FlexPower, Inc.
823 Gilman Street
Berkeley, CA 94710

FLEXPOWER, INC.
COMPANY INFORMATION AND DISCLOSURE STATEMENT

Part A: General Company Information

As used in this disclosure statement, the terms "we", "us", "our", "FLXP" and the "Company" means, FlexPower, Inc., a Nevada corporation.

Item I: The exact name of the issuer and its predecessor (if any).

Current since May, 2014:	FlexPower, Inc.
Name change on Dec. 27, 2007:	Monarc Corporation
Name change on Feb. 27, 2007:	Esprit Financial Group, Inc.
Name change on August 4, 2004:	Cash Now Corp.
Originally on October 11, 2000:	B Com, Inc.

Item II: The address of the issuer's principal executive offices

FlexPower, Inc.
823 Gilman Street,
Berkeley, CA. 94710
Ph. 510-527-9955
Fx. 510-527-9922
E-mail: info@flexpower.com
Website: http://www.flexpower.com

Item III: The jurisdiction(s) and date of the issuer's incorporation or organization.

FlexPower, Inc. (FKA Monarc Corporation) was organized under the laws of the State of Nevada on October 11, 2000 as B Com, Inc. In February, 2008, the Company changed its name to Monarc Corporation. In April 2014, the Company filed reinstatement with the Secretary of State of Nevada to bring its status current with the State and changed its corporate name to FlexPower, Inc. in May 2014 to reflect the acquisition of Flex-Power, Inc., its subsidiary organized and exiting under the laws of the State of California. The Company's common shares are quoted on the "Pink Sheets" quotation market under the symbol "FLXP". The Company, through its subsidiary, mainly currently engages in the manufacture and sales of innovative pain relief products in the United States of America.

Part B: Share Structure

Item IV: The exact title and class of securities outstanding.

Security Symbol:	FLXP
CUSIP Number:	33939P 101
Classes:	Common Stock
Authorized:	195,000,000
Outstanding:	19,677,460

Item IV: The exact title and class of securities outstanding (Cont.)

Security Symbol:	N/A
CUSIP Number:	N/A
Classes:	Convertible Class B Preferred Stock
Authorized:	5,000,000
Outstanding:	1,000,000

Item V: Par or stated value and description of the security.

A. Par or Stated Value.

Common Stock: $ .001 per share

Convertible Class B Preferred Stock: $ .001 per share

B. Common or Preferred Stock.

1. For common equity, describe any dividend, voting and preemption rights.

Each share of Common Stock is entitled to one vote, which shares do not have pre-emptive rights. Dividends, if any, are declared at the discretion of the Board of Directors.

2. For preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions.

The designation, powers, including voting rights, preferences and any qualifications, limitations, or restrictions of the Preferred Stock will be established from time to time upon the approval by both Directors and Majority Shareholders of Company.

On May 28, 2014, the Board of Directors of the Company authorized and approved the designation of 5,000,000 shares of Convertible Class B Preferred Stock, $.001 par value, which shall each have the relative rights, privileges, limitations and preferences as set forth below:

Convertible Class Preferred Stock

(1) Conversion into Common Stock.

(a) Right to Convert. Each share of Convertible Class B Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance (the “Conversion Date”) into ten (10) shares of fully paid and non-assessable shares of Common Stock (the “Conversion Ratio”).

(b) Mechanics of Conversion. Before any holder shall be entitled to convert, he shall surrender the certificate or certificates representing Preferred Shares to be converted, duly endorsed or accompanied by proper instruments of transfer, at the office of the Company or of any transfer agent, and shall give written notice to the Company at such office that he elects to convert the same. The Company shall, as soon as practicable thereafter, issue a certificate or certificates for the number of shares of Common Stock to which the holder shall be entitled. The Company shall, as soon as practicable after delivery of such certificates, or such agreement and indemnification in the case of a lost, stolen or destroyed certificate, issue and deliver to such holder of Convertible Class B Preferred Stock a certificate or certificates for the number of shares of Common Stock to which such holder is entitled as aforesaid and a check payable to the holder in the amount of any cash amounts payable as the result of a conversion into fractional shares of Common Stock. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Convertible Class B Preferred Stock to be converted.

(c) Adjustment to Conversion Ratio.

(i) Merger or Reorganization. In case of any consolidation or merger of the Company as a result of which holder of Common Stock become entitled to receive other stock or securities or property, or in case of any conveyance of all or substantially all of the assets of the Company to another corporation, the Company shall mail to each holder of Convertible Class B Preferred Stock at least thirty (30) days prior to the consummation of such event a notice thereof, and each such holder shall have the option to either (i) convert such holder's shares of Convertible Class B Preferred Stock into shares of Common Stock pursuant to this Section 2 and thereafter receive the number of shares of stock or other securities or property to which a holder of the number of shares of Common Stock of the Company deliverable upon conversion of such Convertible Class B Preferred Stock would have been entitled upon such consolidation, merger or conveyance, or (ii) exercise such holder's rights pursuant to Section 3(a). Unless otherwise set forth by the Board of Directors, the Conversion Ratio shall not be affected by a stock dividend or subdivision (stock split) on the Common Stock of the Company, or a stock combination (reverse stock split) or stock consolidation by reclassification of the Common Stock. However, once the Convertible Class B Preferred Stock has been converted to Common Stock, it shall be subject to all corporate actions that affect or modify the common stock.

(d) No Impairment. The Company will not, by amendment of its Articles of Incorporation, this Certificate of Designation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 2 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Convertible Class B Preferred Stock against impairment.

(e) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Ratio of the Convertible Class B Preferred Stock pursuant to this Section 2, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Convertible Class B Preferred Stock a certificate setting forth such adjustment or readjustment and the calculation on which such adjustment or readjustment is based. The Company shall, upon the written request at any time of any holder of Convertible Class B Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustment and readjustment, (ii) the Conversion Ratio for the Convertible Class B Preferred Stock at the time in effect and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of the Convertible Class B Preferred Stock.

(f) Notice of Record Date. In the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend which is the same as cash dividends paid in previous quarter) or other distribution, the Company shall mail to each holder of Convertible Class B Preferred Stock at least ten (10) days prior to the date specified herein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution.

(g) Common Stock Reserve. The Company shall reserve and keep available out of its authorized but unissued Common Stock such number of shares of Common Stock as shall from time to time be sufficient to effect conversion of the Convertible Class B Preferred Stock.

(2) <u>Liquidation Preference</u>. (a) In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary (a "Liquidation"), the assets of the Company available for distribution to its stockholders shall be distributed as follows:

(1) The holders of the Convertible Class B Preferred Stock shall be entitled to receive, prior to the holders of Common Stock and prior and in preference to any distribution of the assets or surplus funds of the Company to the holders of any other shares of stock of the Company by reason of their ownership of such stock, an amount equal to $1.00 per share with respect to each share of Convertible Class B Preferred Stock.

(2) If upon occurrence of a Liquidation the assets and funds thus distributed among the holders of the Convertible Class B Preferred Stock shall be insufficient to permit the payment to such holders of the full preferential amount, then the entire assets and funds of the Company legally available for distribution shall be distributed among the holders of the Convertible Class B Preferred Stock ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

(3) After payment of the full amounts to the holders of Convertible Class B Preferred Stock as set forth above in paragraph (2)(a)(1), any remaining assets of the Company shall be distributed pro rata to the holders of the Convertible Class B Preferred Stock and Common Stock (in the case of the Convertible Class B Preferred Stock, on an "as converted" basis into Common Stock).

(b) For purposes of this Section 2, and unless a majority of the holders of the Convertible Class B Preferred Stock affirmatively vote or agree by written consent to the contrary, a Liquidation shall be deemed to include (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation) and (ii) a sale of all or substantially all of the assets of the Company, unless the Company's stockholders of records as constituted immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the Company's acquisition or sale or otherwise) hold at least fifty percent (50%) of the voting power of the surviving or acquiring entity.

(c) If any of the assets of the Company are to be distributed other than in cash under this Section 3, then the board of directors of the Company shall promptly engage independent competent appraisers to determine the value of the assets to be distributed to the holders of Convertible Class B Preferred Stock or Common Stock. The Company shall, upon receipt of such appraiser's valuation, give written notice to each holder of shares of Convertible Class B Preferred Stock or Common Stock of the appraiser's valuation.

(3) Voting Rights. Except as otherwise required by law, the holders of Convertible Class B Preferred Stock and the holders of Common Stock shall be entitled to notice of any stockholders' meeting and to vote as a single class upon any matter submitted to the stockholders for a vote as follows: (i) the holders of Convertible Class B Preferred Stock shall have one vote for each full share of Common Stock into which a share of Convertible Class B Preferred Stock would be convertible at the ratio of 1:10 on the record date for the vote, or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited; and (ii) the holders of Common Stock shall have one vote per share of Common Stock held as of such date.

(4) Limitation. No holder of shares of the Convertible Class B Preferred Stock shall be allowed to vote and convert into any position that would result in the Convertible Class B Preferred Stock Holder to hold more than nine and nine tenths percent (9.9%) of the Company's outstanding shares of Common Stock.

(5) Covenants. In addition to any other rights provided by law, the Company shall not, without first obtaining the affirmative vote or written consent of the holders of a majority of the outstanding shares of Convertible Class B Preferred Stock, do any of the following:

(1) take any action which would either alter, change or affect the rights, preferences, privileges or restrictions of the Convertible Class B Preferred Stock or increase the number of shares of such series authorized hereby or designate any other series of Convertible Class B Preferred Stock;

(2) increase the size of any equity incentive plan (s) or arrangements;

(3) make fundamental changes to the business of the Company;

(4) make any changes to the terms of the Convertible Class B Preferred Stock or to the Company's Articles of Incorporation or Bylaws, including by designation of any stock;

(5) create any new class of shares having preferences over or being on a parity with the Convertible Class B Preferred Stock as to dividends or assets, unless the purpose of creation of such class is, and the proceeds to be derived from the sale and issuance thereof are to be used for, the retirement of all Convertible Class B Preferred Stock then outstanding;

(6) incur any indebtedness in excess of $1,000,000;

(7) make any change in the size or number of authorized directors;

(8) repurchase any of the Company's Common Stock;

(9) sell, convey or otherwise dispose of, or create or incur any mortgage, lien, charge or encumbrance on or security interest in or pledge of, or sell and leaseback, all or substantially all of the property or business of the Company or more than 50% of the stock of the Company;

(10) make any payment of dividends or other distributions or any redemption or repurchase of common stock or options or warrants to purchase common stock of the Company which would frustrate the right of the Convertible Class B Preferred Stock to its cumulative dividend; or

(11) make any sale of additional Convertible Class B Preferred Stock.

(6) <u>Reissuance.</u> No share or shares of Convertible Class B Preferred Stock acquired by the Company by reason of conversion, all such shares thereafter shall be returned to be the status of unissued shares of Convertible Class B Preferred Stock of the Company.

(7) <u>Directors.</u> The holders of Convertible Class B Preferred Stock and Common Stock voting together as a class shall be entitled to elect the directors comprising the Board of Directors (and to fill any vacancies with respect thereto).

3. Describe any other material rights of common or preferred stockholders.

   None.

4. Describe any provision in issuer's charter or by-laws that would delay, defer or prevent a change in control of the issuer.

   None.

Item VI: The number of shares or total amount of the securities outstanding for each class of securities authorized.

Common Stock

Period end date:	June 10, 2014
Number of Shares Outstanding:	19,677,460
Number of Shares Authorized:	195,000,000
Public Float:	174,995
Total Number of beneficial Shareholders [(1):]	3
Total Number of Shareholders of Record:	101

Period end date:	December 31, 2013
Number of Shares Outstanding:	19,677,460
Number of Shares Authorized:	195,000,000
Public Float:	174,995
Total Number of beneficial Shareholders [(1):]	3
Total Number of Shareholders of Record:	101

Period end date:	December 31, 2012
Number of Shares Outstanding:	19,677,460
Number of Shares Authorized:	195,000,000
Public Float:	174,995
Total Number of beneficial Shareholders [(1):]	3
Total Number of Shareholders of Record:	101

(1) Shareholders currently hold more than 5%

Preferred Stock

Period end date:	June 10, 2014
Number of Shares Outstanding:	1,000,000
Number of Shares Authorized:	5,000,000
Public Float:	0
Total Number of beneficial Shareholders [(2):]	1
Total Number of Shareholders of Record:	1

Period end date:	December 31, 2013
Number of Shares Outstanding:	1,000,000
Number of Shares Authorized:	5,000,000
Public Float:	0
Total Number of beneficial Shareholders [(2):]	1
Total Number of Shareholders of Record:	1

Period end date:	December 31, 2012
Number of Shares Outstanding:	1,000,000
Number of Shares Authorized:	5,000,000
Public Float:	0
Total Number of beneficial Shareholders [(2):]	1
Total Number of Shareholders of Record:	1

(2) Shareholder currently holds 100%

Part C: Business Information

Item VII: The name address of the transfer agent

Heritage U.S. Transfer Corp.
1320-4 King Street West
Toronto, ON M5H 1B6

Note: Heritage U.S. Transfer Corp. is a registered transfer agent with the U.S. S.E.C.

Item VIII: The nature of the issuer's business

A. Business Development:

FlexPower, Inc., a California based public holding company incorporated in Nevada. FlexPower, Inc. (FKA Monarc Corporation) was organized under the laws of the State of Nevada on October 11, 2000 as B Com, Inc. In February, 2008, the Company changed its name to Monarc Corporation. In April 2014, the Company filed reinstatement with the Secretary of State of Nevada to bring its status current with the State and changed its corporate name to FlexPower, Inc. in May 2014 to reflect the acquisition of Flex-Power, Inc., its subsidiary organized and exiting under the laws of the State of California. The Company's common shares are quoted on the "Pink Sheets" quotation market under the symbol "FLXP".

The Company, through its subsidiary, mainly engages in the manufacture and sales of innovative pain relief products in the United States of America.

1. The form of organization of the issuer:

Nevada C Corporation.

2. The year that the issuer (or any predecessor) was organized:

Incorporated in 2000 as B Com Inc.

3. The issuer's fiscal year end date:

December 31

4. Whether the issuer (or any predecessor) has been in bankruptcy, receivership or any similar proceeding:

The Company has never been in bankruptcy or receivership.

5. Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets:

The Company was originally incorporated in the State of Nevada, on October 11, 2000, as B Com, Inc.

On January 22, 2009, the Company entered into a Stock Purchase Agreement (the "Agreement") with I.T.I. Bio-Tech, a Canadian Corporation, pursuant to which, the Company would acquire 100% of I.T.I. Bio-Tech in exchange for an issuance by the Company of 100,000,000 shares of Common Stock of the Company to I.T.I Bio Tech Shareholders. The Agreement was cancelled, rescinded and rendered null and void on November 16, 2009 since I.T.I. Bio-Tech was unable to achieve agreed business milestones as defined in the Agreement.

On April 3, 2009, the Company, Global General Technologies Inc. (“GLGT”) entered into a Stock Purchase Agreement (the “Agreement”) with I.T.I. Bio-Tech, a Canadian Corporation, pursuant to which, GLGT would acquire the 100% of I.T.I. Bio-Tech from the Company in exchange for an issuance by GLGT of 277,777,777 shares of Common Stock of GLGT to the Company. The Agreement was cancelled, rescinded and rendered null and void on November 16, 2009 since I.T.I. Bio-Tech was unable to achieve agreed business milestones as defined in the Agreement.

On December 30, 2009, the Company entered into a Share Exchange Agreement (the “Agreement”) with GoIP Global Inc. (“GOIG”), a Nevada Corporation which owned EE Global, a private company incorporated in Ontario Canada, pursuant to which, the Company would acquire 5,000 outstanding shares of common stock, par value $.01, of EE Global, representing 100% ownership of the EE Global, in exchange for an issuance by the Company of 1,200,000,000 shares of Common Stock of the Company to GOIG shareholders. The Agreement was terminated since the Closing did not occur on or before December 31, 2009.

On March 25, 2014, Flex-Power Inc., a California Corporation, acquired 2,000 shares of Convertible Class B Preferred Stock of the Company, each share of which has voting rights attached of 30,000,000 Common Share Voting rights, representing the majority of the issued and outstanding voting power of the Company. The transaction resulted in a change in control of the Company.

On May 13, 2014, the Company entered into a Plan of Exchange with Flex-Power, Inc., a corporation organized and exiting under the laws of the State of California (“Flex-Power”), pursuant to which the Company acquired 100% of the Capital Shares of Flex-Power in exchange for an issuance by the Company of 19,200,000 shares of Common Stock to Flex-Power Shareholders, and/or their assigns. The above issuance gave Flex-Power Shareholders and/or their assigns a 'controlling interest' in the Company representing approximately 97.6% of the issued and outstanding shares of the Company’s Common Stock. The transaction resulted in a change in control of the Company. The Company and Flex-Power were hereby reorganized, such that the Company acquired 100% of the Capital Shares of Flex-Power, and Flex-Power, Inc. became wholly-owned subsidiaries of the Company.

6. Any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments:

The Company has never defaulted on loans.

7. Any change of control:

On May 13, 2014, the Company entered into a Plan of Exchange agreement (the “Plan of Exchange”) between and among the Company, Flex-Power, Inc. (“Flex-Power”), a California Corporation, the shareholders of Flex-Power (“Flex-Power Shareholders”) and Mr. Rasheen Smith and Mr. Bejan Esmaili, the Majority Shareholders of the Company. Pursuant to the Plan of Exchange, the Company acquired 18,763,000 shares of Flex-Power common stock, representing 100% ownership in Flex-Power, in exchange for a new issuance of 19,200,000 shares of Company’s common stock to the Flex-Power shareholders. The parties intend that the transactions qualify and meet the Internal Revenue Code requirements for a tax-free reorganization, in which there is no corporate gain or loss recognized by the parties, with reference to Internal Revenue Code (IRC) sections 354 and 368.

The transaction resulted in a change in control of the Company. The Company and Flex-Power were hereby reorganized, such that the Company acquired 100% capital stock of Flex-Power, and Flex-Power became wholly-owned subsidiaries of the Company.

On May 13, 2014, the Board of Directors of the Company appointed the following persons as Officers and Directors of the Company:

Bejan Esmaili – Chief Executive Officer, Secretary and Director

Rasheen Smith – President and Director

8. Any increase of 10% or more of the same class of outstanding equity securities:

On May 13, 2014, the Board of Directors of the Company approved to issue 19,200,000 shares of common stock to Flex-Power Shareholders, and/or their assigns upon signing the Plan of Exchange agreement, of which:

Mr. Bejan Esmaili, Chief Executive Officer, Secretary and Director, will receive 8,100,000 shares
Mr. Rasheen Smith, President and Director, will receive 4,500,000 shares

9. Any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization:

On May 24, 2006, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 110,000,000 shares, $0.001 par value, to 550,000,000 shares, $0.001 par value.

On October 24, 2006, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 550,000,000 shares, $0.001 par value, to 950,000,000 shares, $0.001 par value.

On February 14, 2007, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 950,000,000 shares, $0.001 par value, to 5,000,000,000 shares, $0.001 par value.

On February 27, 2007, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 5,000,000,000 shares, $0.001 par value, to 11,000,000,000 shares, $0.001 par value; and change its corporate name to Esprit Financial Group Inc.

On April 11, 2007, the Company filed Certificate of Designation to designate 2,000 of 10,000 Authorized Preferred Shares to be referred to Class B Preferred Shares, each share of which has voting rights attached of 30,000,000 Common Share Voting rights.

On December 27, 2007, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 11,000,000,000 shares, $0.001 par value, to 14,000,000,000 shares, $0.001 par value; and change its corporate name to Monarc Corporation.

On January 11, 2008, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada regarding a 1:1,000 reverse split of its common stock, including the authorized capital stock. As a result, the authorized capital stock of the Company was 14,000,000 shares, $0.001 par value.

On January 22, 2008, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 14,000,000 shares, $0.001 par value, to 950,000,000 shares, $0.001 par value.

On June 3, 2008, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to decrease its authorized capital stock from 950,000,000 shares, $0.001 par value, to 650,000,000 shares, $0.001 par value.

On December 2, 2008, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 650,000,000 shares, $0.001 par value, to 3,900,000,000 shares, $0.001 par value.

On December 21, 2009, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase its authorized capital stock from 3,900,000,000 shares, $0.001 par value, to 6,000,000,000 shares, $0.001 par value.

On April 21, 2014, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to decrease its authorized capital stock from 6,000,000,000 shares, $0.001 par value, to 200,000,000 shares, $0.001 par value; and change its corporate name to FLEXPOWER INC.

On May12, 2014, the Company effectuated a 10,000:1 reverse split of its common stock as an Amendment to Articles of Incorporation was filed with the Secretary of State of Nevada.

On May 13, 2014, the Company entered into a Plan of Exchange agreement between and among the Company, Flex-Power, Inc. ("Flex-Power"), a California Corporation, the shareholders of Flex-Power ("Flex-Power Shareholders") and Mr. Rasheen Smith and Mr. Bejan Esmaili, the Majority Shareholders of the Company. Pursuant to the Plan of Exchange, the Company acquired 18,763,000 shares of Flex-Power common stock, representing 100% ownership in Flex-Power, in exchange for a new issuance of 19,200,000 shares of Company's common stock to the Flex-Power shareholders.

On May 28, 2014, the Company filed Articles of Amendment to Articles of Incorporation with Secretary of State of Nevada to increase the authorized number of shares of Class B Preferred Stock, $.001 par value, of the corporation from 10,000 shares to 5,000,000 shares, which are out of the 200,000,000 shares of capital stock. As a result, the authorized number of common stock, $.001 par value, became 195,000,000 shares.

10. Any de-listing of the issuer's securities by any securities exchange or deletion from the OTC:

On May 17, 2006, the Company filed a Form 15-12G with the Securities and Exchange Commission to deregister its common stock under the Securities Exchange Act of 1934, as amended.

11. Any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters, and the amounts involved:

There are no pending or threatened legal or administrative actions pending or threatened against the Company.

B. Business of Issuer.

The Company provides superior performance healthcare products utilizing unique delivery systems. Its products are engineered to enhance the quality of life and satisfy the needs of elite athletes, healthcare professionals, weekend warriors and everyday active individuals.

FlexPower Daily Pain Relief Cream is a pre- and post-activity solution that was initially created to help world-class athletes cope with the aches and pains that come with strenuous workout and activity. FlexPower Daily Pain Relief Cream is commonly used before activity for warm-up and performance, and after activity for recovery from aches and pains of muscles and joints and arthritis.

FlexPower Daily Pain Relief Cream was scientifically designed to provide safe and effective relief directly to the source of pain. It is available in a pleasantly scented, light-soap fragrance.

1. The issuer's primary and secondary SIC Codes;

The Primary SIC Code for the company is
3999 – Misc. manufacturing of creams

2. If the issuer has never conducted operations, is in the development stage, or is currently conducting operations:

The Company is currently conducting business and has operations.

3. If the issuer is considered a "shell company" pursuant to Securities Act Rule 405:

The Company is not now and has never been a "shell company" as that term is defined in Rule 405 of the Securities Act.

4. The names of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement.

FlexPower, Inc., a California based public holding company incorporated in Nevada. FlexPower, Inc. (FKA Monarc Corporation) was organized under the laws of the State of Nevada on October 11, 2000 as B Com, Inc. In February, 2008, the Company changed its name to Monarc Corporation. In May, 2014, the Company again changed its name to FlexPower, Inc. to reflect the acquisition of Flex-Power, Inc., its wholly owned subsidiary.

The Company, through its subsidiary, mainly engages in the manufacture and sales of innovative pain relief products in the United States of America. It is included in the financial statements attached to this disclosure statement.

5. The effect of existing or probable governmental regulations on the business;

None.

6. An estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers.

None.

7. Costs and effects of compliance with environmental laws (federal, state and local):

Each state regulates the sale, manufacture and distribution of topical analgesics independently; therefore costs vary from state-to-state depending upon the state, type of product, size of package, and the number of packages sold, however we do not believe that these costs have been or will be material to us.

8. The number of total employees and number of full-time employees.

The Company has approximately 3 full time employees, and 2 part time employees to support production and sales support.

Item IX: The nature of products or services offered.

The Company, through its subsidiary, mainly engages in the manufacture and sales of innovative pain relief products in the United States of America.

1. Distribution methods of the products or services:

The Company has several distributors that are licensed to sell and distribute the products the Company offers.

2. Status of any publicly announced new product or service:

The Company made an announcement on the corporate reorganization and will continue to announce all new services and products as listed.

3. Competitive business conditions, the Issuer's competitive position in the industry, and methods of competition:

Competitive position analysis:

Strengths

Strengths - Internal

- Passion/vision
- Industry experience
- Product innovation
- R&D depth
- Industry contacts
- Timely competitive product line
- Product performance
- Current client base
- Sales history
- Ability to scale
- Web site strategy
- Education key to pipeline pull through
- Experienced management team
- Diversified distribution team

Strengths - External

- Consumer awareness and acceptance from professional athletes
- Market size is large and growing
- Industry contacts to attract qualified people
- Steadily increased brand recognition

Weaknesses

- Regional sales is in its early stages
- Limited funding for expansion to date
- General economic factors have restrained explosive growth potential
- Lack of E -Commerce presence has limited brand awareness

Opportunities

- Adequate cash infusion would fuel explosive growth potential
- Largely untapped market is ripe for the taking
- National market opportunity
- Opportunity to be in the forefront of the natural pain relief movement
- Many opportunities exist for new products in pain relief

Threats

- Unavailability of funding will significantly limit growth
- Slow or no economic recovery
- Large industry competition expansion into the pain relief markets

Methods of Competition

Marketing Strategy

The marketing strategy is designed to increase market share and sales of our branded products along in the United States and abroad by promoting our innovative, competitively superior products at competitive prices. Our marketing will always include an emphasis on our education-first approach to customer use and service.

We will achieve this through the use of traditional as well as new media venues, where information and education are a primary factor in the consumer buying process. In addition we will implement grass roots efforts to create new strategic alliances with more professional athletes, more professional leagues and organizations, universities and industry trade/buying groups.

We will further forge relationships with like-minded companies and leverage the combined marketing efforts and public relations initiatives to bring about and reinforce positive change in the minds of our every-day consumer resulting in an increase in consumer confidence, brand integrity and purchases.

Sales Strategy

Increase purchase volume from existing distribution partners.

Add a marketing and sales person in 2014, for further expansion efforts throughout the United States and abroad.

The website will continue to expand in 2014, as the company broadens its resource materials and video library. E-commerce function will also be added to further increase revenue.

4. Sources and availability of raw materials and the names of principal suppliers:

The proprietary nature of our business prohibits us from listing our suppliers here. Availability is plentiful, with no restriction on purchases.

5. Dependence on one or a few major customers:

Although some of our distribution partners purchase more than others, there is no dependence on any one partner or group of partners.

6. Patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration:

Licensing agreements are pending. Trade name: Flex Power

7. The need for any government approval of principal products or services. Discuss the status of any requested government approvals.

FlexPower products are manufactured in FDA certified manufacturing facilities. Although there are currently many laws or regulations that specifically regulate health products, none currently require that the Company obtain governmental approval of the Company's current products. Additional laws and regulations may be adopted in the future. The FDA currently has a tentative final monograph for external analgesics, and the finalization of this monograph may impact the permitted "active" ingredients and the claims which can be made based upon such actives.

Item X: The nature and extent of the issuer's facilities.

The Company operates one office and facility which consists of a 2,500 square foot office and a production facility in Berkeley, California where FLXP makes and markets our products.

Part D: Management Structure and Financial Information

Item XI The name of the chief executive officer, members of the board of directors, as well as control persons.

A. Officers and Directors.

Chief Executive Officer, Director and Secretary

1. Full Name: Bejan Esmaili
2. Business Address: 823 Gilman Street, Berkeley, CA 94710
3. Employment history: Mr. Esmaili is Co-Founder and CEO of Flex-Power, Inc. Mr. Esmaili is actively involved in leading and building Flex-Power with particular focus on product development, strategic business partnerships and other activities that achieve profit and return on capital. Before Flex-Power, Mr. Esmaili managed assets for high profile celebrities and professional athletes as a Vice-President at Morgan Stanley for 12 years. At Morgan Stanley, Mr. Esmaili was instrumental in positioning his clients with technology and venture capital firms to provide relationships, exposure and investment between the two parties involved. Born and raised in the Bay Area. Mr. Esmaili graduated with a degree in Economics from the University of California at Berkeley.
4. Board memberships and other affiliations: Director
5. Compensation by the issuer: For his services with FlexPower, Mr. Esmaili will receive compensation in the form of salary at $10,000 per month.
6. Number and class of issuer's securities beneficially owned:

8,100,000 shares of Common Stock

President and Director

1. Full Name: Rasheen Smith
2. Business Address: 823 Gilman Street, Berkeley, CA 94710
3. Employment history: Mr. Smith, Co-Founder and President of Flex-Power, is responsible for developing the corporate business plan and setting the short and long range objectives for the organization. Mr. Smith was born and raised in Los Angeles and holds a BA in Economics from the University of California at Berkeley.
4. Board memberships and other affiliations: Director
5. Compensation by the issuer: For his services, Mr. Smith will receive compensation in the form of salary at $10,000 per month.
6. Number and class of issuer's securities beneficially owned:

4,500,000 shares of Common Stock

B. Legal/Disciplinary History.

1. Conviction in a criminal proceeding or named as a defendant in a criminal proceeding: None.
2. Entry of an order, judgment, or decree, not reversed, suspended or vacated that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or bank activities: None.
3. A finding or judgment by a court (in civil action), the SEC, the Commodity Futures trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law: None.
4. The entry of an order by a self regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities: None.

C. Disclosure of Family Relationships.

There are no family relationships among and between the issuer's directors, officers, persons nominated or chosen by the issuer to become directors or officers, or beneficial owners of more than five percent (5%) of any class of the issuer's equity securities.

D. Disclosure of Related Party Transactions.

None.

E. Disclosure of Conflicts of Interest.

There are no conflicts of interest.

Item XII: Financial information for the issuer's most recent fiscal period.

Attached hereto as Exhibit A are the unaudited consolidated balance sheets, consolidated statements of operations, consolidated statements of cash flows, consolidated statements of changes in stockholders' deficit and financial notes for the quarter ended March 31, 2014.

Item XIII: Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.

Attached hereto as Exhibit B are the unaudited consolidated balance sheets, consolidated statements of operations, consolidated statements of cash flows, consolidated statements of changes in stockholders' deficit and financial notes for the years ended December 31, 2013 and 2012.

Item XIV: Beneficial owners.

Provide a list of the name, address and shareholdings of all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities.

As of June 10, 2014:
Common Stock

Name	Address	Number Of Common Shares	Percentage Of Class
Bejan Esmaili	823 Gilman Street Berkeley, CA 94710	8,100,000	41.16%
Rasheen Smith	823 Gilman Street Berkeley, CA 94710	4,500,000	22.87%
All Officers and Directors		12,600,000	64.03%

Convertible Class B Preferred Stock

Name	Address	Number Of Preferred Shares	Percentage Of Class
Flex-Power, Inc., (sub.) Bejan Esmaili, President	823 Gilman Street Berkeley, CA 94710	1,000,000	100.00%
All Officers and Directors		1,000,000	100.00%

Item XV: The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to the operations, business development and disclosure:

1. Investment Banker

None

2. Promoters

None

3. Counsel

Law Offices if Harold H. Martin, P.A.
Harold H. Martin, Partner
Attorney at Law
19720 Jetton Road
Suite 300
Cornelius, N.C. 28031
Phone: (704) 464-9528
Fax: (704) 464-9051
Email: harold@martin-pritchett.com

4. Accountant or Auditor

Accountant:
Tracy Luo, CPA
Green Tree Financial, Inc
7951 SW 6th Street Suite 216
Plantation, FL 33324
Phone: (954) 424-2345
Fax: (954) 424-2230
Email: tracylok@gtfinancial.com

5. Public Relations Consultant(s)

None.

6. Investor Relations Consultant

None.

7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email

None

Item XVI: Management's discussion and analysis or plan of operation.

A. Plan of Operation: Issuer's Plan of Operation for the next twelve months.

Our principal business is developing, marketing and distributing body therapy solutions, including but not limited to the area of pain management products such as topical analgesics. Since formation, the Company's principal activities have consisted of research, development and the proprietary formulation of our topical analgesic products, research into the markets for our products and the best channels through which to sell them, sampling and establishing the necessary relationships in these channels for future sales growth, forming an initial army of highly influential and credible brand ambassadors, and deliberately raising the minimal capital necessary to funding these activities.

We firmly believe that we have put in place the necessary pillars to create a high growth consumer application – credibility, distribution and pull through, which is also the foundation that the Company's future innovative products will piggy back on. The multi-layered Flex-Power go-to-market strategy, in combination with capital to fund promotions and advertising, Flex-Power hopes to generate impressive sales growth.

B. Management's Discussion and Analysis of Financial Condition and Results of Operations.

For the period ended March 31, 2014 (Unaudited)

Revenues

We had revenues of $22,692 for the period ended March 31, 2014 generated from the sales of our topical analgesic products. We recognize revenue when persuasive evidence of an arrangement exists, transfer of title has occurred or services have been rendered, the selling price is fixed or determinable and collectibility is reasonably assured.

Operating Expenses

We had operating expenses of $36,588 for the quarter ended March 31, 2014. Operating expenses were in connection with our daily operations, including but not limited to, consulting and advising fees, accounting fees, officer compensation, rent, website development and others.

Both operating costs and expected revenue generation are difficult to predict. There can be no assurance that revenues will be sufficient to cover future operating costs, and it may be necessary to continuously raise additional capital to sustain operations.

We expected our operating expenses would significantly increase in 2014 resulting from the business of designing, manufacturing and distributing our products.

Income/Losses

Net losses were $65,489 for the period ended March 31, 2014. The net loss during the period ended March 31, 2014 was primarily attributable to the amortization of debt discount from the derivative liability during the period.

We expected we would be profitable resulting from the business of manufacturing and distributing our related products. However, there can be no assurance that we will achieve or maintain profitability, or that any revenue growth will take place in the future.

Impact of Inflation

We believe that inflation has had a negligible effect on operations since inception. We believe that we can offset inflationary increases in the cost of operations by increasing sales and improving operating efficiencies.

Liquidity And Capital Resources

During the period ended March 31, 2014, net cash flows used in operating activities were $13,689. Negative cash flows in the period ended March 31, 2014 were due primarily to the net loss of $65,489, partially offset by the non-cash expenses of $50,094 due to amortization of discount on derivative liability.

We had cash of $83,350 on hand as of March 31, 2014. On the short-term basis, we will be required to raise a significant amount of additional funds over the next 12 months to sustain operations. On the long-term basis, we will potentially need to raise capital to grow and develop our business.

It is likely that we will require significant additional financing within the next 12 months and if we are unable to raise the needed funds on an acceptable basis, we may be forced to cease or curtail operations.

For the years ended December 31, 2013 and 2012 (Unaudited)

Revenues

Revenues for the 12 months ended December 31, 2013 were $179,489 compared to $197,765 the same period of fiscal year 2012. Revenues consist of products sold directly to consumers via telephone and the internet, wholesales to institutions including sports teams and healthcare professionals, sales to retailers and distributors who resell our products, and royalty payments for international sales in Korea and the Netherlands. Management has worked very hard to establish key relationships in all of these channels but has had minimal capital resource to grow revenues. We firmly believe that we have put in place the necessary pillars to create a high growth consumer application – credibility, distribution and pull through, which is also the foundation that the Company’s future innovative products will piggy back on.

Our growth strategy primarily relies on increased sales in these channels as a result of increased advertising, promotion and sampling, successful launch of our current products into additional retail channels, and our ability to continuously and successfully introduce and market new products and technologies that meet our customers' needs.

Cost of Goods Sold

Cost of goods for the 12 months ended December 31, 2013 were $32,086 compared to $32,961 the same period of fiscal year 2012. We have favorable margins for our products which are expected to improve with increased production and better volume pricing.

Operating Expenses

We had operating expenses of $157,640 and $185,446 for the years ended December 31, 2013 and 2012, respectively. Operating expenses were in connection with our daily operation, including but not limited to, rent and utilities, new business and expansion, advertising, consulting and legal fees, and others.

Both operating costs and expected revenue generation are difficult to predict. There can be no assurance that revenues will be sufficient to cover future operating costs, and it may be necessary to continuously raise additional capital to sustain operations.

We expected our operating expenses would significantly increase in 2014 resulting from the business of designing, manufacturing and distributing our analgesic pain relief products.

Income/Losses

Net loss for the year ended December 31, 2013 was $266,225, increased by $237,015 compared to net loss of $29,210 for the year ended December 31, 2012. The increase was attributable directly to $225,000 in public listing expenses in 2013.

To-date fiscal responsibility has been very important to us as we have focused on a grassroots growth through product trial and word-of-mouth – no expensive endorsements or agency retainers. This will continue to be a focus for management moving forward.

Impact of Inflation

We believe that inflation has had a negligible effect on operations since inception. We believe that we can offset inflationary increases in the cost of operations by increasing sales and improving operating efficiencies.

Liquidity And Capital Resources

During the years ended December 31, 2013 and 2012, net cash flows used in operating activities were $236,663 and $18,013, respectively. Negative cash flows in the year ended December 31, 2013 were due primarily to the net loss of $266,225, partially offset by the non-cash expenses of $25,603 due to amortization of the debt discount on the derivative liability. Negative cash flows in the year ended December 31, 2012 were due primarily to the net loss of $29,210. See the cash flows statement for the changes in operating assets and liabilities between years.

During the year ended December 31, 2013, net cash flows provided by financing activities were $325,000 due primarily to the proceeds of $100,000 from shareholders' contributions and $225,000 proceeds from a note payable. During the year ended December 31, 2012, there were no net cash flows provided by financing activities.

We had cash of $97,039 on hand as of December 31, 2013. On the short-term basis, we will be required to raise a significant amount of additional funds over the next 12 months to sustain operations. On the long-term basis, we will potentially need to raise capital to grow and develop our business.

It is likely that we will require significant additional financing within the next 12 months and if we are unable to raise the needed funds on an acceptable basis, we may be forced to cease operations.

C. Off-Balance Sheet Arrangements: None

Part E: Issuance History

Item XVII: List of securities offerings and shares issued for services in the past two years.

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer (1) within the two-year period ending on the last day of the issuer's most recent fiscal year and (2) since the last day of the issuer's most recent fiscal year.

Between January 1, 2012 through December 31, 2012:

Restricted Common Shares Issuance:

Number of shares issued: None
Legend: Rule 144

Between January 1, 2013 through December 31, 2013:

Restricted Common Shares Issuance:

Number of shares issued: None
Legend: Rule 144

Between January 1, 2014 through Present:

Restricted Common Shares Issuance:

Number of shares issued: 19,200,000
Legend: Rule 144

Part F: Exhibits

Item XVIII: Material Contracts:

The purchase orders have resulted from orders by several different Distributors and there are presently no material contracts made in the ordinary course of business.

Item XIX: Articles of Incorporation and Bylaws.

Articles of Incorporation and all the amendments were previously filed beginning on October 11, 2000.

Bylaws was separately filed on October 11, 2000.

Item XX: Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

None.

Item XXI Issuer's Certifications.

I, Rasheen Smith, certify that:

1. I have reviewed this Information and Disclosure Statement of FlexPower, Inc.

2. Based on my knowledge, this Information and Disclosure Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Information and Disclosure Statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this Information and Disclosure Statement.

Date: June 10, 2014

/s/ Rasheen Smith
Rasheen Smith
President

EXHIBIT A

Unaudited consolidated balance sheets, consolidated statements of income, consolidated statements of cash flows, consolidated statements of changes in stockholders' equity and financial notes for the quarter ended March 31, 2014.

FLEXPOWER INC. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2014
(UNAUDITED)

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2014 AND DECEMBER 31, 2013
(UNAUDITED)

ASSETS	March 31, 2014	December 31, 2013
CURRENT ASSETS:		
Cash	$ 83,350	$ 97,039
Accounts receivable, net of allowance for doubtful accounts of $-0-	15,530	20,883
Inventories	18,595	18,720
TOTAL CURRENT ASSETS	117,475	136,642
TOTAL ASSETS	$ 117,475	$ 136,642
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	$ 3,340	$ 2,311
Accrued expenses	25,868	24,597
Accrued interest payable	32,734	26,100
Derivative liability	184,664	197,370
Convertible note payable, net of debt discount of $127,460 and $177,554 at March 31, 2014 and December 31, 2013, respectively	147,005	96,911
TOTAL CURRENT LIABILITIES	$ 393,611	$ 347,289
STOCKHOLDERS' (DEFICIT)		
Common stock ($.001 par value, 195,000,000 shares authorized; 19,677,460 shares issued and outstanding at March 31, 2014 and December 31, 2013, respectively)	19,677	19,677
Convertible Class B preferred stock ($.001 par value, 5,000,000 shares authorized; 1,000,000 shares issued and outstanding at March 31, 2014 and December 31, 2013, respectively). Each share is convertible into ten common shares.	1,000	1,000
Additional paid in capital	2,347,095	2,347,095
Retained (deficit)	(2,643,908)	(2,578,419)
TOTAL STOCKHOLDERS' (DEFICIT)	(276,136)	(210,647)
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT)	$ 117,475	$ 136,642

The accompanying notes are an integral part of these consolidated financial statements.

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE PERIOD ENDED MARCH 31, 2014
(UNAUDITED)

		For the Three Months March 31, 2014
REVENUES:		
Sales	$	22,692
Cost of sales		(7,571)
Gross profit (loss)		15,121
EXPENSES:		
Advertising		606
Insurance		1,040
Salaries		17,000
Office supplies		5,425
Transfer agent fees		1,271
Rent		7,698
Travel, meals and entertainment		3,548
Total operating expenses		36,588
Income (loss) from operations	$	(21,467)
OTHER (EXPENSE):		
Changes in derivative liability		12,706
Interest expense		(6,633)
Amortization of debt discount		(50,094)
Total other (expense)	$	(44,021)
NET (LOSS)	$	(65,489)
Basic and fully diluted net (loss) per common share		**
Weighted average common shares outstanding		19,677,460

** Less than $.01

The accompanying notes are an integral part of these consolidated financial statements.

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012 AND THE PERIOD ENDED MARCH 31, 2014
(UNAUDITED)

	Common Stock		Preferred Stock		Additional Paid-in	Retained	
	Shares	Amount	Shares	Amount	Capital	(Deficit)	Total
Balances, January 1, 2012	19,200,000	$ 19,200	—	$ —	$ 2,318,800	$ (2,282,984)	$ 55,016
Reorganization due to recapitalization	477,460	477	1,000,000	1,000	(71,705)		(70,228)
Net (loss) for the year ended December 31, 2012						(29,210)	(29,210)
Balances, December 31, 2012	19,677,460	$ 19,677	1,000,000	$ 1,000	$ 2,247,095	$ (2,312,194)	$ (44,422)
Shareholders contribution					100,000		100,000
Net (loss) for the year ended December 31, 2013						(266,225)	(266,225)
Balances, December 31, 2013	19,677,460	$ 19,677	1,000,000	$ 1,000	$ 2,347,095	$ (2,578,419)	$ (210,647)
Net (loss) for the period ended March 31, 2014						(65,489)	(65,489)
Balances, March 31, 2014	19,677,460	$ 19,677	1,000,000	$ 1,000	$ 2,347,095	$ (2,643,908)	$ (276,136)

The accompanying notes are an integral part of these consolidated financial statements.

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2014
(UNAUDITED)

		2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$	(65,489)
Adjustments to reconcile net income (loss) to		
net cash (used in) operating activities:		
Amortization of discount to note payable		50,094
Changes in derivative liabilities		(12,706)
Changes in operating assets and liabilities:		
Accounts receivable		5,353
Inventory		125
Accounts payable		1,029
Accrued expenses		1,271
Accrued interest payable		6,634
NET CASH (USED IN) OPERATING ACTIVITIES		(13,689)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(13,689)
CASH AND CASH EQUIVALENTS:		
Beginning of period		97,039
End of period	$	83,350
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$	—
Cash paid for interest	$	—

The accompanying notes are an integral part of these financial statements.

NOTE 1 – BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States ("GAAP").

NOTE 2 – ORGANIZATION AND BUSINESS BACKGROUND

FlexPower, Inc. (F/K/A Monarc Corporation) (the "Company") was organized under the laws of the State of Nevada on October 11, 2000 as B Com, Inc. In February, 2008, the Company changed its name to Monarc Corporation. The Company was previously administratively abandoned in its former existence and reinstated in March, 2011 through a court appointed guardian - custodian. In April 2014, the Company filed another reinstatement with the Secretary of State of Nevada to bring its status current with the State and changed its corporate name to FlexPower, Inc. in May 2014 to reflect the acquisition of Flex-Power, Inc., its subsidiary organized and exiting under the laws of the State of California. The Company's common shares are quoted on the "Pink Sheets" quotation market under the symbol "FLXP".

On May 13, 2014, the Company entered into a Plan of Exchange with Flex-Power, Inc., a corporation organized and exiting under the laws of the State of California ("Flex-Power"), pursuant to which the Company acquired 100% of the Capital Shares of Flex-Power in exchange for an issuance by the Company of 19,200,000 shares of Common Stock to Flex-Power Shareholders, and/or their assigns. The above issuance gave Flex-Power Shareholders and/or their assigns a 'controlling interest' in the Company representing approximately 97.6% of the issued and outstanding shares of the Company's Common Stock. The transaction resulted in a change in control of the Company. The Company and Flex-Power were hereby reorganized, such that the Company acquired 100% of the Capital Shares of Flex-Power, and Flex-Power, Inc. became wholly-owned subsidiaries of the Company.

The reorganization between the Company and Flex-Power has been accounted for as a reverse acquisition and recapitalization of the Company whereby Flex-Power is deemed to be the accounting acquirer (legal acquiree) and the Company to be the accounting acquiree (legal acquirer). The accompanying consolidated financial statements are in substance those of Flex-Power, with the assets and liabilities, and revenues and expenses, of the Company being included effective from the date of stock exchange transaction. The Company is deemed to be a continuation of the business of Flex-Power. Accordingly, the accompanying consolidated financial statements include the following:

(1) The balance sheet consists of the net assets of the accounting acquirer at historical cost and the net assets of the accounting acquiree at historical cost;

(2) The financial position, results of operations, and cash flows of the accounting acquirer for all periods presented as if the recapitalization had occurred at the beginning of the earliest period presented and the operations of the accounting acquiree from the date of stock exchange transaction.

Flex-Power, Inc., and FlexPower, Inc. are hereinafter referred to as the "Company".

The Company, through its subsidiary, mainly engaged in the manufacture and sales of innovative pain relief products in the United States of America.

NOTE 3 – GOING CONCERN UNCERTAINTIES

The accompanying condensed consolidated financial statements have been prepared using the going concern basis of accounting, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has accumulated losses through March 31, 2014 of $2,643,908. The Company's continuation as a going concern is dependent on its ability to meet its obligations, to obtain additional financing as may be required and ultimately to attain profitability. These consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying condensed consolidated financial statements reflect the application of certain significant accounting policies as described in this note and elsewhere in the accompanying condensed consolidated financial statements and notes.

Use of estimates

In preparing these condensed consolidated financial statements, management makes estimates and assumptions that affect the reported amount of assets and liabilities in the balance sheets and revenues and expenses during the periods reported. Actual results may differ from these estimates.

Basis of consolidation

The condensed consolidated financial statements include the accounts of the Company and its subsidiary, Flex-Power, Inc. All significant inter-company balances and transactions within the Company have been eliminated upon consolidation.

Cash and cash equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions and all highly liquid investments with an original maturity of three months or less as of the purchase date of such investments.

Valuation of long-lived assets

In accordance with the provisions of Accounting Standards Codification ("ASC") Topic 360-10-5, " *Impairment or Disposal of Long-Lived Assets* ", all long-lived assets such as plant and equipment and construction in progress held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is evaluated by a comparison of the carrying amount of assets to estimated discounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amounts of the assets exceed the fair value of the assets. There has been no impairment charge for the periods presented.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for doubtful accounts

The Company establishes an allowance for doubtful accounts based on managements' assessment of the trade receivables collectibles. Judgment is required in assessing the amount of the allowance. The Company considers the historical level of credit losses and applies percentages to different receivables categories. The Company makes judgments about the creditworthiness of each customer based on ongoing credit evaluations, and monitors current economic trends that might impact the level of credit losses in the future. If the consolidated financial condition of the customers were to deteriorate, resulting in their inability to make payments, a larger allowance may be required.

Based on the above assessment, during the reporting periods, management establishes the general provisioning policy to make an allowance equivalent to a percentage of the gross amount of trade receivables, if needed. Additional specific provision is made against trade receivables to the extent which they are considered to be doubtful.

Bad debts are written off when identified. The Company does not accrue interest on trade receivables.

Historically, losses from uncollectible accounts have not significantly deviated from the general allowance estimated by management and no significant additional bad debts have been written off directly to net income. There were no changes in the general provisioning policy in the past since establishment and management considers that the aforementioned general provisioning policy is adequate, not excessive and does not expect to change this established policy in the near future.

Inventories

Inventories (finished goods, work in process, raw materials and packaging materials) are stated at the lower of cost or market. Cost is determined on a first in first out basis which includes an appropriate share of production overheads based on normal operating capacity and includes all expenditures incurred in bringing the goods to the point of sale and putting them in a saleable condition. In assessing the ultimate realization of inventories, management makes judgments as to future demand requirements compared to current or committed inventory levels. The Company estimates the demand requirements based on market conditions, forecasts prepared by its customers, sales contracts and orders in hand.

In addition, the Company estimates net realizable value based on intended use, current market value and contract terms. The Company writes down the inventories for estimated obsolescence, slow moving or unmarketable inventories equal to the difference between the cost of inventories and the estimated market value based upon assumptions about future demand and market conditions.

Revenue recognition

In accordance with ASC Topic 605, " *Revenue Recognition* ", the Company recognizes revenue when persuasive evidence of an arrangement exists, transfer of title has occurred or services have been rendered, the selling price is fixed or determinable and collectibility is reasonably assured. Cost of goods sold consists primarily of material costs which are directly attributable to the manufacture of products.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes

Income taxes are determined in accordance with ASC Topic 740, " *Income Taxes* " ("ASC 740"). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

For the three months ended March 31, 2014, the Company did not have any interest and penalties associated with tax positions. As of March 31, 2014, the Company did not have any significant unrecognized uncertain tax positions.

Fair value of financial instruments

The Company measures its financial and non-financial assets and liabilities, as well as makes related disclosures, in accordance with FASB Accounting Standards Codification No. 820, *Fair Value Measurement* ("ASC 820"), which provides guidance with respect to valuation techniques to be utilized in the determination of fair value of assets and liabilities. Approaches include, (i) the market approach (comparable market prices), (ii) the income approach (present value of future income or cash flow), and (iii) the cost approach (cost to replace the service capacity of an asset or replacement cost). ASC 820 utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one more significant inputs or significant value drivers are unobservable.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value of financial instruments (continued)

Our financial instruments include cash, accounts receivable, inventories, accounts payable, accrued liabilities, convertible note payable, and derivative liabilities.

The carrying values of the Company's cash, accrued liabilities approximate their fair value due to their short-term nature.

The Company's convertible note payable are measured at amortized cost.

The derivative liabilities are stated at their fair value as a level 3 measurement. The Company used a Black-Scholes model to determine the fair values of these derivative liabilities. See Note 5 for the Company's assumptions used in determining the fair value of these financial instruments.

Convertible note payable

The Company accounts for convertible note payable in accordance with the FASB Accounting Standards Codification No. 815, *Derivatives and Hedging,* since the conversion feature is not indexed to the Company's stock and can't be classified in equity. The Company allocates the proceeds received from convertible note payable between the liability component and conversion feature component. The conversion feature that is considered embedded derivative liabilities has been recorded at their fair value as its fair value can be separated from the convertible note and its conversion is independent of the underlying note value. The Company has also recorded the resulting discount on debt related to the conversion feature and is amortizing the discount using the effective interest rate method over the life of the debt instruments.

Derivative liabilities

The Company accounts for derivative liabilities in accordance with the FASB Accounting Standards Codification No. 815, *Derivatives and Hedging* ("ASC 815"). ASC 815 requires companies to recognize all derivative liabilities in the balance sheet at fair value, and marks it to market at each reporting date with the resulting gains or losses shown in the Statement of Operations.

Net income (loss) per share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. If applicable, diluted earnings per share assume the conversion, exercise or issuance of all common stock instruments such as options, warrants and convertible securities, unless the effect is to reduce a loss or increase earnings per share. Convertible debentures and preferred stock conversions are not considered in the calculations, as the impact of the potential common shares would be to decrease the loss per share. Therefore no diluted loss per share figure is presented.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include a. affiliates of the Company; b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The consolidated financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved; b. a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Advertising

Advertising is expenses as incurred. The Company does not incur any direct-response costs.

Uncertain tax positions

Company did not take any uncertain tax positions and had no adjustments to unrecognized income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 of the FASB Accounting Standards Codification for the three months ended March 31, 2014.

Subsequent events

The Company adopted FASB Accounting Standards Codification 855 *"Subsequent Events"* ("ASC 855") to establish general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued or available to be issued.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent accounting pronouncements

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements up to ASU 2014-08, and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its consolidated financial condition or the consolidated results of its operations.

NOTE 5 – CONVERTIBLE NOTES PAYABLE

At March 31, 2014, the total carrying value of the Company's convertible notes payable was $147,005 and the debt discount was $127,460 at March 31, 2014. No collateral exists on any of the note instruments. See below for a detailed discussion of these notes comprising the above recorded amounts.

On November 15, 2013, the Company entered into an 8% convertible promissory note with an unrelated entity in the amount of $225,000. The note is due on November 15, 2014. Subsequent to year-end, this note was partially assigned to two other unrelated entities in addition to this note holder subject to a signed Loan Participation and Servicing Agreement. The three holders of this Note collectively may, at their option, convert all or any portion of the accrued interest and unpaid principal balance of this Note into fully paid and non-assessable shares of common stock of the Company or his successors, at the conversion ratio of 60% or a 40% discount of the then current bid price for an average of five days. This gives rise to derivative liability accounting related to this Note since the conversion ratio is considered floorless. In addition, the Company had nominal trading volume for its stock on the date of issuance and no beneficial conversion was recorded.

Notes that are convertible at a discount to market are considered embedded derivatives.

Under Financial Accounting Standard Board ("FASB"), U.S. GAAP, Accounting Standards Codification, "Derivatives and Hedging", ASC Topic 815 ("ASC 815") requires that all derivative financial instruments be recorded on the balance sheet at fair value. Fair values for exchange traded securities and derivatives are based on quoted market prices. Where market prices are not readily available, fair values are determined using market based pricing models incorporating readily observable market data and requiring judgment and estimates.

The Company's convertible notes have been evaluated with respect to the terms and conditions of the conversion features contained in the notes to determine whether they represent embedded or freestanding derivative instruments under the provisions of ASC 815. The Company determined that the conversion features contained in this note for $225,000 carrying value represents a freestanding derivative instrument that meets the requirements for liability classification under ASC 815. As a result, the fair value of the derivative financial instrument in the note is reflected in the Company's balance sheet as a liability. The fair value of the derivative financial instrument of the convertible note was measured using the Black-Scholes valuation model at the inception date of the note and will do so again on each subsequent balance sheet date. Any changes in the fair value of the derivative financial instruments are recorded as non-operating, non-cash income or expense at each balance sheet date.

NOTE 5 – CONVERTIBLE NOTES PAYABLE (CONTINUED)

The table below sets forth the assumptions for Black-Scholes valuation model on December 31, 2013 and March 31, 2014, respectively. For the period from December 31, 2013 through March 31, 2014, the Company decreased the derivative liability of $197,370 by $12,706 resulting in a derivative liability of $184,664 at March 31, 2014.

Reporting Date	Fair Value	Term (Years)	Assumed Conversion Price	Market Price on Issuance Date	Volatility Percentage	Risk-free Rate
12/31/13	$197,370	0.87	$0.60	$1.00	100%	0.0019
3/31/2014	$184,664	0.63	$1.20	$2.00	100%	0.0018

As of March 31, 2014, the carrying values of the Notes were $97,540, net of debt discounts of $127,460. The Company recorded interest expense related to the Notes of $4,438 and amortization of debt discounts in amount of $50,094 during the three months ended March 31, 2014. The interest expense of $4,438 has been included under accrued liabilities.

The Notes

Proceeds	$	225,000
Less derivative liabilities on initial recognition		(203,157)
Value of the Notes on initial recognition		21,843
Add accumulated accretion expense		75,697
Balance as at March 31, 2014	$	97,540

In accordance with the terms and conditions in this Convertible Promissory Note, if the Company defaults in the payment of principal or interest due on the Promissory Notes or subject to other conditions occurring with the Company, the three holders of the Convertible Promissory Notes (the “holder”) shall be entitled to receive and the Company agreed to pay all reasonable costs of collection incurred by holder, including, without limitation, reasonable attorney’s fees for consultation and suit. In the event of default hereunder, the entire unpaid balance hereof shall become due and payable upon demand and automatically convert into common shares of the Company at the ten effective conversion rate previously discussed. All costs and fees (including reasonable fees and disbursements of legal counsel) incurred by the holder as the result of any default by anyone liable hereunder or as the result of any collection effort by the holder shall also be due and owing to the holder. Failure to exercise any right shall not be deemed a waiver of the right to exercise the same at any subsequent date, or event.

The Company also entered into an 18% convertible promissory note originally dated June 1, 2010 with an unrelated entity in the amount of $82,000. The note was originally due on December 31, 2012. Subsequent to year-end, this note was partially assigned in the amount of $49,465 to three unrelated entities subject to a signed Debt Purchase Agreement dated March 25, 2014. The three holders of this note collectively may, at their option, convert all or any portion of the accrued interest and unpaid principal balance of this Note into fully paid and non-assessable shares of common stock **of** the Company or his successors, at the conversion price of $.001 per common share. This does not give rise to derivative liability accounting related to this Note since the conversion ratio is not considered floorless. In addition, the Company had nominal trading volume for its stock on the date of issuance and no beneficial conversion was recorded. The Company recorded interest expense related to this Note in amount of $2,195 during the three months ended March 31, 2014. The interest expense of $2,195 has been included under accrued liabilities

NOTE 6 – DERIVATIVE LIABILITIES

As of March 31, 2014, the Company's derivative liabilities are embedded derivatives associated with the Company's convertible note payable (see Note 5). Due to the Notes' conversion feature, the actual number of shares of common stock that would be required if a conversion of the note as described in Note 5 was made through the issuance of the Company's common stock cannot be predicted. As a result, the conversion feature requires derivative accounting treatment and will be bifurcated from the note and "marked to market" each reporting period through the statement of operations.

The Company measured the fair value of the derivative liabilities as $197,370 on December 31, 2013, and remeasured the fair value as $184,664 on March 31, 2014, and recorded the change of fair value of $12,706 in the statements of operations for the three months ended March 31, 2014.

NOTE 7 – CONTINGENCIES

The Company had no contingencies existing at March 31, 2014.

NOTE 8 – RELATED PARTY TRANSACTIONS

The Company had no material related party transactions carried out with its related parties during the three months ended March 31, 2014.

NOTE 9 – SEGMENTS

The Company determined that it did not operate in any material, separately reportable operating segments as of March 31, 2014.

NOTE 10 – SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the Company has analyzed its operations subsequent to March 31, 2014 to the date these financial statements were issued. In addition to the transactions disclosed below, the Company does not have any material subsequent events to disclose in these financial statements.

The Company's security symbol will change to FLXP on June 9, 2014.

The Company enacted a 1 for 10,000 reverse stock split on May 12, 2014. These consolidated statements are retroactively restated herein to account for it.

EXHIBIT B

Unaudited consolidated balance sheets, consolidated statements of income, consolidated statements of cash flows, consolidated statements of changes in stockholders' equity and financial notes for the years ended December 31, 2013 and 2012.

FLEXPOWER INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(UNAUDITED)

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2013 AND 2012
(UNAUDITED)

ASSETS		2013		2012
CURRENT ASSETS:				
Cash	$	97,039	$	8,702
Accounts receivable, net of allowance for doubtful accounts of $-0-		20,883		13,599
Inventories		18,720		34,321
TOTAL CURRENT ASSETS		136,642		56,622
TOTAL ASSETS	$	136,642	$	56,622
LIABILITIES AND STOCKHOLDERS' (DEFICIT)				
CURRENT LIABILITIES				
Accounts payable	$	2,311	$	17,151
Accrued expenses		24,597		19,500
Accrued interest payable		26,100		14,928
Derivative liability		197,370		—
Convertible note payable, net of debt discount of $177,554 at December 31, 2013		96,911		49,465
TOTAL CURRENT LIABILITIES	$	347,289	$	101,044
STOCKHOLDERS' (DEFICIT)				
Common stock ($.001 par value, 195,000,000 shares authorized; 19,677,460 shares issued and outstanding at December 31, 2013 and 2012, respectively)		19,677		19,677
Convertible Class B preferred stock ($001 par value, 5,000,000 shares authorized; 1,000,000 shares issued and outstanding at December 31, 2013 and 2012, respectively). Each share is convertible into ten common shares.		1,000		1,000
Additional paid in capital		2,347,095		2,247,095
Retained (deficit)		(2,578,419)		(2,312,194)
TOTAL STOCKHOLDERS' (DEFICIT)		(210,647)		(44,422)
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT)	$	136,642	$	56,622

The accompanying notes are an integral part of these consolidated financial statements.

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(UNAUDITED)

		2013		2012
REVENUES:				
Sales		$179,489		$197,765
Cost of sales		(32,086)		(32,961)
Gross profit (loss)		147,403		164,804
EXPENSES:				
Advertising		4,392		8,061
Insurance		240		470
Salaries		71,259		94,470
Office supplies		14,840		15,401
Legal		4,392		13,158
Rent		26,128		28,819
Travel, meals and entertainment		14,136		19,522
New business expansion		22,253		5,545
Total operating expenses		157,640		185,446
Income (loss) from operations	$	(10,237)	$	(20,642)
OTHER (EXPENSE):				
Changes in derivative liability		5,787		—
Public listing expenses		(225,000)		—
Interest expense		(11,172)		(8,568)
Amortization of debt discount		(25,603)		
Total other (expense)	$	(255,988)	$	(8,568)
NET (LOSS)	$	(266,225)	$	(29,210)
Basic and fully diluted net (loss) per common share	$	(0.01)		**
Weighted average common shares outstanding		19,677,460		19,677,460

** Less than $.01

The accompanying notes are an integral part of these consolidated financial statements.

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(UNAUDITED)

	Common Stock		Preferred Stock		Additional Paid-in Capital	Retained (Deficit)	Total
	Shares	Amount	Shares	Amount			
Balances, January 1, 2012	19,200,000	$ 19,200	—	$ —	$ 2,318,800	$ (2,282,984)	$ 55,016
Reorganization due to recapitalization	477,460	477	1,000,000	1,000	(71,705)		(70,228)
Net (loss) for the year ended December 31, 2012						(29,210)	(29,210)
Balances, December 31, 2012	19,677,460	$ 19,677	1,000,000	$ 1,000	$ 2,247,095	$ (2,312,194)	$ (44,422)
Shareholders contribution					100,000		100,000
Net (loss) for the year ended December 31, 2013						(266,225)	(266,225)
Balances, December 31, 2013	19,677,460	$ 19,677	1,000,000	$ 1,000	$ 2,347,095	$ (2,578,419)	$ (210,647)

The accompanying notes are an integral part of these consolidated financial statements.

FLEXPOWER, INC. AND SUBSIDIARY
(FKA MONARC CORPORATION)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(UNAUDITED)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (266,225)	$ (29,210)
Adjustments to reconcile net income (loss) to net cash (used in) operating activities:		
Amortization of discount to note payable	25,603	—
Changes in derivative liabilities	(5,787)	—
Changes in operating assets and liabilities:		
Accounts receivable	(7,284)	(5,056)
Inventory	15,601	(8,943)
Accounts payable	(14,840)	11,531
Accrued expenses	5,097	5,097
Accrued interest payable	11,172	8,568
NET CASH (USED IN) OPERATING ACTIVITIES	(236,663)	(18,013)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	225,000	—
Shareholders contribution	100,000	
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	325,000	—
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	88,337	(18,013)
CASH AND CASH EQUIVALENTS:		
Beginning of period	8,702	26,715
End of period	$ 97,039	$ 8,702
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ —	$ —
Cash paid for interest	$ —	$ —

The accompanying notes are an integral part of these financial statements.

NOTE 1 – BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States ("GAAP").

NOTE 2 – ORGANIZATION AND BUSINESS BACKGROUND

FlexPower, Inc. (F/K/A Monarc Corporation) (the "Company") was organized under the laws of the State of Nevada on October 11, 2000 as B Com, Inc. In February, 2008, the Company changed its name to Monarc Corporation. The Company was previously administratively abandoned in its former existence and reinstated in March, 2011 through a court appointed guardian - custodian. In April 2014, the Company filed another reinstatement with the Secretary of State of Nevada to bring its status current with the State and changed its corporate name to FlexPower, Inc. in May 2014 to reflect the acquisition of Flex-Power, Inc., its subsidiary organized and exiting under the laws of the State of California. The Company's common shares are quoted on the "Pink Sheets" quotation market under the symbol "FLXP".

On May 13, 2014, the Company entered into a Plan of Exchange with Flex-Power, Inc., a corporation organized and exiting under the laws of the State of California ("Flex-Power"), pursuant to which the Company acquired 100% of the Capital Shares of Flex-Power in exchange for an issuance by the Company of 19,200,000 shares of Common Stock to Flex-Power Shareholders, and/or their assigns. The above issuance gave Flex-Power Shareholders and/or their assigns a 'controlling interest' in the Company representing approximately 97.6% of the issued and outstanding shares of the Company's Common Stock. The transaction resulted in a change in control of the Company. The Company and Flex-Power were hereby reorganized, such that the Company acquired 100% of the Capital Shares of Flex-Power, and Flex-Power, Inc. became wholly-owned subsidiaries of the Company.

The reorganization between the Company and Flex-Power has been accounted for as a reverse acquisition and recapitalization of the Company whereby Flex-Power is deemed to be the accounting acquirer (legal acquiree) and the Company to be the accounting acquiree (legal acquirer). The accompanying consolidated financial statements are in substance those of Flex-Power, with the assets and liabilities, and revenues and expenses, of the Company being included effective from the date of stock exchange transaction. The Company is deemed to be a continuation of the business of Flex-Power. Accordingly, the accompanying consolidated financial statements include the following:

(1) The balance sheet consists of the net assets of the accounting acquirer at historical cost and the net assets of the accounting acquiree at historical cost;

(2) The financial position, results of operations, and cash flows of the accounting acquirer for all periods presented as if the recapitalization had occurred at the beginning of the earliest period presented and the operations of the accounting acquiree from the date of stock exchange transaction.

Flex-Power, Inc., and FlexPower, Inc. are hereinafter referred to as the "Company".

The Company, through its subsidiary, mainly engaged in the manufacture and sales of innovative pain relief products in the United States of America.

NOTE 3 – GOING CONCERN UNCERTAINTIES

The accompanying condensed consolidated financial statements have been prepared using the going concern basis of accounting, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has accumulated losses through December 31, 2013 of $2,578,419. The Company’s continuation as a going concern is dependent on its ability to meet its obligations, to obtain additional financing as may be required and ultimately to attain profitability. These consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying condensed consolidated financial statements reflect the application of certain significant accounting policies as described in this note and elsewhere in the accompanying condensed consolidated financial statements and notes.

Use of estimates

In preparing these condensed consolidated financial statements, management makes estimates and assumptions that affect the reported amount of assets and liabilities in the balance sheets and revenues and expenses during the periods reported. Actual results may differ from these estimates.

Basis of consolidation

The condensed consolidated financial statements include the accounts of the Company and its subsidiary, Flex-Power, Inc. All significant inter-company balances and transactions within the Company have been eliminated upon consolidation.

Cash and cash equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions and all highly liquid investments with an original maturity of three months or less as of the purchase date of such investments.

Valuation of long-lived assets

In accordance with the provisions of Accounting Standards Codification (“ASC”) Topic 360-10-5, “ *Impairment or Disposal of Long-Lived Assets* ”, all long-lived assets such as plant and equipment and construction in progress held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is evaluated by a comparison of the carrying amount of assets to estimated discounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amounts of the assets exceed the fair value of the assets. There has been no impairment charge for the periods presented.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for doubtful accounts

The Company establishes an allowance for doubtful accounts based on managements' assessment of the trade receivables collectibles. Judgment is required in assessing the amount of the allowance. The Company considers the historical level of credit losses and applies percentages to different receivables categories. The Company makes judgments about the creditworthiness of each customer based on ongoing credit evaluations, and monitors current economic trends that might impact the level of credit losses in the future. If the consolidated financial condition of the customers were to deteriorate, resulting in their inability to make payments, a larger allowance may be required.

Based on the above assessment, during the reporting periods, management establishes the general provisioning policy to make an allowance equivalent to a percentage of the gross amount of trade receivables, if needed. Additional specific provision is made against trade receivables to the extent which they are considered to be doubtful.

Bad debts are written off when identified. The Company does not accrue interest on trade receivables.

Historically, losses from uncollectible accounts have not significantly deviated from the general allowance estimated by management and no significant additional bad debts have been written off directly to net income. There were no changes in the general provisioning policy in the past since establishment and management considers that the aforementioned general provisioning policy is adequate, not excessive and does not expect to change this established policy in the near future.

Inventories

Inventories (finished goods, work in process, raw materials and packaging materials) are stated at the lower of cost or market. Cost is determined on a first in first out basis which includes an appropriate share of production overheads based on normal operating capacity and includes all expenditures incurred in bringing the goods to the point of sale and putting them in a saleable condition. In assessing the ultimate realization of inventories, management makes judgments as to future demand requirements compared to current or committed inventory levels. The Company estimates the demand requirements based on market conditions, forecasts prepared by its customers, sales contracts and orders in hand.

In addition, the Company estimates net realizable value based on intended use, current market value and contract terms. The Company writes down the inventories for estimated obsolescence, slow moving or unmarketable inventories equal to the difference between the cost of inventories and the estimated market value based upon assumptions about future demand and market conditions.

Revenue recognition

In accordance with ASC Topic 605, " *Revenue Recognition* ", the Company recognizes revenue when persuasive evidence of an arrangement exists, transfer of title has occurred or services have been rendered, the selling price is fixed or determinable and collectibility is reasonably assured. Cost of goods sold consists primarily of material costs which are directly attributable to the manufacture of products.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes

Income taxes are determined in accordance with ASC Topic 740, " *Income Taxes* " ("ASC 740"). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

For the years ended December 31, 2013 and 2012, the Company did not have any interest and penalties associated with tax positions. As of December 31, 2013, the Company did not have any significant unrecognized uncertain tax positions.

Fair value of financial instruments

The Company measures its financial and non-financial assets and liabilities, as well as makes related disclosures, in accordance with FASB Accounting Standards Codification No. 820, *Fair Value Measurement* ("ASC 820"), which provides guidance with respect to valuation techniques to be utilized in the determination of fair value of assets and liabilities. Approaches include, (i) the market approach (comparable market prices), (ii) the income approach (present value of future income or cash flow), and (iii) the cost approach (cost to replace the service capacity of an asset or replacement cost). ASC 820 utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one more significant inputs or significant value drivers are unobservable.

Our financial instruments include cash, accounts receivable, inventories, accounts payable, accrued liabilities, convertible note payable, and derivative liabilities.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value of financial instruments (continued)

The carrying values of the Company's cash, accrued liabilities approximate their fair value due to their short-term nature.

The Company's convertible note payable are measured at amortized cost.

The derivative liabilities are stated at their fair value as a level 3 measurement. The Company used a Black-Scholes model to determine the fair values of these derivative liabilities. See Note 5 for the Company's assumptions used in determining the fair value of these financial instruments.

Convertible note payable

The Company accounts for convertible note payable in accordance with the FASB Accounting Standards Codification No. 815, *Derivatives and Hedging,* since the conversion feature is not indexed to the Company's stock and can't be classified in equity. The Company allocates the proceeds received from convertible note payable between the liability component and conversion feature component. The conversion feature that is considered embedded derivative liabilities has been recorded at their fair value as its fair value can be separated from the convertible note and its conversion is independent of the underlying note value. The Company has also recorded the resulting discount on debt related to the conversion feature and is amortizing the discount using the effective interest rate method over the life of the debt instruments.

Derivative liabilities

The Company accounts for derivative liabilities in accordance with the FASB Accounting Standards Codification No. 815, *Derivatives and Hedging* ("ASC 815"). ASC 815 requires companies to recognize all derivative liabilities in the balance sheet at fair value, and marks it to market at each reporting date with the resulting gains or losses shown in the Statement of Operations.

Net income (loss) per share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. If applicable, diluted earnings per share assume the conversion, exercise or issuance of all common stock instruments such as options, warrants and convertible securities, unless the effect is to reduce a loss or increase earnings per share. Convertible debentures and preferred stock conversions are not considered in the calculations, as the impact of the potential common shares would be to decrease the loss per share. Therefore no diluted loss per share figure is presented.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include a. affiliates of the Company; b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The consolidated financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements.

The disclosures shall include: a. the nature of the relationship(s) involved; b. a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Advertising

Advertising is expenses as incurred. The Company does not incur any direct-response costs.

Uncertain tax positions

Company did not take any uncertain tax positions and had no adjustments to unrecognized income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 of the FASB Accounting Standards Codification for the years ended December 31, 2013 or 2012.

Subsequent events

The Company adopted FASB Accounting Standards Codification 855 *"Subsequent Events"* ("ASC 855") to establish general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued or available to be issued.

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent accounting pronouncements

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements up to ASU 2014-08, and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its consolidated financial condition or the consolidated results of its operations.

NOTE 5 – CONVERTIBLE NOTES PAYABLE

At December 31, 2013 and 2012, the total carrying value of the Company's convertible notes payable was $96,911 and $46,965, respectively and the debt discount was $177,554 at December 31, 2013. No collateral exists on any of the note instruments. See below for a detailed discussion of these notes comprising the above recorded amounts.

On November 15, 2013, the Company entered into an 8% convertible promissory note with an unrelated entity in the amount of $225,000. The note is due on November 15, 2014. Subsequent to year-end, this note was partially assigned to two other unrelated entities in addition to this note holder subject to a signed Loan Participation and Servicing Agreement. The three holders of this Note collectively may, at their option, convert all or any portion of the accrued interest and unpaid principal balance of this Note into fully paid and non-assessable shares of common stock of the Company or his successors, at the conversion ratio of 60% or a 40% discount of the then current bid price for an average of five days. This gives rise to derivative liability accounting related to this Note since the conversion ratio is considered floorless. In addition, the Company had nominal trading volume for its stock on the date of issuance and no beneficial conversion was recorded.

Notes that are convertible at a discount to market are considered embedded derivatives.

Under Financial Accounting Standard Board ("FASB"), U.S. GAAP, Accounting Standards Codification, "Derivatives and Hedging", ASC Topic 815 ("ASC 815") requires that all derivative financial instruments be recorded on the balance sheet at fair value. Fair values for exchange traded securities and derivatives are based on quoted market prices. Where market prices are not readily available, fair values are determined using market based pricing models incorporating readily observable market data and requiring judgment and estimates.

The Company's convertible notes have been evaluated with respect to the terms and conditions of the conversion features contained in the notes to determine whether they represent embedded or freestanding derivative instruments under the provisions of ASC 815. The Company determined that the conversion features contained in this note for $225,000 carrying value represents a freestanding derivative instrument that meets the requirements for liability classification under ASC 815. As a result, the fair value of the derivative financial instrument in the note is reflected in the Company's balance sheet as a liability.

The fair value of the derivative financial instrument of the convertible note was measured using the Black-Scholes valuation model at the inception date of the note and will do so again on each subsequent balance sheet date. Any changes in the fair value of the derivative financial instruments are recorded as non-operating, non-cash income or expense at each balance sheet date.

NOTE 5 – CONVERTIBLE NOTES PAYABLE (CONTINUED)

The table below sets forth the assumptions for Black-Scholes valuation model on the initial date and December 31, 2013, respectively. For the period from the issuance date to December 31, 2013, the Company decreased the derivative liability of $203,157 by $5,787 resulting in a derivative liability of $197,370 at December 31, 2013.

Reporting Date	Fair Value	Term (Years)	Assumed Conversion Price	Market Price on Issuance Date	Volatility Percentage	Risk-free Rate
11/15/13	$203,157	1.00	$0.60	$1.00	100%	0.0013
12/31/13	$197,370	0.87	$0.60	$1.00	100%	0.0019

As of December 31, 2013, the carrying values of the Notes were $47,446, net of debt discounts of $177,554. The Company recorded interest expense related to the Notes of $2,268 and amortization of debt discounts in amount of $25,603 during the year ended December 31, 2013. The interest expense of $2,268 has been included under accrued liabilities.

The Notes		**2013**
Proceeds	$	225,000
Less derivative liabilities on initial recognition		(203,157)
Value of the Notes on initial recognition		21,843
Add accumulated accretion expense		25,603
Balance as at December 31	$	47,446

In accordance with the terms and conditions in this Convertible Promissory Note, if the Company defaults in the payment of principal or interest due on the Promissory Notes or subject to other conditions occurring with the Company, the three holders of the Convertible Promissory Notes (the “holder”) shall be entitled to receive and the Company agreed to pay all reasonable costs of collection incurred by holder, including, without limitation, reasonable attorney’s fees for consultation and suit. In the event of default hereunder, the entire unpaid balance hereof shall become due and payable upon demand and automatically convert into common shares of the Company at the ten effective conversion rate previously discussed. All costs and fees (including reasonable fees and disbursements of legal counsel) incurred by the holder as the result of any default by anyone liable hereunder or as the result of any collection effort by the holder shall also be due and owing to the holder. Failure to exercise any right shall not be deemed a waiver of the right to exercise the same at any subsequent date, or event.

The Company also entered into an 18% convertible promissory note originally dated June 1, 2010 with an unrelated entity in the amount of $82,000. The note was originally due on December 31, 2012. Subsequent to year-end, this note was partially assigned in the amount of $49,465 to three unrelated entities subject to a signed Debt Purchase Agreement dated March 25, 2014. The three holders of this note collectively may, at their option, convert all or any portion of the accrued interest and unpaid principal balance of this Note into fully paid and non-assessable shares of common stock of the Company or his successors, at the conversion price of $.001 per common share. This does not give rise to derivative liability accounting related to this Note since the conversion ratio is not considered floorless. In addition, the Company had nominal trading volume for its stock on the date of issuance and no beneficial conversion was recorded. The Company recorded interest expense related to this Note in amount of $8,904 and $8,568 during the years ended December 31, 2013 and 2012, respectively. The interest expense of $8,904 and $8,568 have been included under accrued liabilities as of December 31, 2013 and 2012, respectively.

NOTE 6 – DERIVATIVE LIABILITIES

As of December 31, 2013, the Company's derivative liabilities are embedded derivatives associated with the Company's convertible note payable (see Note 5). Due to the Notes' conversion feature, the actual number of shares of common stock that would be required if a conversion of the note as described in Note 5 was made through the issuance of the Company's common stock cannot be predicted. As a result, the conversion feature requires derivative accounting treatment and will be bifurcated from the note and "marked to market" each reporting period through the statement of operations.

The Company measured the fair value of the derivative liabilities as $203,157 on issuance date (November 15, 2013), and remeasured the fair value as $197,370 on December 31, 2013, and recorded the change of fair value of $5,787 in the statements of operations for the year ended December 31, 2013.

NOTE 7 – INCOME TAXES

At December 31, 2013 the Company had federal and state net operating loss carry forwards of approximately $2,600,000 that expire in various years through the year 2028.

Due to operating losses, there is no provision for current federal or state income taxes for the years ended December 31, 2013 and 2012.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for federal and state income tax purposes.

The Company's deferred tax asset at December 31, 2013 consists of net operating loss carry forwards calculated using federal and state effective tax rates equating to approximately $1,014,000 less a valuation allowance in the amount of approximately $1,014,000. Because of the Company's lack of earnings history, the deferred tax asset has been fully offset by a valuation allowance. The valuation allowance increased (decreased) by approximately $74,000 and $9,000 for the years ended December 31, 2013 and 2012, respectively.

The Company's total deferred tax asset as of December 31, 2013 is as follows:

Net operating loss carry forwards	$ 1,014,000
Valuation allowance	(1,014,000)
Net deferred tax asset	$ --
	========

The reconciliation of income taxes computed at the federal and state statutory income tax rate to total income taxes for the years ended December 31, 2013 and 2012 is as follows:

Income tax computed at the federal statutory rate	34%
Income tax computed at the state statutory rate	5%
Valuation allowance	(39%)
Total deferred tax asset	0%

No provision for deferred tax assets or liabilities has been made, since the Company has no material temporary difference between the tax bases of assets and liabilities and their carrying amounts.

NOTE 8 – CONTINGENCIES

The Company had no contingencies existing at December 31, 2013 and 2012.

NOTE 9 – RELATED PARTY TRANSACTIONS

The Company had no material related party transactions carried out with its related parties during the years ended December 31, 2013 and 2012.

NOTE 10 – SEGMENTS

The Company determined that it did not operate in any material, separately reportable operating segments as of December 31, 2013 and 2012.

NOTE 11 – SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the Company has analyzed its operations subsequent to December 31, 2013 to the date these financial statements were issued. In addition to the transactions disclosed below, the Company does not have any material subsequent events to disclose in these financial statements.

The Company's security symbol will change to FLXP on June 9, 2014.

The Company enacted a 1 for 10,000 reverse stock split on May 12, 2014. These consolidated statements are retroactively restated herein to account for it.