PDC BIOLOGICAL HEALTH GROUP CORPORATION
(FORMERLY GRANJA GOLD INC.)
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED OCTOBER 31, 2014

MANAGEMENT'S RESPONSIBILITY FOR UNAUDITED CONDENSED INTERIM FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of PDC Biological Health Growth Corporation [the "Company"] are the responsibility of the management and Board of Directors of the Company. The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced. The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Bernard Armani
Chief Executive Officer

Vancouver, BC
December 31, 2014

NOTICE TO READERS

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements for three months ended October 31, 2014 have not been reviewed by the Company's auditors.

PDC BIOLOGICAL HEALTH GROUP CORPORATION
(FORMERLY GRANJA GOLD INC.)
UNAUDITED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		October 31, 2014		July 31, 2014
ASSETS				
Current				
Cash & cash equivalents	$	-	$	674
Accounts & GST receivables		16,593		26,478
Prepaid expenses		7,531		-
Inventory (Note 5)		72,020		72,020
		96,144		99,172
Property & equipment (Note 8)		25,832		28,397
Intangible assets (Note 9)		720,095		820,100
	$	842,071	$	947,669
LIABILITIES				
Current				
Bank overdraft	$	5,179	$	-
Accounts payable		96,506		122,481
Accrued liabilities		15,000		15,000
Other loans payable (Note 13(e))		117,975		117,975
Due to shareholders (Note 7)		851,528		778,779
		1,086,188		1,034,235
Long term note payable (Note 7)		3,968,095		4,457,746
		3,968,095		3,968,095
SHAREHOLDERS' EQUITY (DEFICIENCY)				
Share capital (Note 10)		7,410,778		7,410,778
Contributed surplus (Note 11)		200,000		200,000
Deficit		(11,822,990)		(11,665,439)
		(4,212,212)		(4,054,661)
	$	842,071	$	947,669

Incorporation and nature of business (Note 1)
Continuance of operations (Note 2)
Subsequent event (Note 18)

Approved and authorized for issue by the Board of Directors on December 31, 2014:

On behalf of the Board:

"Bernard Armani"	***"Andrew Tablotney"***
Bernard Armani, Director	Andrew Tablotney, Director

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

PDC BIOLOGICAL HEALTH GROUP CORPORATION
(FORMERLY GRANJA GOLD INC.)
UNAUDITED CONDENSED INTERIM STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT

		Three Months ended October 31 2014		Three Months ended October 31 2013
Revenue				
CRT unit sales & rental	$	2,912	$	6,008
		2,912		6,008
Cost of goods sold		726		2,211
		2,186		3,797
Expenses				
Advertising and promotion		7,679		3,123
Amortization		102,570		102,916
Automotive		-		4,282
Bank charges and interest		456		1,018
Consulting fees		7,400		22,000
Office & miscellaneous		287		3,006
Professional fees		2,757		7,727
Rent (Note 12(a) & 11(c))		4,575		4,866
Telephone and communications		7,371		7,466
Transfer agent & listing fees		7,076		-
Wages and benefits		29,619		23,440
Gain on debt settlement		(10,053)		-
		159,737		179,844
Net loss and comprehensive loss for the period		(157,551)		(176,047)
Deficit, beginning of period		(11,665,439)		(9,481,375)
Deficit, end of period	$	(11,822,990)	$	(9,657,422)
Weighted average number of common shares outstanding		67,833,100		61,083,100
Basic and diluted loss per common share	$	(0.002)	$	(0.003)

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

PDC BIOLOGICAL HEALTH GROUP CORPORATION
(FORMERLY GRANJA GOLD INC.)
UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOWS

		Three Months ended October 31 2014		Three Months ended October 31 2013
Cash flows provided by (used in):				
Operating activities				
Net loss and comprehensive loss for the period	$	(157,551)	$	(176,047)
Items not involving cash:				
Amortization		102,570		102,916
		(54,981)		(73,131)
Changes in non-cash working capital items:				
(Increase)/Decrease in accounts & GST receivables		9,885		(5,738)
(Increase)/Decrease in inventory		-		-
(Increase)/Decrease in prepaid expenses		(7,531)		-
Increase/(Decrease) in accounts payable & accrued liabilities		(25,975)		(2,677)
		(78,602)		(81,546)
Financing activities				
Long term note payable		-		84,129
Due to shareholders		72,749		-
		72,749		84,129
Change in cash & cash equivalents during the period		(5,853)		2,583
Cash & cash equivalents, (overdraft) beginning of period		674		(5,937)
Cash & cash equivalents, (overdraft) end of period	$	(5,179)	$	(3,354)
Supplemental cash flow information				
Cash paid for interest	$	-	$	-
Cash paid for income taxes	$	-	$	-

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

PDC BIOLOGICAL HEALTH GROUP CORPORATION
(FORMERLY GRANJA GOLD INC.)
UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

	Number of Outstanding Shares	Share Capital	Contributed Surplus	Deficit	Total Shareholders' Equity (Deficiency)
		$	$	$	$
Balance, July 31, 2013 (Restate – See Note 20)	61,083,100	6,114,778	200,000	(9,506,950)	(3,192,172)
Net loss and comprehensive loss for the period	–	–	–	(176,047)	(176,047)
Balance, October 31, 2013	61,083,100	6,114,778	200,000	(9,682,997)	(3,368,219)
Recognition of shares issued to Granja Gold shareholders	6,000,000	1,200,000	–	–	1,200,000
Shares issued for cash & debt settlements	750,000	96,000	–	–	96,000
Net loss and comprehensive loss for the period	–	–	–	(1,982,442)	(1,982,442)
Balance, July 31, 2014	67,833,100	7,410,778	200,000	(11,665,439)	(4,054,661)
Net loss and comprehensive loss for the period	–	–	–	(157,551)	(157,551)
Balance, October 31, 2014	67,833,100	7,410,778	200,000	(11,822,990)	(4,212,212)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Granja Gold Inc. ("Granja") was incorporated on November 1, 2011 pursuant to the Ontario Business Corporations Act, Canada and maintains its head office at Suite 300, 1055 West Hastings Street, Vancouver, British Columbia, Canada, V6E 2E9. Its registered office is located at Suite 1000, 840 Howe Street, Vancouver, British Columbia, Canada, V6Z 2M1. The principal business of Granja was the identification, evaluation and acquisition of assets, properties or businesses.

Eidam Diagnostics Corporation was federally incorporated in Canada on November 7, 2005. The Company was established to provide research & development, manufacturing, technical support and marketing of a CRT 2000 Thermographic System, worldwide, based on the intellectual property acquired from Capital 21 Holdings Corporation, a company related by common shareholder. Eidam's primary product, the CRT 2000 Thermographic System, is intended for use in preventive healthcare. The product is presently ready for sale; it has obtained both the CE Mark and is available for sale in the United States based upon the device's FDA premarket notification (510(k)).

On December 31, 2013, the Company completed its amalgamation with Eidam Diagnostics Corporation and formed a new company named "PDC Diagnostics Corp." pursuant to the definite arrangement agreement entered and announced on August 30, 2013 and plan of arrangement under the Business Corporation Act (British Columbia). On January 15, 2014, the Company further changed its name to PDC Biological Health Group Corporation (the "Company"). After the amalgamation, the Company changed its business and continues the business of Eidam as its principal business. The Company's shares are currently listed for trading on Canadian Securities Exchange ("CSE") under the symbol ("PHG") and on Frankfurt Exchange under the symbol ("PD8").

The Company is presently in a pre-revenue stage and conducts only product upgrades for existing CRT users and incidental sales. The present focus of the Company is in seeking significant investment financing. The head office and principal office of the Company are located at 140 – 11120 Horseshoe Way, Richmond, BC V7A 5H7 Canada.

These unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company had not yet achieved profitable operations. For the period ended October 31, 2014 the Company incurred a net loss of $157,551 (2013 - loss of $176,047). At October 31, 2014, the Company had an accumulated deficit of $11,822,990 (July 31, 2014 - $11,665,439) and had a working capital (deficiency) of ($990,044) (July 31, 2014 – ($935,063)) which may not be sufficient to sustain operations over the foreseeable future and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its success in marketing the CRT 2000 Thermographic System, the ability of the Company to obtain capital financing and receive continued support from its shareholders to further upgrade the product, and upon future profitable operations in manufacturing, selling and renting out its CRT Thermographic System. Management will continue to raise additional capital through future private placements and public offerings. The outcome of these matters cannot be predicted at this time. If the Company is unable to obtain adequate additional financing, management might be required to curtail the Company's operations. These unaudited condensed interim financial statements do not contain any adjustments to the amounts and classifications of assets and liabilities, which might be necessary should the Company be unable to continue in business.

	October 31 2014 ($)	**July 31 2014 ($)**
Deficit	**(11,822,990)**	**(11,665,439)**
Working Capital (Deficiency)	**(990,044)**	**(935,063)**

2. BASIS OF PRESENTATION

These unaudited condensed interim financial statements are prepared in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting judgments and estimates

These unaudited condensed interim financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These unaudited condensed interim financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

The preparation of these unaudited condensed interim financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the unaudited condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The unaudited condensed interim financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the unaudited condensed interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Accounts which require management to make material estimates and significant assumptions in determining amounts recorded include valuation of share-based transactions and provision for deferred income tax.

Judgments made by management that have the most significant effect on the unaudited condensed interim financial statements are discussed in Notes 3b), 3d), 3e), 3f), 3g), 3i), 3j) and 3(n).

b) Deferred income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

c) Cash and cash equivalents

Cash and cash equivalents consist of deposits in banks and highly liquid money market securities and investment deposits issued by banks with an original maturity of three months or less.

d) Allowance for doubtful accounts

The Company provides an allowance for doubtful accounts when management estimates collectability to be uncertain. Accounts receivable are continually reviewed to determine which, if any, accounts are doubtful of collection. In making the determination of the appropriate allowance amount, the Company considers current economic and industry conditions, relationships with each significant customer, overall customer credit-worthiness and historical experience.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Property & equipment

Equipment
Equipment is recorded at cost (including directly applicable taxes, freight-in and installation costs). Depreciation is recognized to write off the cost of assets less their residual value over their estimated useful lives at the following annual rates:

Computer equipment 45% per annum
Furniture and equipment 20% per annum
Leasehold improvements 5 years straight-line

The Company reviews the estimated useful lives, residual values and depreciation method at each period-end, accounting for the effect of any changes in estimate on a prospective basis.

Intangible assets
The Company carries intangible assets with finite useful lives that it acquires separately at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized over their useful lives, on the straight line basis over 10 years.

The Company reviews the estimated useful life and amortization method at the end of each reporting period, accounting for the effect of any changes in estimate on a prospective basis.

Research and development costs
Research and development costs include direct salaries and benefits, administration, contracting, consulting and professional fees. The Company recognizes expenditure on research activities as an expense in the period incurred. During the period ended October 31, 2014, $Nil (2013 - $Nil) was incurred on research activities.

The Company recognizes an internally-generated intangible asset arising from development (or from the development phase of an internal project) if, and only if, it has demonstrated all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount the Company initially recognizes for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets these recognition criteria. Subsequent to initial recognition, the Company reports these assets at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized over their useful lives, on the straight line basis over 3 years.

f) Revenue recognition

Revenue from product rental or product sales will be recognized upon elapse of time or upon the title transfer of the product to a retailer or final consumer when persuasive evidence of an arrangement exists, the price is fixed or determinable and collection is reasonably assured and the Company has no future performance obligations under any licensing agreement or other significant post-delivery obligations.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Foreign currency transactions

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is the Canadian dollar. These financial statements are presented in Canadian Dollars which is the group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of loss.

Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- monetary assets and liabilities are translated at the closing rate at the date of that statement of financial position;
- non-monetary assets are translated at their historical rate;
- income and expenses for each statement of loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognized in the statement of operations.

h) Financial instruments

Financial instruments are defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Financial instruments at fair value through profit or loss (FVTPL).

Financial instruments are classified as FVTPL when they are held for trading. A financial instrument is held for trading if it was acquired for the purpose of selling in the near term. Financial instruments classified as FVTPL are stated at fair value with any changes in fair value recognized in earnings for the period.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, these financial assets are recorded at amortized cost using the effective interest method less any impairment. The Company's due from related parties are classified as loans and receivables.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Financial instruments (continued)

Available-for-sale financial assets

Available-for-sale are non-derivative financial assets that are designated as available-for-sale or that are not classified in any other financial asset categories. Subsequent to initial recognition, changes in fair value, other than impairment losses, are recognized in other comprehensive income (loss) and presented in the fair value reserve in shareholders' equity. When the financial assets are sold or an impairment write-down is required, losses accumulated in the fair value reserve recognized in shareholders' equity are included in profit or loss.

Financial liabilities

Financial liabilities are initially recorded at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method. The Company's accounts payable, accrued liabilities, due to shareholders, due to related parties and long term note payable are classified as financial liabilities.

Transaction costs incurred on initial recognition of financial instruments classified as loans and receivables and other financial liabilities are included in the initial fair value amount.

Financial assets are derecognized when the contractual rights to the cash flows from the asset expire. Financial liabilities are derecognized only when the Company's obligations are discharged, cancelled or they expire.

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Cash and cash equivalents	FVTPL
Due from related parties	Loans & receivables
Accounts payable	Other liabilities
Accrued liabilities	Other liabilities
Due to shareholders	Other liabilities
Due to related parties	Other liabilities
Long term note payable	Other liabilities

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

i) Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Impairment (continued)

i) Non-financial assets (continued)

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

j) Shared-based payments

Share based payment transactions

Employees (including directors and senior executives) of the Company will sometimes receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

Equity settled transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share option reserve.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Shared-based payments (continued)

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

k) Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income (loss) consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income (loss) measures net earnings for the period plus other comprehensive income (loss). Amounts reported as other comprehensive income (loss) are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income (Loss). The Company has not had other comprehensive income (loss) since inception and accordingly, a statement of comprehensive income (loss) has not been presented.

l) Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The "treasury stock method" is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the period. During the period ended October 31, 2014 and 2013, all the outstanding stock options were anti-dilutive.

m) Investment tax credit

Investment tax credits are a type of government assistance related to specific qualifying expenditures that are prescribed by tax legislation. They should be accounted for using the cost reduction approach such that credits related to the acquisition of assets would be either deducted from the related assets with any depreciation or amortization calculated on the net amount or deferred and amortized to income on the same basis as the related assets. Investment tax credits related to current expenses would be included in the determination of net income for the period.

n) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Provisions (continued)

present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

o) Accounting standards, interpretations and amendments to existing standards that are not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after August 1, 2014 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded from the summary below. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

The IASB has issued IFRS 9 - Financial Instruments (“IFRS 9”) which intends to replace IAS 39 – Financial Instruments: Recognition and Measurement (“IAS 39”) in its entirety with three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments. The IASB tentatively decided to defer the mandatory effective date until January 1, 2018 with earlier adoption still permitted. The Company will evaluate the impact the final standard will have on its financial statements based on the characteristics of its financial instruments at the time of adoption.

The IASB issued IFRIC 21 - Levies (“IFRIC 21”), an interpretation of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets (“IAS 37”), on the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past activity or event (“obligating event”) described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods commencing on or after January 1, 2014. The Company is currently evaluating the impact of the adoption of this interpretation on its financial statements.

The IASB issued amendments to IAS 36 - Impairment of Assets (“amendments to IAS 36”). The amendments to IAS 36 restrict the requirement to disclose the recoverable amount of an asset or CGU to periods in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU’s recoverable amount has been determined on the basis of fair value less cost of disposal. The amendments are effective for annual periods beginning on or after January 1, 2014 and should be applied retrospectively. The Company is currently evaluating the impact of the adoption of this standard on its financial statements.

4. REVERSE ASSETS ACQUISITION

Pursuant to and on the terms and subject to the condition set out in an arrangement agreement among Granja Gold Inc. (“Granja”), Eidam Diagnostics Corporation (“Eidam”) Spinco dated August 30, 2013, Granja and Eidam amalgamated to form PDC Diagnostics Corporation (“PDC Diagnostics”) effectively December 31, 2013. On completion of the Transaction, the former shareholders of Eidam have 91.1% ownership interest of the Company and control the combined entity.

For accounting purposes, the acquisition is considered to be outside the scope of IFRS 3 *Business Combinations* (“IFRS 3”) since Granja was a shell company whose activities, prior to the acquisition, were limited to the management of cash resources and maintenance of its reporting issuer status and did not constitute a business. The transaction is accounted for in accordance with IFRS 2 *Share-based Payment* (“IFRS 2”) whereby Eidam is deemed to have issued shares in exchange for the net assets of

4. REVERSE ASSETS ACQUISITION (continued)

Granja together with its reporting issuer status at the fair value of the consideration received by Eidam. The accounting for this transaction resulted in the following:

(i) The financial statements of the combined entities are issued under the new amalgamated company, PDC Diagnostics Corporation which was changed to its current name of PDC Biological Health Group Corporation, but are considered a continuation of the financial statements of Eidam.

(ii) Since Eidam is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the financial statements at their historical carrying values.

(iii) As part of the completion of the reverse acquisition with Granja to facilitate the reporting issuer status of Eidam, the original shareholders of Granja retained 6,000,000 common shares of the Company.

Since the share and share-based consideration allocated to the former shareholders of Granja on closing the reverse acquisition is considered within the scope of IFRS 2, and the Company cannot identify specifically some or all of the goods or services received in return for the allocation of the shares, the value in excess of the net identifiable assets of Granja acquired on closing was expensed in the statement of comprehensive loss as listing expense.

The share-based compensation of $1,275,898 recorded as listing expense included the fair value of the 6,000,000 common shares retained by the former shareholders of Granja at $0.20 per share. The $0.20 value for the shares was based on the most recent effective financings completed by PDC Diagnostics after the reverse acquisition.

The fair value of the consideration given and resulting charge to listing expense comprised:

	$
Fair value of share-based consideration allocated:	
Deemed issuance of 6,000,000 common shares	1,200,000
	1,200,000
Identifiable assets acquired and liabilities assumed:	
Cash	7,620
Liabilities assumed	83,518
	75,898
Listing expense	1,275,898

5) INVENTORY

	October 31, 2014	July 31, 2014
Raw materials	$ 62,920	$ 62,920
Work in process	-	-
Finished goods	9,100	9,100
	$ 72,020	$ 72,020

6) DUE (TO) FROM RELATED PARTIES

These advances to and from related parties are unsecured, non-interest bearing and without specific repayment terms and are classified as loans and receivables and other financial liabilities at amortized costs. As related party loans receivables and payables, their amortized costs equals to their carrying value.

7) DUE TO / (FROM) SHAREHOLDERS

	October 31, 2014	July 31, 2014
Capital 21 Holdings	$ 160,000	$ 150,000
Dermamed	659,498	589,625
Mr. Bernard Armani	32,030	39,154
	$ 851,528	$ 778,779

These advances to and from shareholders are unsecured, non-interest bearing and without specific repayment terms and are classified as loans and receivables and other financial liabilities at amortized costs. As related party loans receivables and payables, their amortized costs equals to their carrying value. Amount owing to Mr. Bernard Armani is secured by the Company's general assets under the Personal Property Security Act of British Columbia.

On October 31, 2013, Armani entered into agreements with Capital 21 Holdings and Dermamed Research, a shareholder of the Company and a company related by a common director, such that a total of $104,787 owing by the Company to Capital 21 Holdings and $20,295 owing by Dermamed Group to the Company as of October 31, 2013 be assigned to Armani. After the assignment, the Company owes a total of $84,129 to Armani as demand loan as of October 31 2013.

On October 31, 2013, the Company entered into another promissory note agreement with Armani to convert the above mentioned shareholder demand loan of $84,129 into a long term promissory note. The promissory note is for a total of $84,129 and to be due on October 31, 2015. Interest on the note is only payable if required by the Income Tax Act and will be at the prescribed rate prescribed by the Canada Customs and Revenue Agency. The carrying values of the promissory notes payable approximated their amortized costs.

On January 31, 2014, Armani entered into agreements with Capital 21 Holdings and Dermamed Research, a shareholder of the Company and a company related by a common director, such that a total of $79,985 and $57,135 owing by the Company to Capital 21 Holdings and Dermamed Research respectively as of January 31, 2014 be assigned to Armani. After the assignment, the Company owes a total of $158,720 to Armani as demand loan as of January 31, 2014.

On January 31, 2014, the Company entered into another promissory note agreement with Armani to convert the above mentioned shareholder demand loan of $158,720 into a long term promissory note. The promissory note is for a total of $158,720 and to be due on January 31, 2016. Interest on the note is only payable if required by the Income Tax Act and will be at the prescribed rate prescribed by the Canada Customs and Revenue Agency. The carrying values of the promissory notes payable approximated their amortized costs.

7) DUE TO SHAREHOLDERS (continued)

On July 31, 2014, the Company consolidated all three long term notes into one, reversed part of the assignment arrangement originally entered into with Dermamed Research and Capital 21, reclassified other loans payable amount as result of prior years' errors and entered into a new long term promissory note. The promissory note is for a total of $3,968,095 and to be due on January 31, 2016. Interest on the note is only payable if required by the Income Tax Act and will be at the prescribed rate prescribed by the Canada Customs and Revenue Agency. The carrying values of the promissory notes payable approximated their amortized costs.

8) PROPERTY & EQUIPMENT

	October 31, 2014		
	Cost	Accumulated Amortization	Net Book Value
Computer Equipment	$ 51,830	$ 51,067	$ 763
Equipment	77,797	65,685	12,112
Furniture & Fixtures	50,313	42,174	8,139
Leasehold Improvements	34,192	29,374	4,818
	$ 214,132	$ 188,300	$ 25,832

	July 31, 2014		
	Cost	Accumulated Amortization	Net Book Value
Computer Equipment	$ 51,830	$ 50,970	$ 860
Equipment	77,797	65,048	12,749
Furniture & Fixtures	50,313	41,746	8,567
Leasehold Improvements	34,192	27,971	6,221
	$ 214,132	$ 185,735	$ 28,397

9) INTANGIBLE ASSETS

	July 31, 2014		
	Cost	Accumulated Amortization	Net Book Value
Development Costs	191,911	191,911	-
Intellectual Property Rights	4,000,200	3,280,105	720,095
	4,192,111	3,472,016	720,095

	July 31, 2013		
	Cost	Accumulated Amortization	Net Book Value
Development Costs	191,911	191,911	-
Intellectual Property Rights	4,000,200	3,180,100	820,100
	4,192,111	3,372,011	820,100

The Company's intangible assets consist of the purchased intellectual property rights (IPR) and certain capitalized development costs with respect to the CRT 2000 Thermographic System. The IPR were originally acquired by Capital 21 Holdings, a company related by common shareholders, from a third arms-length party at an exchanged value of $4,000,000. Capital 21 Holdings then transferred the IPR to the Company in exchange of 40,000,000 common shares issued from treasury and has become the majority shareholder since. The IPR transferred was measured and recorded by the Company at exchanged value of $4,000,000 (See Note 12(a)). Capitalized development costs are amortized over 36 months with amortization commencing in October 2006 on the initial marketing of the System.

10) SHARE CAPITAL

Authorized 100,000,000 Common shares without par value

	Number of shares		Amount
Issued common shares:			
Balance December 31, 2007, 2008 and July 31, 2009	59,870,000		4,612,350
Shares issued at $0.25 per share for cash (Note 10(a)(i))	8,000,000		2,000,000
Balance July 31, 2010, 2011 & 2012	67,870,000		6,612,350
Cancellation of shares in return for shareholder loan (Note 10(a)(i))	(8,000,000)		(800,847)
Shares issued at $0.25 per share for cash (Note 10(a)(ii))	1,213,100		303,275
Balance July 31, 2013	61,083,100		6,114,778
Recognition of shares issued to Granja Gold shareholders (Note 10(a)(iii) & Note 4)	6,000,000		1,200,000
Shares issued at $0.10 per share to settle debts (Note 10(a)(iv))	500,000		50,000
Shares issued at $0.25 per share for cash (Note 10(a)(v))	250,000		46,000
Balance July 31, 2014 & October 31, 2014	67,833,100	$	7,410,778

(a) (i) On April 15, 2006, a major shareholder, Mr. Bernard Armani (“Armani”), subscribed for 8,000,000 shares at $0.25 per share in pursuance to the same private placement that was offered to employees and consultants. Mr. Armani fully paid for the subscription of these shares by way of shareholder loans of $2,000,000 that he had advanced to the Company since incorporation till December 31, 2006. According to the shareholder loan agreement entered with Armani dated November 22, 2006, if the Company fails to become a listed public company within 24 months, the 8,000,000 shares shall be returned to the Company for cancellation and the amount of $2,000,000 plus $50,000 for interests and legal fees shall be repaid by the Company to Armani. The subscription for 8,000,000 shares was approved and allotted by the Board of Directors but shares were not issued until August of 2009.

On May 27, 2013, as the Company was in default with respect to the shareholder loan agreement with Armani, Armani sent a notice of default to the Company. Armani returned 8,000,000 shares of the Company for cancellation and demanded the Company to repay him $2,000,000 plus $50,000 of interests and legal fees (Note 6)

(ii) During the year ended July 31, 2013, the Company issued 1,213,100 common shares to accredited investors through a private placement offering at $0.25 per share.

(iii) On December 31, 2013, as part of amalgamation between Granja and Eidam, the Company recognized the issuance of 6,000,000 common shares at fair value of $0.20 to shareholders of Granja.

(iv) On January 15, 2014, the Company issued 500,000 common shares at $0.10 per share to Urban Select Capital Corporation, the former parent company of Granja, to settled debts at fair value of $50,000.

(v) The Company closed a non-brokered private placement financing for gross proceeds of $50,000 through the issuance of 250,000 units at a price of $0.20 per unit. Each unit consist of one common share of the Company and one-half of one non-transferable share purchase warrant. Each warrant entitle the holder to purchase one additional common share of the Company for a period of two years from the closing date an exercise price of $0.50 per common share for the first twelve months and at an exercise price of $0.80 per common share thereafter. Finders’ fee of $4,000 cash was paid.

10) SHARE CAPITAL (continued)

(b) Stock Options Plan:

The Company has adopted an incentive stock option plan (the "Option Plan") dated November 8, 2005 which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company and that the number of common shares reserved for issuance pursuant to options granted to all consultants or persons conducting investing relations activities will not exceed 2% of the issued and outstanding common shares within any 12-month period. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

There was no stock option outstanding as at July 31, 2014 and October 31, 2014.

(c) Warrants:

(i) As at July 31, 2014 and October 31, 2014, the Company had warrants outstanding enabling holders to acquire the following:

Number of Shares	Exercise Price per Share	Expiry Date
125,000	$0.50/$0.80	March 24, 2016

(ii) A summary of the Company's issued and outstanding share purchase warrants as at July 31, 2014 and October 31, 2014 and changes during these periods is presented below:

	Warrants Outstanding	Weighted Average Exercise Price
Balance, July 31, 2014	125,000	$0.50/$0.80
Granted	-	-
Exercised/Expired	-	-
Balance, October 31, 2014	125,000	$0.50/$0.80

11) CONTRIBUTED SURPLUS

		Amount
Balance, July 31, 2013	$	200,000
No change during the year		-
Balance, July 31, 2014 & October 31, 2014	$	200,000

12) RELATED PARTY TRANSACTIONS

(a) On January 16, 2006, the Company entered into an agreement with Capital 21 Holdings Corporation ("Capital 21"), a corporation controlled by a common shareholder, to purchase the intellectual property rights to the CRT 2000 Thermographic system for a deemed purchase price of $4,000,000 paid by the issuance of 40,000,000 shares of the Company at a deemed price of $0.10 per share. Capital 21 acquired the intellectual property rights from Werner Eidam of Germany at a fair value of $4,000,000 paid for by the issuance of 3,800,000 shares of Capital 21.

12) RELATED PARTY TRANSACTIONS (continued)

(b) During the period ended October 31, 2014, the Company charged rent of $41,176 (2013 - $39,849) to Dermamed Research. As of October 31, 2014, the Company still owed Dermamed Research in the amount of $659,497 (July 31, 2014 - $589,625) (See Note 7).

These transactions mentioned from (b) above are in the normal course of operations and are measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

13) COMMITMENTS, CONTINGENCY AND CONTRACTUAL AGREEMENTS

(a) The Company entered into a lease agreement dated July 30, 2009 to lease unit #140 of 11120 Horseshoe Bay for six years commencing December 1, 2009 and expiring November 30, 2015. Under the lease agreement, the Company will pay $9.00 per sq. ft. for basic rent plus approximately $4.50 per sq. ft. for property taxes and operating expenses. This approximates a monthly payment of $14,026 including taxes. The premise will be shared by the Company and Dermamed. The management estimates that Dermamed occupies approximately 90% of the whole premise. The commitments liable by the Company under this lease agreement for next of 2 years are as follows:

	Lease agreement
2015	$ 168,314
2016	$ 56,104

(b) The Company entered into a draft agreement dated March 31, 2008 with Sanum Beteiligungsgesellschaft mbH (“Sanum”) to acquire 100% shares of Sanum’s wholly owned subsidiary located in US, Pleomorphic Product Sales, Inc. After the due diligence process, the Company decided not to continue with the draft agreement. Sanum however claimed the draft agreement was still valid and the Company proceed with the share purchase. The Company’s position is that the draft agreement is of the nature of a letter of intent, subject to results of due diligence and denies that it still has an obligation to continue with the draft agreement. In 2009, Sanum commenced arbitration proceedings against the Company and the Company also counterclaimed against Sanum. In 2012, the parties completed witness testimony and both parties mutually agreed in 2013 to stay further arbitration proceedings while they attempt to resolve this dispute through mediation.

The Company has been served with a petition by Sanum whereby Sanum is seeking to enforce in the Supreme Court of British Columbia an arbitration award previously decided in its favour against the Company in the International Arbitration Tribunal of the International Centre for Dispute Resolution. To deny the petition, the Company has filed a response with the Supreme Court of British Columbia on September 25, 2014. The Company is vigorously defending its position.

(c) On May 30, 2006, the Company entered into a Partnership Cooperation Agreement (“Agreement”) with Nanjing Joyman Sci. & Tech Group (“Joyman”). The Agreement was effective for five years from May 30, 2006 and Joyman had the right to extend the Agreement until year 2016. Under the Agreement, Joyman would provide the CRT 2000 testing place and the Company be responsible for the investment in the CRT 2000 testing equipment, personnel training and the related operating expenses. Using the fee structure of the intentional market after taking into consideration the local equipment pricing in China, the Company proposed that Joyman should initially charge 240.00 Renminbi for each diagnosis and such fees should be divided in the proportion of 50% and 50% for the Company and Joyman respectively. These fees will be settled with Joyman once every month.

13) COMMITMENTS, CONTINGENCY AND CONTRACTUAL AGREEMENTS (continued)

(c) Joyman will undertake to represent the Company to apply for the registration of the CRT 2000 medical equipment in accordance with the requirements of SFDA authority in China. Upon successful registration with SFDA, Joyman will initially establish test locations in Nanjing and its surrounding areas; and after the test locations are successful, Joyman will make its 3,000 chain stores the service locations for the CRT 2000 and other medical testing products. Accordingly, the Company will supply Joyman chain stores with 3,000 pieces of CRT 2000 equipment in batches.

The proprietary rights of the CRT 2000 will remain with the Company.

On July 31, 2012, the Company received from the State Food and Drug Administration (SFDA) in China the Registration Certificate for Medical Device on the medical product Thermographic System (CRT 2000) manufactured by the Company. The Company is in process of renegotiating its agreement with Joyman as it no longer able to provide 3,000 chain stores, for the Company to install the CRT 2000, of which qualified certification for Class II devices are required for each store.

(d) On March 20, 2013, the Company entered into a partnership cooperation agreement with Urban Select Capital Corp. (“Urban”) to distribute its CRT2000 machines in Asia. Urban will provide a list of the dedicated stores in China, which must be properly equipped with the required space and internet, to install its CRT2000 machines. The agreement shall be effective for ten years within the region of China, Hong Kong and Taiwan and Urban shall have the right to continue with and extend the agreement by another ten years. Urban shall assist the Company with receiving a setup fee in the amount of $5,000 before the Company provides the installation for each CRT2000 unit supplied. Urban and the Company will share in the fee income generated from the CRT2000 screenings based on a minimum of 4 daily screenings performed per store location such that the Company will receive 20% of the fee income while Urban will receive the remaining 80%. Urban shall receive a bonus of 3,000,000 common shares of the Company which shall be granted in increments subject to specific sales performance milestone being met every year.

(e) The other loans payable amount was owed to two external parties for original principals of $82,500 since 2010. Interest expenses of 1% per month had been accrued for annually. The Company has filed a counter claim against these two parties to offset some of the amounts and is in process to be heard by the court.

14 SEGMENTED INFORMATION

The Company's business is considered as operating in one segment, developing, manufacturing, providing technological support and marketing the CRT 2000 Thermographic system. Sales were derived from customers located in the following geographic areas:

	2015	2014
Canada	$ 2,912	$ 3,279
United States	-	1,435
Europe	-	1,294
	$ 2,912	$ 6,008

15) FINANCIAL INSTRUMENTS

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash & cash equivalents, accounts receivable, due from related parties, bank indebtedness, accounts payable and accrued liabilities, due to related parties, due to shareholders and long term note payable.

Cash & cash equivalents is designated as FVTPL and therefore carried at fair value, with the unrealized gain or loss recorded in interest income.

The fair values of cash, bank indebtedness, accounts receivable and accounts payable & accrued liabilities approximate their book values because of the short-term nature of these instruments.

Due to/from related parties, due to shareholders and long term note payable are related party transactions and are carried at cost.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit Risk
Credit risk is the loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is attributable to accounts receivable and dues from related parties. The management in general sell or rent CRT units in cash to customers except for sales to related parties. As at October 31, 2014, accounts receivable include $7,750 (July 31, 2014 - $9,250). Management believes that the credit risk concentration with respect to financial instruments above is remote.

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2014, the Company had a working capital (deficiency) of ($990,044) (July 31, 2014: (935,063)). The Company will continue to raise additional capital through future private placements and public offering.

Market Risk
The significant market risks exposure to which the Company is exposed to foreign currency risk. The Company has managed its foreign currency risk by selling to most of its customers in Unites States at Canadian currency. Management will continue with this strategy in marketing future CRT products to customers in all foreign countries. Management is in process of re-establishing its distribution and marketing networks in all foreign countries for its CRT 2000 Thermographic system and will take all possible measures to mitigate different foreign currency risks to a minimum.

16) MANAGEMENT OF CAPITAL

The Company considers the items included in shareholders' equity and cash as capital. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to provide the research & development, manufacturing, technological support and marketing of the CRT 2000 Thermographic system. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is still currently in its development stage in marketing its CRT 2000 Thermographic system; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned business expansion and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable

17) FAIR VALUE MEASUREMENT

As at October 31, 2014, certain financial instruments were recorded at fair value on the statement of financial position with changes to fair value being reported in the statement of loss, except for those investments that do not have a quoted market price in an active market, which are measured at cost. The fair value measurement of these instruments is classified according to the following hierarchy based on the amount of observable inputs available to value the instrument.

- Level 1 - quoted prices in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.,: as prices) or indirectly (i.e.,: derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data.

At October 31, 2014, the levels in the fair value hierarchy into which the Company's financial assets and liabilities are measured and recognized in the statements of financial position at fair value are categorized as follows:

	Level 1	Level 2
Bank overdraft	$ 5,179	

18) SUBSEQUENT EVENT

There is no significant subsequent event to report.