

PDX Partners, Inc.
Consolidated Balance Sheets
As of Sept. 30, June 30, Mar 31, 2017

UNAUDITED

ASSETS:	9/30/2017	6/30/2017	03/31/17
Current Assets:			
Cash	\$ (656.36)	\$ (730.53)	132.34
Accounts Receivable	(9,984.15)	(9,884.15)	(9,884.15)
Other Receivables	11,520.00	11,520.00	11,520.00
Inventory	35,008.00	35,008.00	35,008.00
Prepaid Expenses	-	-	0.00
Total Current Assets	<u>35,887.49</u>	<u>35,913.32</u>	<u>36,776.19</u>
Property, Plant and Equipment	315,686.78	315,686.78	315,686.78
Less Accumulated Depreciation	<u>(305,065.71)</u>	<u>(305,065.71)</u>	<u>(305,065.71)</u>
Property, Plant and Equipment, net	10,621.07	10,621.07	10,621.07
Other Assets:			
Organization Costs, Net	-	-	0.00
Investment in Flyfone	-	-	0.00
Investment in Mission Group	-	-	0.00
Other Assets	1,164.52	1,164.52	1,164.52
Total Assets	<u><u>\$ 47,673.08</u></u>	<u><u>\$ 47,698.91</u></u>	<u><u>48,561.78</u></u>
Liabilities and Shareholder's Equity:			
Current Liabilities:			
Trade Payables	\$ (30,857.92)	\$ (30,857.92)	(30,857.92)
Customer Deposits	-	-	0.00
Accrued Wages and Payroll Taxes	-	-	0.00
Other Current Liabilities	(79.45)	(79.45)	(79.45)
Notes Payable -- Convertible	149,000.00	149,000.00	5,000.00
Interest Payable Conv. Notes	-	-	0.00
Total Current Liabilities	<u>118,062.63</u>	<u>118,062.63</u>	<u>(25,937.37)</u>
Long-Term Liabilities:			
Notes Payable	174,979.62	174,919.62	326,294.21
Interest Payable on LT Notes	4,401.00	4,401.00	199,973.07
Unearned Revenue	-	-	0.00
Total Long-Term Liabilities	<u>179,380.62</u>	<u>179,320.62</u>	<u>526,267.28</u>
Shareholder's Equity			
Common Stock	4,109,693.62	4,109,693.62	4,109,693.62
Stock Premium	2,818,058.60	2,818,058.60	2,818,058.60
Retained Earnings	3,949,289.57	3,949,289.57	3,746,342.91
Current Earnings	(11,125,534.16)	(11,125,534.16)	(11,125,534.16)
Current Earnings	(1,277.80)	(1,191.97)	(329.10)
Total Shareholder's Equity	<u>(249,770.17)</u>	<u>(249,684.34)</u>	<u>(451,768.13)</u>
Total Liabilities and Shareholder's Equity	<u><u>\$ 47,673.08</u></u>	<u><u>\$ 47,698.91</u></u>	<u><u>48,561.78</u></u>

PDX Partners, Inc.
Consolidated Statements of Operations
For the Quarters Ended Sept. 30, June 30, Mar 31, 2017

UNAUDITED

	<u>9/30/2017</u>	<u>6/30/2017</u>	<u>3/31/2017</u>
REVENUES:			
Misc. Income	\$ 960.00	\$ -	\$ -
Licensing and Marketing Product Sales	-	-	-
TOTAL REVENUES	<u>960.00</u>	<u>-</u>	<u>-</u>
LESS: Cost of Goods Sold	-	-	-
Sales Commissions	-	-	-
Gross Profit	<u>960.00</u>	<u>-</u>	<u>-</u>
OPERATING EXPENSES:			
Personnel and Administrative Expenses	978.74	163.57	93.58
Administrative Expenses Paid in Stock		-	-
Selling Expenses	987.96	792.40	206.52
Interest Expense	-	-	-
Banking and Credit Card Fees	361.00	286.00	79.00
Professional Fees	-	-	-
Bad Debt Expense	-	-	-
All Other Expenses	(39.90)	-	-
Total Operating Expenses	<u>2,287.80</u>	<u>1,241.97</u>	<u>379.10</u>
Operating Net Loss	<u>(1,327.80)</u>	<u>(1,241.97)</u>	<u>(379.10)</u>
OTHER INCOME(EXPENSE):			
Other Revenue	50.00	50.00	50.00
Other Expense	-	-	-
Gain(Loss) On Disposal of Assets	-	-	-
Total Other Income(Expense)	<u>50.00</u>	<u>50.00</u>	<u>50.00</u>
Net Income(Loss)	<u>\$ (1,277.80)</u>	<u>\$ (1,191.97)</u>	<u>\$ (329.10)</u>

PDX Partners, Inc.
Consolidated Statements of Cash Flows
As of Sept. 30, June 30, Mar 31, 2017

UNAUDITED

	<u>9/30/2017</u>	<u>6/30/2017</u>	<u>3/31/2017</u>
Cash Flows From Operating Activities:			
Net Loss	\$ (1,277.80)	\$ (1,191.97)	\$ (329.10)
Adjustments to Reconcile Net Income to Net Cash		-	-
Provided by Operating Activities:			
Depreciation and Amortization	-	-	-
Change In:			
Accounts Receivable	100.00	-	-
Other Receivables	-	-	-
Inventory	-	-	-
Prepaid Charges	-	-	-
Other Assets	-	-	-
Trade Payables	30,857.92	30,857.92	30,857.92
Payroll Liabilities	-	-	-
Interest Payable	-	(195,572.07)	-
Other Current Liabilities	-	-	-
Other Non-Current Liabilities	-	-	-
Net Cash Used in Operating Activities	<u>29,680.12</u>	<u>(165,906.12)</u>	<u>30,528.82</u>
Cash Flows From(Used in) Investing Activities:			
Purchase of Property, Plant and Equipment	-	-	-
Investment in FlyFone	-	-	-
Investment in Mission Group	-	-	-
Investment in Airplane	-	-	-
Net Cash From(Used in) Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows From Financing Activities:			
Proceeds from Issuance of Notes Payable	60.00	(7,374.59)	-
Conversion of Notes to Common Stock	-	-	-
Proceeds from Issuance of Common Stock	-	202,946.66	-
Net Cash From Financing Activities	<u>60.00</u>	<u>195,572.07</u>	<u>-</u>
Net Increase(Decrease) in Cash and Equivalents	29,740.12	29,665.95	30,528.82
Cash and Equivalents, Beginning of Quarter	\$ (125,150.40)	(154,816.35)	(185,345.17)
Cash and Equivalents, End of Quarter	<u>\$ (95,410.28)</u>	<u>\$ (125,150.40)</u>	<u>\$ (154,816.35)</u>

PDX Partners, Inc.
Statement of Changes in Shareholder's Equity
As of Sept.30, June 30, Mar 31, 2017

UNAUDITED

	<u>9/30/2017</u>	<u>6/30/2017</u>	<u>3/31/2017</u>
Balance, Beginning of Quarter	\$ (280,353.66)	\$ (482,108.35)	\$ (481,779.25)
Notes Payable Converted to Common Stock		-	-
Common Stock Issued	-	202,946.66	-
Common Stock Acquired	-	-	-
Dividends Declared on Common Stock	-	-	-
Comprehensive Income:			
Net Loss	(1,277.80)	(1,191.97)	(329.10)
Total Comprehensive Loss	<u>(1,277.80)</u>	<u>(1,191.97)</u>	<u>(329.10)</u>
Balance, End of Quarter	<u>\$ (281,631.46)</u>	<u>\$ (280,353.66)</u>	<u>\$ (482,108.35)</u>

Note 1. BUSINESS

Based in Portland, Or, PDX Partners, Inc. (formerly My Social Income, Inc.) (OTC-Pink “PDXP”), is a telecom company dedicated to creating revenue and shareholder value by marketing telecom products and acquiring other long term growth assets. The company was founded in 1997.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements include the accounts of PDX Partners, Inc. and of it's wholly-owned subsidiary, Global Communications Network, Inc. The Company owns no beneficial interest in any other commercial enterprises at the present time. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of 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.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and amounts due from bank and credit card clearing companies.

Inventories

Inventories consist of finished, ready to sell products only, are recorded at cost under a FIFO assumption, and are valued at the lower of cost or market.

Property, Plant and Equipment

Fixed assets are recorded at cost. Depreciation and amortization are accounted for on the straight-line method based on the estimated useful lives of the assets.

Other Assets and Liabilities

Other assets consist primarily of amounts prepaid for future services.

Sales

Revenue is recognized when product is shipped, or when an IP number is activated if no product is shipped.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Related Party Transactions

None

Note 3. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as of the end of the quarter:

	9/30/2017	6/30/2017	3/31/2017
Furniture and Fixtures	\$ 2,361	\$ 2,361	\$ 2,361
Equipment	147,448	147,448	147,448
Software	164,168	164,168	164,168
Leasehold Improvements	1,709	1,709	1,709
Vehicles	-	-	-
	315,687	315,687	315,687
Less: Accumulated Depreciation	(305,066)	(305,066)	(305,066)
	<u>\$ 10,621</u>	<u>\$ 10,621</u>	<u>\$ 10,621</u>

Note 4. INTANGIBLE ASSETS

The Company capitalized its VOiP start-up costs of \$1,913, and is amortizing this cost over 5 years. The Company reviews this account annually at December 31 for impairment. No impairment of this asset has been found.

Note 5. INDEBTEDNESS

The Company has financed its development and operations largely through issuing convertible notes to investors, both short-term and long term. And by receiving loans from shareholders.

Short Term Debt

The Company incurred no Short-Term Debt for 2016, 2015

Long-Term Debt

Prior to 2005 the Company issued \$418,685.37 in long-term notes payable to three related entities. These notes bear 7.00% interest compounded annually and have no fixed maturity date. During 2007, 2006 and 2005 respectively, the Company borrowed \$45,000.00, \$2,012.07 and \$-0- from these entities, and repaid \$-0-, \$35,487.07 and \$8,000.00 to these parties. LCR loans.

Note 5. INDEBTEDNESS, Continued

Convertible Debt

Prior to 2004 the Company issued \$726,500.00 in long-term notes to investors, and issued an additional \$426,500.00 of such notes in 2004. Each dollar of these notes, including accrued interest, was convertible into 1.60 shares of common stock if originally issued prior to 11/1/03, and was convertible into 1.40 shares of Intelcom common stock if originally issued between 11/1/03 and 10/31/04. As of 11/1/04, all of these notes were

converted into common stock per their agreements except for two notes valued at \$21,350.00 excluding accrued interest that were converted in 2005.

During 2008, 2007 and 2006, the Company incurred \$50,000, \$867,000 and \$178,000, respectively in new convertible debt in the form of notes payable to various individuals. These notes bear interest at an annual rate of 8.00%, and bear a term of one (1) year. Interest is not payable until conversion unless the trading price of the Company's common stock falls below \$0.75 per share. These notes began maturing in November 2007. These notes carry an attached stock purchase warrant that allows the holder to convert their note into common stock at a rate \$0.75 per dollar of note value. If conversion occurs further trading is not restricted in the common stock for the converted shares.

Note 6. INCOME TAXES

The Company and its eligible subsidiary file a consolidated federal income tax return. No provision has been made in these financial statements for past, current or future federal income taxes. The Company has a significant federal loss carryforward.

Note 7. SHAREHOLDER'S EQUITY

At the Balance Sheet dates, the number of authorized and issued shares of Common Stock and Preferred Stock, and their related par values and dividends paid are as follows:

	<u>9/30/2017</u>	<u>6/30/2017</u>	<u>3/31/2017</u>
Common Stock shares authorized	2,938,999,996	8,938,999,996	8,938,999,996
Preferred A Stock authorized	40,000,000	40,000,000	40,000,000
Preferred B Stock authorized	1,000,000	1,000,000	1,000,000
Preferred C Stock authorized	4	4	4
Preferred D Stock authorized	10,000,000	10,000	10,000
Preferred E Stock authorized	10,000,000	10,000	10,000
Preferred F Stock authorized	10,000,000		
Preferred G Stock authorized	10,000,000		
Preferred H Stock authorized	10,000,000		
Preferred I Stock authorized	10,000,000		
Common shares issued	500,000,000	540,000,000	2,500,000,000
Preferred A Stock shares issued	29,600,000		
Preferred B Stock shares issued	260,000		
Preferred C Stock shares issued	4	4	
Preferred D Stock shares issued	200	10,000,000	0
Common stock shares returned	500,000,000		0
Common stock shares outstanding	541,076,506	541,076,506	1,076,506
Preferred A Stock shares outstanding	34,600,000	34,600,000	34,600,000
Preferred B Stock shares outstanding	260,000	260,000	260,000
Preferred C Stock shares outstanding	4	4	4
Preferred D Stock shares outstanding	139,478	778,864	778,864
Common Stock par value per share	0.00001	0.00001	0.00001
Preferred A Stock par value per share	0.001	0.001	0.001
Preferred B Stock par value per share	0.001	0.001	0.001
Preferred C Stock par value per share	0.00001	0.00001	0.00001
Preferred D Stock par value per share	0.00001	0.00001	0.00001
Preferred E Stock par value per share	0.005	0.00001	0.00001
Preferred F Stock par value per share	0.005		
Preferred G Stock par value per share	0.005		
Preferred H Stock par value per share	0.005		
Preferred I Stock par value per share	0.005		

Common Stock dividends paid -
Preferred Stock dividends paid

Note 8. EARNING PER SHARE

Earnings per share are computed by dividing Net Income (Net Loss) by the average number of shares Common Stock shares outstanding during the year. The average number of common stock outstanding were as follows:

	<u>9/30/2017</u>	<u>6/30/2017</u>	<u>3/31/2017</u>
Average number of shares outstanding	541,076,506	541,076,506	1,076,506

Note 9. Commitments and Contingent Liabilities

The Company has no significant commitments to provide goods and/or services to any third party as of the Balance Sheet date. The Company is subject to legal proceedings and claims which arise in the ordinary course of business. In managements opinion there are no material claims as of the balance sheet date.

Note 10. Risks and Uncertainties

The Company's future operating results may be affected by a number of factors.

Item 11. Unearned Revenue

The Company's revenue recognition policies are in compliance with SEC Staff Accounting Bulletin ("SAB") 104. Sales revenue if recognized at the date of shipment to customers when a formal arrangement existes, the price is fixed or determinable, the delivery is completed, no other significant obligations of the Company exist and collectability is reasonably assured. Payments received before all of the relevant elements is recognized ratably on a straight-line basis over the related product's life cycle.