

Teknik Digital Arts  
Consolidated Financial Statement

	6/30/2014	12/31/2013
<b>ASSETS</b>		
<b>Current</b>		
Cash	341	-
	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>341</u></u>	<u><u>-</u></u>
<b>LIABILITIES</b>		
<b>Current</b>		
Advanced by shareholder	20,700	-
	<u>-</u>	<u>-</u>
total current Liabilities	<u><u>20,700</u></u>	
<b>Long Term Liabilities</b>		
	-	
	<u>-</u>	
Total long term liabilities	<u><u>-</u></u>	
<b>Total Liabilities</b>	<u><u>20,700</u></u>	<u><u>-</u></u>
<b>STOCKHOLDERS' EQUITY</b>		
<b>SHARE CAPITAL</b>		
Deember 31, 2013 Common shares authorized 100,000,000		
25,187,610 issued and outstanding; June 10, 2014 85,187,610		
respectively	8,519	2,519
<b>DEFICIT</b>	<u><u>(28,878)</u></u>	<u><u>(2,519)</u></u>
Shareholder's Gain (loss)	<u>(20,359)</u>	<u>-</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUIT</b>	<u><u>341</u></u>	<u><u>-</u></u>
<hr/>		
<b>REVENUE</b>	-	-
<b>COST OF SALES</b>	<u>-</u>	<u>-</u>
<b>GROSS MARGIN</b>	<u><u>-</u></u>	<u><u>-</u></u>
<b>OPERATING EXPENSES</b>		
general and administrative	20,359	-
Total Operating Expenses	<u>20,359</u>	<u>-</u>
<b>NET LOSS</b>	<u><u>(20,359)</u></u>	<u><u>-</u></u>
Weighted Average Number of Common Shares	<u><u>85,187,610</u></u>	<u><u>25,187,610</u></u>
Net Loss Per Share - Basic and Fully Diluted	<u><u>(0.00)</u></u>	<u><u>-</u></u>

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<b>Cash Flows From Operating Activities</b>		
Net loss	(20,359)	-
Accounts payable	-	-
<b>Net Cash Flows From(Used In) Operating Activities</b>	<u>(20,359)</u>	<u>-</u>
<b>Cash Flows From Financing Activities</b>		
Advances by (to) shareholder/officer	20,700	-
	-	-
	<u>-</u>	<u>-</u>
<b>Net Cash Flows From(Used In) Financing Activities</b>	<u>20,700</u>	<u>-</u>
Cash and Cash Equivalents - beginning of period	-	-
Cash and Cash Equivalents - end of period	<u>341</u>	<u>-</u>
Net Change In Cash	<u>341</u>	<u>-</u>
<b>SUPPLEMENTARY INFORMATION</b>		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

	Common Shares	Stock Amount	Paid In Capital	Accumulated Gain/Loss	Total Gain/Loss
Balance - March 3, 2012	25,187,610	2,519	-	-	
Stock issued for services				-	
Stock issued for cash				-	
Balance - June 30, 2012	<u>25,187,610</u>	<u>2,519</u>	<u>-</u>	<u>-</u>	<u>2,519</u>
Stock issued for services	60,000,000	6,000			
Stock issued for cash					
Balance - August 15, 2012	<u>85,187,610</u>	<u>8,519</u>	<u>-</u>	<u>(28,878)</u>	<u>(20,359)</u>

**TEKNIK DIGITAL ARTS, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2014 (UNAUDITED)**

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**a) Basis of Presentation:**

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. At the balance sheet date, the Company has a stockholders' deficiency and a deficit accumulated during the development stage. Management plans to issue more shares of common stock in order to raise funds.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. In the opinion of management, these financial statements include all adjustments necessary in order to make them not misleading.

**b) Use of Estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the balance sheet and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**c) Cash and Cash Equivalents:**

For purposes of the statement of cash flows, the Company considers highly liquid financial instruments purchased with maturity of three months or less to be cash equivalents.

**d) Income taxes:**

The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on the differences between financial reporting basis and the tax basis of the assets and liabilities and are measured using enacted tax rates and laws that will be in effect, when the differences are expected to reverse. An allowance against deferred tax assets is recognized, when it is more likely than not, that such tax benefits will not be realized.

Any deferred tax asset is considered immaterial and has been fully offset by a valuation allowance because at this time the Company believes that it is more likely than not that the future tax benefit will not be realized as the Company has no current operations.

**e) Loss per Common Share:**

Basic loss per share is calculated using the weighted-average number of common shares outstanding during each reporting period. Diluted loss per share includes potentially dilutive securities such as outstanding options and warrants, using various methods such as the treasury stock or modified treasury stock method in the determination of dilutive shares outstanding during each reporting period. The Company does not have any potentially dilutive instruments.

**f) Fair Value of Financial Instruments:**

The carrying value of cash, due from affiliate and due to shareholder approximate their fair value due to the short period of time to maturity.

**g) Comprehensive Income:**

Comprehensive income (loss) is not presented in the Company's financial statements since there is no difference between net loss and comprehensive loss in any period presented.

**NOTE 3 – CAPITAL STOCK**

The total number of shares of capital stock, which the Company shall have authority to issue, is 250,000,000 shares common shares par value \$0.0001. Holders of shares of common stock are entitled to cast one vote for each share held at all stockholders' meetings for all purposes, including the election of directors. The common stock does not have cumulative voting rights.

**NOTE 4 -RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

We adopted the provisions of the FASB Statement on Generally Accepted Accounting Principles ("GAAP") relating to the FASB Accounting Standards Codification ("Codification") on DECEMBER 31, 2009. This Statement establishes 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 GAAP. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The FASB will no longer issue new standards in the form of Statements, FASB Staff Positions, or Emerging Issues Task Force Abstracts; instead, the FASB will issue Accounting Standards Updates.

**NOTE 5 – DUE FROM AFFILIATE**

Amounts due from an affiliated company are unsecured, non-interest bearing and have no fixed terms of repayment.

**NOTE 6 – DUE TO SHAREHOLDER**

Advances by a shareholder are unsecured, non-interest bearing and have no fixed terms of repayment.

**NOTE 7 – INCOME TAXES**

The Company has incurred net losses and, therefore, has no tax liability. The net deferred tax asset generated by the loss carry-forward has been fully reserved

**NOTE 8 – GOING CONCERN**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As shown in the accompanying financial statements, the Company incurred losses since its inception and has not produced enough revenues from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event that the Company cannot continue as a going concern. Management anticipates that it will be able to raise additional working capital through the issuance of stock and through additional loans from investors.

The ability of the Company to continue as a going concern is dependent upon the Company's ability to attain a satisfactory level of profitability and obtain suitable and adequate financing. There can be no assurance that management's plan will be successful.

#### **NOTE 9 – LACK OF INSURANCE**

The Company could be exposed to liabilities or other claims for which the Company would have no insurance protection. The Company does not currently maintain any property insurance, business interruption insurance, products liability insurance, or any other comprehensive insurance policy. Any purchaser of the Company's common stock could lose their entire investment should uninsured losses occur

#### **CERTIFICATION**

I, warren Wheeler President of Teknik Digital Arts Inc., certify that: The consolidated financial statements and the attached notes filed herewith are in conformity with consistently applied accounting principles generally accepted in the United States, and fairly present, in all material respects, the financial position and results of operations for the period ended June 30, 2014

/S/ Warren Wheeler  
President