

**Centaflix Corporation
9802 Baymeadows Rd 12-110
Jacksonville, FL 32256**

**Audited Financial Statements
For Period Ending March 31, 2011**

**KELLY M. KELLEY
CERTIFIED PUBLIC ACCOUNTANT**

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Independent Auditor's Report

To the shareholders
Centaflix Corporation
9802 Baymeadows Rd 12-110
Jacksonville, FL 32256

We have audited the accompanying balance sheet of Centaflix Corporation, as of March 31, 2011 and the related statements of income and changes in the retained earnings and cash flows for the period then ended. These statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America and Government Auditing Standards, issued by the Comptroller General of The United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit includes assessing the accounting principles used and significant statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to the above present fairly, in all material respects, the financial position of Centaflix Corporation as of March 31, 2011 and the results of its operations and its cash flows for the period then ended in conformity with generally accepted accounting principles in the United States of America.

Sincerely,



Kelly M. Kelley
Certified Public Accountant

June 20, 2011

Notes to the Financial Statements

Note 1: The Company uses converter boxes for its technology that was developed and funded by Mr. James Owens; this was his contribution to the company for his stock.

Note 2: The Company has included the complete affiliate fee as income.

audited

CENTAFLIX CORPORATION

Balance Sheet

As of March 31, 2011

	<u>Mar 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
10000 · Petty Cash	149.89
10020 · First Guaranty Bank	<u>16,973.70</u>
Total Checking/Savings	17,123.59
Accounts Receivable	
11000 · Accounts Receivable	<u>844,194.55</u>
Total Accounts Receivable	<u>844,194.55</u>
Total Current Assets	861,318.14
Fixed Assets	
15010 · Equipment	<u>67,359.53</u>
Total Fixed Assets	<u>67,359.53</u>
TOTAL ASSETS	<u><u>928,677.67</u></u>

audited

CENTAFLIX CORPORATION**Balance Sheet**

As of March 31, 2011

Mar 31, 11**LIABILITIES & EQUITY****Liabilities****Current Liabilities****Accounts Payable**

20000 · Accounts Payable 361,750.00

Total Accounts Payable 361,750.00**Credit Cards**

20110 · FPB 0656 344.72

20120 · FPB 7436 -275.54

20130 · Orchard 5137 280.54

20140 · Marquis Mastercard 1,212.25

20150 · Chevron 1,253.85

20160 · Continental Finance 517.89

20170 · Credit One Bank 338.50

20180 · Paypal 231.78

Total Credit Cards 3,903.99**Other Current Liabilities**

20200 Loans Centacom Holdings 32,418.37

Loans

Equipment -808.92

Loans - Other 34,197.56

Total Loans 33,388.64

20100 · Due to Springleaf Financial 1,947.66

Total Other Current Liabilities 67,754.67**Total Current Liabilities** 433,408.66**Long Term Liabilities**

21000 · Due to Centacom Corporation 498.95

21100 · Due to Centacom Holding Corp -163.08

Total Long Term Liabilities 335.87**Total Liabilities** 433,744.53**Equity**

30000 · Opening Balance Equity -1,808.82

32000 · Retained Earnings -2,258.18

Net Income 499,000.14**Total Equity** 494,933.14**TOTAL LIABILITIES & EQUITY** 928,677.67

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CENTAFLIX CORPORATION**Profit & Loss**

January through March 2011

Jan - Mar 11

Ordinary Income/Expense

Income

40000 Revenues

E-COMMERCE FEE

2,759.95

Total 40000 Revenues

2,759.95

SUPPORT SERVICES

REPAIRS

120.00

SUPPORT SERVICES - Other

74,263.76

Total SUPPORT SERVICES

74,383.76

Web Marketing

Web Marketing

Affiliate

Other Fees

199.95

Web Operations

844,155.00

Total Affiliate

844,354.95

MISC

200.00

Web Marketing - Other

4,945.75

Total Web Marketing

849,500.70

48300 · PRODUCTION

STUDIO OTHER

630.00

Total 48300 · PRODUCTION

630.00

Total Web Marketing

850,130.70

Total Income

927,274.41

Cost of Goods Sold

NON INVENTORY PARTS

-237.21

Total COGS

-237.21

Gross Profit

927,511.62

Expense

COMMISSION SALES

355,250.00

CONTRACT LABOR

43,075.24

CREDIT CARD FEES

606.22

MARKETING

66600 · PRINTING AND REPRODUCTION

431.00

MARKETING - Other

718.85

Total MARKETING

1,149.85

audited

CENTAFLIX CORPORATION

Profit & Loss

January through March 2011

Jan - Mar 11

MEETING	
64300 · Meals and Entertainment	1,187.40
MEETING - Other	5,000.00
Total MEETING	<u>6,187.40</u>
OFFICE EXPENSE	3,304.66
60200 · Automobile Expense	5,841.37
60400 · Bank Service Charges	674.50
61000 · Business Licenses and Permits	140.00
61700 · Computer and Internet Expenses	
PARTS MISC	239.07
WEB HOST	4,986.27
61700 · Computer and Internet Expenses - Other	810.03
Total 61700 · Computer and Internet Expenses	<u>6,035.37</u>
62500 · Dues and Subscriptions	228.80
62600 · Equipment Rental	309.60
63300 · Insurance Expense	534.27
63400 · Interest Expense	266.04
64700 · Miscellaneous Expense	217.00
66000 · Payroll Expenses	
PAYROLL PROCESSING	468.50
Total 66000 · Payroll Expenses	<u>468.50</u>
66500 · Postage and Delivery	93.30
67100 · Rent Expense	
UTILITIES	579.76
Total 67100 · Rent Expense	<u>579.76</u>
67200 · Repairs and Maintenance	621.89
68100 · Telephone Expense	2,320.43
68400 · Travel Expense	27.00
68600 · Utilities	580.47
Total Expense	<u>428,511.67</u>
Net Ordinary Income	498,999.95
Other Income/Expense	
Other Income	
OTHER INCOME	0.19
Total Other Income	<u>0.19</u>
Net Other Income	<u>0.19</u>
Net Income	<u><u>499,000.14</u></u>

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CENTAFLIX CORPORATION
Statement of Cash Flows
January through March 2011

	Jan - Mar 11
OPERATING ACTIVITIES	
Net Income	499,000.14
Adjustments to reconcile Net Income to net cash provided by operations:	
11000 · Accounts Receivable	-844,194.55
20000 · Accounts Payable	359,491.82
20110 · FPB 0656	344.72
20120 · FPB 7436	-275.54
20130 · Orchard 5137	280.54
20140 · Marquis Mastercard	1,212.25
20150 · Chevron	1,253.85
20160 · Continental Finance	517.89
20170 · Credit One Bank	338.50
20180 · Paypal	231.78
20200 Loans Centacom Holdings	32,418.37
Loans	34,197.56
Loans:Equipment	-808.92
20100 · Due to Springleaf Financial	1,947.66
Net cash provided by Operating Activities	85,956.07
INVESTING ACTIVITIES	
15010 · Equipment	-67,359.53
Net cash provided by Investing Activities	-67,359.53
FINANCING ACTIVITIES	
21000 · Due to Centacom Corporation	498.95
21100 · Due to Centacom Holding Corp	-163.08
30000 · Opening Balance Equity	-1,808.82
Net cash provided by Financing Activities	-1,472.95
Net cash increase for period	17,123.59
Cash at end of period	17,123.59

audited