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WRAPMAIL, INC

December 31, 2013

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WRAPMAIL, Inc.

Balance Sheet

December 31, 2012 & 2013
UNAUDITED

	2013	2012
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$5,523	\$19,084
Accounts Receivable	120	2,610
Other current assets		
Deferred consulting fees less accumulated amorazation	170,665	245,063
Patent, less accumulated amorazation	3,888	4,293
TOTAL ASSETS	<u>\$180,196</u>	<u>\$271,050</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY DEFICIENCY</u>		
Accounts Payable	82,376	
Accured Expenses		2,370
Long-Term Debt-Related Party	36,396	236,329
Total Current Liabilities	<u>118,772</u>	<u>238,699</u>
Stockholders' Equity Deficiency		
Capital stock, no par value, 200,000,000 shares authorized	7,580,904	7,530,934
Accumulated deficit	(7,519,480)	(7,496,211)
Total Stockholders' Equity Deficiency	<u>61,424</u>	<u>34,723</u>
DEFICIENCY	<u>\$180,196</u>	<u>\$273,422</u>

WRAPMAIL, Inc.**Statement of Operations**

For the Three Months Ended December 31, 2013 and

The years ended December 31, 2013 and 2012

UNAUDITED

				<u>3 MONTHS</u>		<u>2013</u>		<u>2012</u>	
REVENUES				\$3,825		\$16,356		\$24,095	
COST OF REVENUES									
	Ammortization of patents			102		405		404	
	Cost of goods sold					1,834		0	
	Total Cost of Revenue			102		2,239		404	
OPERATING EXPENSE									
	Consulting fees			0		82,116		1,454,254	
	Office and general expenses			86,301		185,099		204,843	
	Professional fees					61,118		12,911	
	Interest expense					6,283		10,735	
	Total Operating Expenses			86,301		334,616		1,682,743	
OTHER INCOME									
	Interest income			0		1		58	
NET INCOME / LOSS				(82,578)		(320,498)		(1,658,994)	

WRAPMAIL, Inc.					
Statement of Cash Flows					
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012					
UNAUDITED					
		2013		2012	
OPERATING ACTIVITIES					
Net Income		(320,094)		(1,666,200)	
Adjustments to reconcile Net Income to Net Cash provided by operations:					
Accounts Receivable (A/R)		(120)		5,000	
Deferred Consulting Fees		(163,737)		1,085,775	
Accum Amort of Patent		2,991			
Accounts Payable (A/P)		82,376			
Accured Expenses		2,370			
Interest Payments		20,242		10,735	
Net cash provided by operating activities		(\$375,972)		(\$564,690)	
INVESTING ACTIVITIES					
Technology Asset:Computer Equipment		(2,600)			
Technology Asset:Software Development		(478)			
Patent		(6,945)			
Net cash provided by investing activities		(10,023)			
FINANCING ACTIVITIES					
Loan from MW		0		10,000	
Loan from Shareholder					
Common Stock		7,527,904		514,000	
Common Stock - Class B		53,000			
Opening Balance Equity		(7,179,821)			
Owner's Equity - RH		(19,565)			
Net cash provided by financing activities		381,518		524,000	
Net cash increase for period		(4,477)		(40,690)	
Cash at beginning of period		18,681		59,371	
Cash at end of period		\$14,204		\$18,681	

Statement of Changes in Stockholders' Equity Deficiency

UNAUDITED

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WRAPMAIL, Inc.					
Statement of Cash Flows					
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012					
UNAUDITED					
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Statement of Changes in Stockholders' Equity Deficiency

UNAUDITED

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