
Net Cash Used by Investing Activities		-
Cash Flows from Financing Activities		
Proceeds From Officer Loan	-	
Proceeds/(Payment) From Loan	50,000	
Proceeds From Issuance of Shares	-	
Net Cash Provided by Financing Activities		50,000
Net (Increase)/Decrease in Cash and Cash Equivalents		40,412
Cash and Equivalents - Beginning of Period		2,140
Cash and Equivalents - End of Period		<u>\$ 42,552</u>

Permanent Technologies, Inc.
Statement of Shareholders Equity
For the Three Months Ended September 30, 2016

	Shareholders <u>Paid-In- Capital</u>	Retained Earnings/ <u>(Deficit)</u>	Total Shareholders <u>Equity</u>
Balance Beginning of Period	\$ 1,612,677	\$ (1,466,376)	\$ 146,301
Net Loss		(15,170)	(15,170)
Issuance of Shares			
Balance End of Period	<u>1,612,677</u>	<u>\$ (1,481,536)</u>	<u>\$ 131,131</u>

PERMANENT TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: NATURE OF OPERATIONS

Permanent Technologies, Inc. (the “Company”) is in the business of designing and manufacturing a patented multi-faceted, vibration-proof, self-locking nut and bolt system to be used in the fastener industry. The Company also manufactures and sells a patented removal tool. The patents include patents registered in USA, EU, and China.

NOTE 2: BASIS OF ACCOUNTING AND GOING CONCERN ASSUMPTION

The accompanying financial statements present financial results on an accrual basis of accounting.

The financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

The Company has not realized profit from operations since its inception. As of September 30, 2016, the Company is in the development stage and will not generate significant revenues or profitable operations in the near future and there can be no assurance that it will either achieve or maintain profitability in the future. As a result, the Company may be unable to continue as a going concern.

The Company will also require additional capital to fund its continuing operations and development. The Company’s ability to continue as a going concern is dependent on its ability to raise additional capital, bring its products to market and achieve and maintain profitable operations. The outcome of these matters cannot be predicted at this time. These financial statements do not include any adjustments which might be necessary should the Company be unable to continue its operations.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash Equivalents Policy

The Company’s cash is held in accounts in both TD Bank and Bank of America. At times the balance on deposit exceeds federally insured limits. To date, the Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents. For purposes of the cash flow statement, other receivables have been treated as a cash equivalent.

Inventories

The Company values its inventories at cost using the first in first out (FIFO) basis.

PERMANENT TECHNOLOGIES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equipment and Patents

Equipment and patents are stated at cost. Depreciation is computed using the straight-line method based on the following recovery periods:

	<u>Recovery Period (in years)</u>
Furniture and Technology Equipment	5
Testing Equipment	7
Patents	15

NOTE 4: RELATED PARTY TRANSACTIONS

None.

NOTE 5: RECEIVABLES

As of September 30, 2016, the Company does not have any receivables.

NOTE 6: LONG TERM DEBT

As of September 30, 2016, the Company has a \$50,000 note payable outstanding with a 6% annual interest rate.

NOTE 7: LEASES

As of September 30, 2016, the Company is currently not obligated under any leases.

NOTE 8: INCOME TAXES

The Company is organized as a corporation and is taxed according to the corporate laws for federal and state tax purposes. As of September 30, 2016, there are no federal or state taxes due.

NOTE 9: CAPITAL STRUCTURE

The Company is organized as a Nevada corporation and as of September 30, 2016 has contributed capital in the amount of \$1,612,677.