Sunshine Capital, Inc.
Balance Sheet
December 31, 2014
(Unaudited)

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	$ 82,053
Total current assets	82,053
Total assets	$ 82,053
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES:	
Accounts payable	$ 36,095
Total liabilities	36,095
STOCKHOLDERS' EQUITY	
Common stock, $.0001 par value, 250,000,000 shares authorized, 64,900,003 shares issued, and outstanding, respectively	6,490
Additional paid-in-capital	278,278
Accumulated other comprehensive income	15,310
Accumulated deficit	(254,121)
Total stockholders' equity	45,957
Total liabilities and stockholders' equity	$ 82,053

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

Sunshine Capital, Inc.
Statement of Operations
For the year ended December 31, 2014
(Unaudited)

Sales and consulting income	$	40,202
Operating expenses:		
Rent expense		18,288
Compensation Expense/Consulting Fees		60,000
Legal and professional fees		56,768
General and administrative expenses		99,291
Total operating expenses		234,347
Loss from operations		(194,145)
Provision for income tax expense (benefit)		-
Net loss before Other comprehensive income	$	(194,145)
Net loss		(194,145)
Loss per share:		
Basic and diluted loss per share	$	(0.01)
Weighted average shares outstanding - basic and diluted		19,661,647

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

Sunshine Capital, Inc.
Statement of Changes in Stockholders' Equity (Deficit)
For the year ended December 31, 2014
(Unaudited)

	Common Stock		Accumulated Other Comprehensive Income (loss)	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount				
Balance, December 31, 2013	900,003	$ 90	$ 15,310	$ 204,678	$ (59,976)	$ 160,102
Shares issued for services	60,000,000	6,000	-	54,000	-	60,000
Shares issued for services	4,000,000	400	-	19,600	-	20,000
Net loss	-	-	-	-	(194,145)	(194,145)
Balance, December 31, 2014	64,900,003	$ 6,490	$ 15,310	$ 278,278	$ (254,121)	$ 45,957

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

Sunshine Capital, Inc.
Statement of Cash Flows
For the year ended December 31, 2014
(Unaudited)

Cash flows from operating activities:	
Net loss	$ (194,145)
Change in operating assets and liabilities:	
Prepaid expenses & deposits	17,527
Accounts payable and accrued expenses	16,186
Shares issued for services	60,000
Shares issued for services	20,000
Net cash used in operating activities	(80,432)
Net decrease in cash and cash equivalents	(80,432)
Cash and cash equivalents - beginning of period	162,484
Cash and cash equivalents - end of period	$ 82,053

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

Sunshine Capital, Inc.
Notes to the Financial Statements
December 31, 2014
(Unaudited)

Note 1 Organization, Business Operations and Summary of Significant Accounting Policies

Organization and Business Operations

Sunshine Capital, Inc. (the "Company") was originally incorporated under the laws of the State of Utah on April 20, 1988. Effective as of January 4, 1989, the Company reincorporated in the State of Nevada. The Company commenced operations in January 1, 1989. The Company operates a Security Consulting business and is developing a publishing product.

Summary of Significant Accounting Policies

Basis of Presentation

The Company prepares its financial statements in conformity with generally accepted accounting principles in the United States of America. In the opinion of management, all adjustments consisting of normal recurring adjustments necessary for a fair statement of the financial position at December 31, 2014, the result of operations and cash flows for the year then ended have been made. The Company's fiscal year end is December 31.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Available-for-Sale Securities

The Company classifies its investments in publicly traded equity securities as available-for-sale. These available-for-sale investments are held in the custody of a major financial institution. The weighted-average method is used to determine the cost basis of publicly traded equity securities sold. These securities are recorded in the balance sheets at fair value. Unrealized gains and losses on these securities, to the extent the securities are un-hedged, are included as a separate component of other comprehensive income (loss), net of tax, if any. The Company classifies its securities as current based on the nature of the investments and their availability for use in current operations.

Cash and Cash Equivalents

Cash primarily consists of cash on hand and bank deposits.

Revenue Recognition

The Company will recognize revenue in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition ("ASC 605-10"), which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exits, (2) services have been rendered, (3) the selling price is fixed and determinable, and (4) collectability is reasonably assured.

Revenues from services are recognized when the services are performed, evidence of an arrangement exists, the fee is fixed and determinable and collectability is probable.

Research and Development Costs

Research and development costs are expensed as incurred and are recorded as a component of general and administrative expense. For the year ended December 31, 2014, no funds were expended for research and development costs. Research and Development costs to date pertain to the Company's revised marketing strategy, which is based somewhat on the introduction of the “Its your privacy”, for smaller companies and a series of live workshop/seminars for private security firms, law firms and accounting firms.

Property and equipment

Property and Equipment is stated at cost. Depreciation is computed by the straight-line method over estimated useful lives. The carrying amount of all long-lived assets is evaluated periodically to determine if adjustment to the depreciation and amortization period or the unamortized balance is warranted. Based upon its most recent analysis, the Company believes that no impairment of property and equipment exists at December 31, 2014.

Investment in Property and Other Long-Lived Assets

Long-lived assets such as property, equipment and identifiable intangibles are reviewed for impairment whenever facts and circumstances indicate that the carrying value may not be recoverable. When required impairment losses on assets to be held and used are recognized based on the fair value of the asset. The fair value is determined based on estimates of future cash flows, market value of similar assets, if available, or independent appraisals, if required. If the carrying amount of the long-lived asset is not recoverable from its undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount and fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risk associated with the recovery of the assets. The Company did not recognize any impairment losses for any periods presented.

Stock Options

The Company recognizes all share-based payments to employees, including grants of employee stock options to be recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

Advertising

The costs of advertising are expensed as incurred. Advertising expenses were $3,900 for the year ended December 31, 2014. Advertising expenses are included in the Company’s selling operating expenses.

Income Taxes

The Company accounts for income taxes under FASB Codification Topic 740-10-25 (“ASC 740-10-25”). Under ASC 740-10-25, 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. Under ASC 740-10-25, 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.

Earnings (Loss) Per Share

Basic earnings (loss) per share calculations are determined by dividing net income (loss) by the weighted average number of shares outstanding during the year. Diluted earnings (loss) per share calculations are determined by dividing net income (loss) by the weighted average number of shares. As of December 31, 2014, there were no options outstanding that were considered anti-dilutive.

Recently Issued Accounting Pronouncements

The Company has adopted the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 105-10, *Generally Accepted Accounting Principles – Overall* ("ASC 105-10"), which was formerly known as SFAS 168. ASC 105-10 establishes the FASB Accounting Standards Codification (the "Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP. Rules and interpretive releases of the Securities and Exchange Commission (the "SEC") under authority of federal securities laws are also sources of authoritative U.S. GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of authority. The Codification superseded all existing non-SEC accounting and reporting standards and all other non-grandfathered, non-SEC accounting literature not included in the Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates ("ASUs"). The FASB will not consider ASUs as authoritative in their own right. ASUs will serve only to update the Codification, provide background information about the guidance and provide the basis of conclusions on the change(s) in the Codification. References made to FASB guidance throughout this document have been updated for the Codification.

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position or cash flows.

Fair Value Measurement

The Company adopted Accounting Standards Codification ("ASC") Topic 820, Fair Value Measurements and Disclosures, for assets and liabilities measured at fair value on a recurring basis. ASC 820 established a common definition of fair value to be applied to existing GAAP that require the use of fair value measurements, established a framework for measuring fair value and expanded disclosure about such fair value measurements. The adoption of ASC 820 did not have an impact on the Company's financial position or operating results, but did expand certain disclosures.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1: Quotes market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that were corroborated by market data.

Level 3: Unobservable inputs that were not corroborated by market data.

The Company did not have any Level 2 or Level 3 assets or liabilities as of December 31, 2014. In addition, the Company did not have any transfers of assets and liabilities between Levels 1, 2 and 3 during the year ending December 31, 2014.

The Company discloses the estimated fair values for all financial instruments for which it is practicable to estimate fair value. As of December 31, 2014, the fair value short-term financial instruments including cash and cash equivalents, receivables, and accounts payable and accrued expenses, approximates book value due to their short-term duration.

Cash and cash equivalents include money market securities that are considered to be highly liquid and easily tradable. These securities are valued using inputs observable in active markets for identical securities and are therefore classified as Level 1 within the fair value hierarchy.

In addition, the Financial Accounting Standards Board ("FASB") issued, "The Fair Value Option for Financial Assets and Financial Liabilities," effective for January 1, 2008. This guidance expands opportunities to use fair value measurements in financial reporting and permits entities to choose to measure many financial instruments and certain other items at fair value. The Company did not elect the fair value option for any of its qualifying financial instruments. The FASB has established a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3 assets and liabilities, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The following items are measured at fair value on a recurring basis as of December 31, 2014 and are classified as Level 1, 2, or 3:

	December 31, 2014	(Level 1)	(Level 2)	(Level 3)
Cash and cash equivalents	$ 82,053	$ 82,053		
Total	$ 82,053	$ 82,053	$ -	$ -

Note 2 Income Taxes

The Company has not recognized any deferred tax assets in association with capital losses incurred from marketable equity securities transactions, due to tax limitations and uncertainties concerning its ability to generate taxable income in future periods. The tax benefit for the periods presented is offset by a valuation allowance (100%) established against deferred tax assets arising from the securities capital losses and other temporary differences, the realization of which could not be considered more likely than not. In future periods, tax benefits and related deferred tax assets will be recognized when management considers realization of such amounts to be more likely than not.

The income tax benefits and deferred tax assets as of December 31, 2014 are as follows:

	December 31 2014
Income tax provision (benefit) at statutory rate	$ (88,942)
Change in allowance	88,942
Deferred tax assets	$ -

Note 3 Current Liabilities

Current liabilities are liabilities, which have a maturity date less than one year in the future.

Note 4 Equity

Common Stock

The Company is authorized to issue 250,000,000 shares of common stock at a par value of $0.0001. The holders of Common Stock shall appoint the members of the Board of the Directors. Each share of Common Stock is entitled to one vote.

The Company completed an offering of stock to the public in October 1988. The offering was exempt from registration under Regulation 1-A of the Securities Act of 1933. The offering closed at the maximum of 30,000,000 pre-split shares at $0.01. The Company's gross proceeds of $300,000 netted $247,490 after underwriting commission and expenses of the offering. The Company has not issued any shares since the initial public offering.

In February 1989, the Company effected a 200 for 1 reverse split on its common stock, as a result of which the Company has had a 300,001 shares of common stock issued.

On November 6, 2013, the Company's Board of Directors approved a forward split of its common stock with a ratio of 3 post-split shares for every 1 share issued and outstanding as of the record date of November 11, 2013 (close of business), resulting in an increase of its issued and outstanding common shares from 300,001 to 900,003. As such, the beginning shareholders equity has been adjusted from 300,000 to 900,003.

On August 6, 2014 the Company filed an amendment with the State of Nevada increasing its authorized shares of common stock from 1,000,000 to 250,000,000 and decreasing the par value from $.01 to $.0001. This change in authorized common stock and the respective par value was approved at a special meeting of the shareholders held on June 16, 2014, and as such these financial statements (specifically the Balance Sheet, Statement of Changes in Stockholder Equity (Deficit), and Note 4 above) have been updated to reflect the new authorized shares and par value.

On September 25, 2014 the Company issued 60,000,000 shares to one of the Company's directors in exchange for $60,000 in services. Refer to *Note 6 Related Party Transactions* for further detail.

On September 25, 2014 the Company issued 4,000,000 shares to a vendor in exchange for $20,000 in services.

As of December 31, 2014, the Company has 64,900,003 common shares issued and outstanding.

Note 5 Earnings (loss) per Share

The Company utilizes the guidance per FASB Codification "ASC 260 "Earnings Per Share". Basic earnings per share is calculated on the weighted effect of all common shares issued and outstanding, and is calculated by dividing net income available to common stockholders by the weighted average shares outstanding during the year. Diluted earnings per share, which is calculated by dividing net income available to common stockholders by the weighted average number of common shares used in the basic earnings per share calculation, plus the number of common shares that would be issued assuming conversion of all potentially dilutive securities outstanding, is not presented separately as it is anti-dilutive. Such securities have been excluded from the per share computations as of December 31, 2014.

Due to the accumulated loss, all options and conversions are considered anti-dilutive and therefore only basic calculation is provided. Basic weighted average per share excludes items that would have been included in the fully-diluted weighted average shares.

Note 6 Related Party Transactions

The Company is currently leasing its office space from its President at a fair market value of $1,500 per month.

On June 16, 2014, a special meeting of the shareholders was held, and up to $90,000 in capital stock was approved to be paid to officers and directors for their services. This was further approved by a special meeting of the board of directors held on June 24, 2014. In addition, at the same board meeting 60,000,000 shares of common stock were approved to be issued to one of the Company's directors. The Company valued the 60,000,000 shares at $60,000, and the entire amount was incurred and expensed in 2014.

Note 7 Subsequent Events

The Company evaluated subsequent events through January 30, 2015. As of January 30, 2015, the Company does not have any material subsequent events.