

Statement of Income

	For the Six Months Ending, January 31, 2013	For the Six Months Ending, January 31, 2012
Revenue	\$ -	\$ -
Expenses		
Travel	\$ 1,932	\$ 11,700
Accounting	450	450
Director's Compensation	-	-
Accrued Officer's Salaries	-	-
Accrued Salaries	30,000	30,000
Financing Fees	-	-
Consulting Fees	310,353	102,899
Legal Fees	-	-
General and administration	30,168	40,618
Total Expenses	\$ 372,903	\$ 185,667
Loss from continuing operations	\$ (372,903)	\$ (185,667)
Other Income (Expenses)		
Interest expense	\$ (2,587)	\$ (14,096)
Forgiveness of debt	-	-
Total Other income (Expenses)	\$ (2,587)	\$ (14,096)
Net Loss	\$ (375,491)	\$ (199,763)

See accompanying notes

Balance Sheet

	For the Six Months Ending, January 31, 2013	For the Six Months Ending, January 31, 2012
Assets		
Cash	\$ 2,106	\$ 360
Note Receivable - PMR	-	-
Stock Receivable	134,403	134,403
Total Assets	\$ 136,509	\$ 134,763
Liabilities and Shareholders' Deficiency		
Accounts Payable	\$ 1,268	\$ 658
Accrued director fees	435,000	375,000
Accrued legal fees	17,000	17,000
Other current liabilities	-	-
Current liabilities of discontinued operations	125,000	125,000
Loan payable to officers	123,304	123,304
Note payable to Officer	105,211	576,826
Total Liabilities	\$ 806,783	\$ 1,217,788
Preferred Stock, \$.001 par value, 200,000 shares authorized; 100,000 shares issued and outstanding	\$ -	\$ -
Preferred Stock B, \$.001 par value, 500,000 shares authorized; 500,000 shares issued and outstanding	\$ 500	\$ -
Common Stock, \$.001 par value, 1,000,000,000 shares authorized and; 980,775,323 shares and 853,992,929 shares issued and outstanding at January 31, 2012 and January 31, 2013, respectively.	853,992	980,775
Additional paid in capital	16,926,707	15,785,835
Accumulated Deficit	(18,451,473)	(17,849,634)
Total Shareholders' Deficiency	\$ (670,274)	\$ (1,083,025)
Total Liabilities and Shareholders' Deficiency	\$ 136,509	\$ 134,763

See accompanying notes

Statement of Stockholders' Equity

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
	shares	amount	shares	amount			
Common stock issued for services and accrued liabilities	-	-	80,500,000	80,500	(150,000)	-	(69,500)
Common stock issued	-	-	167,500,000	167,500	44,965	-	212,465
Common stock returned to Treasury	-	-	(100,000,000)	(100,000)	100,000	-	-
Adjustment to agree to Stock Transfer Agent	-	-	17	-	-	-	-
Net income/(loss) for the period	-	-	-	-	-	(157,738)	(157,738)
Balance, July 31, 2012	-	\$ -	673,992,929	\$ 673,992	\$ 16,277,207	\$ (18,075,982)	\$ (1,124,783)
Common stock issued for services and accrued liabilities	-	-	285,000,000	285,000	(150,000)	-	135,000
Common stock issued	-	-	20,000,000	20,000	-	-	20,000
Preferred B Stock issued for debt	500,000	500	-	-	499,500	-	499,500
Adjustment to agree to Stock Transfer Agent	-	-	-	-	-	-	-
Net income/(loss) for the period	-	-	-	-	-	(172,328)	(172,328)
Balance, October 31, 2012	500,000	\$ 500	978,992,929	\$ 978,992	\$ 16,626,707	\$ (18,248,310)	\$ (642,611)
Common stock issued for services and accrued liabilities	-	-	175,000,000	175,000	-	-	175,000
Common stock issued	-	-	-	-	-	-	-
Common stock returned to Treasury	-	-	(300,000,000)	(300,000)	300,000	-	-
Adjustment to agree to Stock Transfer Agent	-	-	-	-	-	-	-
Net income/(loss) for the period	-	-	-	-	-	(203,163)	(203,163)
Balance, January 31, 2013	500,000	\$ 500	853,992,929	\$ 853,992	\$ 16,926,707	\$ (18,451,473)	\$ (670,774)

See accompanying notes to condensed consolidated financial statements.

Statement of Stockholders' Equity

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
	shares	amount	shares	amount			
Balance, July 31, 2011	-	\$ -	960,775,323	\$ 960,775	\$ 15,688,335	\$ (17,649,871)	\$ (1,000,762)
Common stock issued for services and accrued liabilities	-	-	195,000,000	195,000	(97,500)	-	97,500
Common stock issued	-	-	25,000,000	25,000	(15,000)	-	10,000
Common stock returned to Treasury	-	-	(200,000,000)	(200,000)	200,000	-	-
Net income/(loss) for the period	-	-	-	-	-	(161,281)	(161,281)
Balance, October 31, 2011	-	\$ -	980,775,323	\$ 980,775	\$ 15,775,835	\$ (17,811,152)	\$ (1,054,543)
Common stock issued for services and accrued liabilities	-	-	-	-	-	-	-
Common stock issued	-	-	-	-	-	-	-
Common stock returned to Treasury	-	-	-	-	-	-	-
Investment & Contract for purchase of business	-	-	-	-	10,000	-	10,000
Net income/(loss) for the period	-	-	-	-	-	(38,482)	(38,482)
Balance, January 31, 2012	-	\$ -	980,775,323	\$ 980,775	\$ 15,785,835	\$ (17,849,634)	\$ (1,083,025)
Common stock issued for services and accrued liabilities	-	-	525,000,000	525,000	(500,000)	-	25,000
Common stock issued	-	-	-	-	-	-	-
Common stock returned to Treasury	-	-	(117,922,131)	(117,922)	117,922	-	-
1 for 1000 Reverse Split	-	-	(991,860,280)	(991,860)	991,860	-	-
Investment & Contract for purchase of business	-	-	130,000,000	130,000	(113,375)	-	16,625
Net income/(loss) for the period	-	-	-	-	-	(68,610)	(68,610)
Balance, April 30, 2012	-	\$ -	525,992,912	\$ 525,992	\$ 16,282,242	\$ (17,918,244)	\$ (1,110,010)

Statement of Stockholders' Equity

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
	shares	amount	shares	amount			
Common stock cancelled	-	-	(1,000,000)	(1,000)	(4,000)	-	(5,000)
Net income/(loss) for the period	-	-	-	-	-	(436,390)	(436,390)
Balance, October 31, 2010	-	\$ -	271,097,722	\$ 271,100	\$ 15,734,347	\$ (17,415,629)	\$ (1,410,182)
Common stock issued for services and accrued liabilities	-	-	3,000,000	3,000	12,000	-	15,000
Common stock issued	-	-	753,974,025	753,972	(492,712)	-	261,260
Common stock returned to Treasury	-	-	(60,000,000)	(60,000)	60,000	-	-
Adjustment to agree to Stock Transfer Agent	-	-	(700,000)	(700)	700	-	-
Net income/(loss) for the period	-	-	-	-	-	33,974	33,974
Balance, January 31, 2011	-	\$ -	967,371,747	\$ 967,372	\$ 15,314,335	\$ (17,381,655)	\$ (1,099,948)
Common stock issued for services and accrued liabilities	-	-	11,000,000	11,000	-	-	11,000
Common stock issued	-	-	154,403,576	154,402	-	-	154,402
Common stock returned to Treasury	-	-	(200,000,000)	(200,000)	200,000	-	-
Net income/(loss) for the period	-	-	-	-	-	(86,227)	(86,227)
Balance, April 30, 2011	-	\$ -	932,775,323	\$ 932,774	\$ 15,514,335	\$ (17,467,882)	\$ (1,020,774)
Common stock issued for services and accrued liabilities	-	-	80,000,000	80,000	-	-	80,000
Common stock issued	-	-	48,000,000	48,001	(3,000)	-	45,001
Common stock returned to Treasury	-	-	(100,000,000)	(100,000)	100,000	-	-
Adjustment - Stock was issued for consulting that had been accrued	-	-	-	-	77,000	-	77,000
Net income/(loss) for the period	-	-	-	-	-	(181,989)	(181,989)

Statement of Stockholders' Equity

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total
	shares	amount	shares	amount			
Balance, July 31, 2009	-	\$ -	146,289,166	\$ 146,289	\$ 15,309,522	\$ (16,547,644)	\$ (1,091,833)
Common stock issued for services and accrued liabilities	-	-	10,200,000	10,200	-	-	10,200
Loan conversion	-	-	4,800,000	4,800	-	-	4,800
Net income/(loss) for the period	-	-	-	-	-	(18,361)	(18,361)
Balance October 31, 2009	-	\$ -	161,289,166	\$ 161,289	\$ 15,309,522	\$ (16,566,005)	\$ (1,095,194)
Common stock issued for services and accrued liabilities	-	-	50,000	50	-	-	50.00
Loan conversion	-	-	333,556	336	-	-	335.56
Warrant conversion	-	-	1,000,000	1,000	(1,000)	-	-
Net income/(loss) for the period	-	-	-	-	-	4,563	4,563
Balance January 31, 2010	-	\$ -	162,672,722	\$ 162,675	\$ 15,308,522	\$ (16,561,442)	\$ (1,090,245)
Common stock issued for services and accrued liabilities	-	-	46,000,000	46,000	-	-	46,000
Loan conversion	-	-	-	-	-	-	-
Net income/(loss) for the period	-	-	-	-	-	(267,342)	(267,342)
Balance, April 30, 2010	-	\$ -	208,672,722	\$ 208,675	\$ 15,308,522	\$ (16,828,784)	\$ (1,311,587)
Common stock issued for services and accrued liabilities	-	-	8,200,000	8,200	32,800	-	41,000
Note conversion	-	-	16,000,000	16,000	44,000	-	60,000
Net income/(loss) for the period	-	-	-	-	-	(150,455)	(150,455)
Balance, July 31, 2010	-	\$ -	232,872,722	\$ 232,875	\$ 15,385,322	\$ (16,979,239)	\$ (1,361,042)
Common stock issued for services and accrued liabilities	-	-	39,225,000	39,225	353,025	-	392,250

Statement of Cash Flows

	For the Six Months Ended, 1/31/13 (FY 2013)	For the Six Months Ended, 1/31/12 (FY 2012)
Cash flows from operating and activities of discontinued operation		
Net loss	(375,491)	(199,763)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities		
Accounts Payable	968	(215)
Current Liabilities	-	-
Accrued Expenses	30,000	30,000
Note receivable	-	-
Note payable - Officer	(488,098)	18,930
Net cash (used) provided by operating activities	(832,621)	(151,049)
Cash flows from investing activities of discontinued operation		
Purchase of property and equipment	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Stock receivable	-	-
Preferred Stock	500	-
Common Stock	180,000	20,000
Additional Paid-in-Capital	649,500	97,500
Repayments of long-term debt	-	-
Net cash provided by (used in) financing activities	830,000	117,500
Net (Decrease) increase in cash	(2,621)	(33,549)
Cash at beginning of period	4,727	33,909
Cash at end of period	2,106	360
Supplemental disclosure of cash flow information		
Cash paid during the year for		
Interest	-	-
Income taxes	-	-

Schedule of Noncash Operating and Investing Transactions

Schedule of Noncash Operating and Investing Transactions

Preferred stock issued for debt	500,000	-
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Common stock issued for investment	778,877,601	361,377,601
	= = = = =	= = = = =
Common stock issued for services and accrued liabilities	800,085,556	359,585,556
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See accompanying notes to condensed consolidated financial statements.