

Pro Forma Balance Sheet - \$US @ 50% Confidence Level

	Fiscal Year 2001				Fiscal Year 2002				Fiscal Year 2003				Fiscal Year 2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Assets																
Current Assets																
Cash	\$1,343,877	\$1,606,896	\$3,839,646	\$4,463,484	\$3,933,087	\$4,010,740	\$5,909,314	\$6,257,159	\$6,665,896	\$7,495,292	\$9,474,913	\$10,328,196	\$11,766,085	\$13,367,301	\$14,755,606	\$16,273,289
Accounts receivable	\$0	\$623,523	\$370,893	\$246,528	\$259,186	\$717,817	\$441,590	\$270,305	\$499,423	\$869,902	\$624,004	\$469,595	\$726,162	\$1,017,960	\$797,484	\$656,984
Bad Debt allowance	\$0	(\$31,176)	(\$18,545)	(\$12,326)	(\$12,959)	(\$35,891)	(\$22,079)	(\$13,515)	(\$24,971)	(\$43,495)	(\$31,200)	(\$23,480)	(\$36,308)	(\$50,898)	(\$39,874)	(\$32,849)
Prepaid Expenses	\$182,324	\$120,455	\$60,227	\$0	\$183,437	\$122,291	\$61,146	\$0	\$199,844	\$133,229	\$66,615	\$0	\$184,476	\$122,984	\$61,492	\$0
Total Current Assets	\$1,526,202	\$2,319,697	\$4,252,222	\$4,697,686	\$4,362,751	\$4,814,958	\$6,389,970	\$6,513,949	\$7,340,192	\$8,454,928	\$10,134,332	\$10,774,311	\$12,640,415	\$14,457,347	\$15,574,708	\$16,897,424
Fixed Assets																
Gross Fixed Assets	\$400,658	\$445,448	\$795,656	\$981,836	\$981,836	\$981,836	\$981,836	\$981,836	\$1,109,486	\$1,237,136	\$1,436,936	\$1,476,896	\$1,604,546	\$1,732,196	\$1,931,996	\$1,971,956
Less accumulated depreciation	(\$31,741)	(\$83,475)	(\$149,771)	(\$263,888)	(\$386,617)	(\$509,347)	(\$632,076)	(\$754,805)	(\$856,432)	(\$954,020)	(\$1,052,357)	(\$1,121,187)	(\$1,193,707)	(\$1,282,183)	(\$1,385,968)	(\$1,508,068)
Net Fixed Assets	\$368,917	\$361,972	\$645,885	\$717,948	\$595,218	\$472,489	\$349,760	\$227,030	\$253,054	\$283,115	\$384,579	\$355,709	\$410,839	\$450,013	\$546,028	\$463,888
Total Assets	\$1,895,118	\$2,681,670	\$4,898,106	\$5,415,634	\$4,957,969	\$5,287,447	\$6,739,729	\$6,740,979	\$7,593,245	\$8,738,043	\$10,518,911	\$11,130,020	\$13,051,254	\$14,907,360	\$16,120,736	\$17,361,311
Liabilities & Shareholder's Equity																
Current Liabilities																
Bank Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accounts payable	\$261,270	\$579,714	\$1,177,202	\$918,593	\$1,270,924	\$1,346,035	\$1,522,401	\$1,206,524	\$1,936,592	\$1,997,541	\$2,152,430	\$1,745,536	\$2,497,499	\$2,498,994	\$2,626,785	\$2,259,927
Income taxes payable	\$0	\$0	\$452,505	\$667,523	\$179,251	\$0	\$227,996	\$239,489	\$164,552	\$516,011	\$974,550	\$1,296,812	\$1,686,147	\$2,379,362	\$2,009,784	\$2,593,400
Total Current Liabilities	\$261,270	\$579,714	\$1,629,707	\$1,586,116	\$1,450,176	\$1,346,035	\$1,750,396	\$1,446,013	\$2,101,144	\$2,513,552	\$3,126,980	\$3,042,348	\$4,183,647	\$4,878,355	\$4,636,570	\$4,853,327
Long-term liabilities																
Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Shareholders' Equity																
Equity	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Retained Earnings	(\$866,151)	(\$398,045)	\$768,400	\$1,329,517	\$1,007,794	\$1,441,412	\$2,489,333	\$2,794,965	\$2,992,101	\$3,724,491	\$4,891,931	\$5,587,671	\$6,367,608	\$7,529,004	\$8,984,166	\$10,007,984
Total Shareholders' Equity	\$1,633,849	\$2,101,955	\$3,268,400	\$3,829,517	\$3,507,794	\$3,941,412	\$4,989,333	\$5,294,965	\$5,492,101	\$6,224,491	\$7,391,931	\$8,087,671	\$8,867,608	\$10,029,004	\$11,484,166	\$12,507,984
Total Liabilities & Shareholders' Equity	\$1,895,118	\$2,681,670	\$4,898,106	\$5,415,634	\$4,957,969	\$5,287,447	\$6,739,729	\$6,740,979	\$7,593,245	\$8,738,043	\$10,518,911	\$11,130,020	\$13,051,254	\$14,907,360	\$16,120,736	\$17,361,311

Pro Forma Sources and Uses of Funds Statement \$US @ 50% Confidence

	Fiscal Year 2001				Fiscal Year 2002				Fiscal Year 2003				Fiscal Year 2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
(A) From Operating Activities																
Net Income	(\$866,151)	\$468,107	\$1,166,445	\$561,117	(\$321,723)	\$433,618	\$1,047,921	\$305,633	\$197,136	\$732,390	\$1,167,439	\$695,740	\$779,937	\$1,161,397	\$1,455,162	\$1,023,817
Add back non-cash expenses:																
Depreciation	\$31,741	\$51,735	\$66,295	\$114,117	\$122,729	\$122,729	\$122,729	\$122,729	\$101,626	\$97,589	\$98,337	\$68,830	\$72,520	\$88,476	\$103,785	\$122,100
Operating cash flow	(\$834,411)	\$519,841	\$1,232,740	\$675,234	(\$198,994)	\$556,348	\$1,170,651	\$428,362	\$298,762	\$829,978	\$1,265,776	\$764,570	\$852,457	\$1,249,873	\$1,558,947	\$1,145,917
(B) From Changes in Balance Sheet Accounts:																
Decrease(Increase) in Capital Expenditures	(\$400,658)	(\$44,790)	(\$350,208)	(\$186,180)	\$0	\$0	\$0	\$0	(\$127,650)	(\$127,650)	(\$199,800)	(\$39,960)	(\$127,650)	(\$127,650)	(\$199,800)	(\$39,960)
Decrease(Increase) in net Accounts Receivable	\$0	(\$592,347)	\$239,999	\$118,147	(\$12,026)	(\$435,700)	\$262,416	\$162,721	(\$217,663)	(\$351,955)	\$233,603	\$146,689	(\$243,739)	(\$277,208)	\$209,452	\$133,476
Decrease(Increase) in Prepaid Expenses	(\$182,324)	\$61,870	\$60,227	\$60,227	(\$183,437)	\$61,146	\$61,146	\$61,146	(\$199,844)	\$66,615	\$66,615	\$66,615	(\$184,476)	\$61,492	\$61,492	\$61,492
Increase(Decrease) in Accounts Payable	\$261,270	\$318,445	\$597,487	(\$258,609)	\$352,331	\$75,111	\$176,366	(\$315,877)	\$730,067	\$60,950	\$154,889	(\$406,894)	\$751,963	\$1,494	\$127,792	(\$366,858)
Increase(Decrease) in Income Taxes Payable	\$0	\$0	\$452,505	\$215,019	(\$488,272)	(\$179,251)	\$227,996	\$11,494	(\$74,937)	\$351,458	\$458,539	\$322,263	\$389,335	\$693,215	(\$369,578)	\$583,616
Net Cash from Changes in Balance Sheet Accounts	(\$321,712)	(\$256,823)	\$1,000,010	(\$51,396)	(\$331,404)	(\$478,694)	\$727,923	(\$80,516)	\$109,974	(\$583)	\$713,846	\$88,712	\$585,432	\$351,343	(\$170,641)	\$371,765
(c) From Investing Activities																
Increase(Decrease) in Short-Term Debt/Bank Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increase(Decrease) in Long-Term Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increase in Share Capital	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash from Financing Activities	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow	\$1,343,877	\$263,018	\$2,232,750	\$623,839	(\$530,398)	\$77,653	\$1,898,574	\$347,846	\$408,736	\$829,396	\$1,979,621	\$853,283	\$1,437,889	\$1,601,216	\$1,388,306	\$1,517,683
Summary:																
Opening Cash Balance	\$0	\$1,343,877	\$1,606,896	\$3,839,646	\$4,463,484	\$3,933,087	\$4,010,740	\$5,909,314	\$6,257,159	\$6,665,896	\$7,495,292	\$9,474,913	\$10,328,196	\$11,766,085	\$13,367,301	\$14,755,606
Net Cash Flow	\$1,343,877	\$263,018	\$2,232,750	\$623,839	(\$530,398)	\$77,653	\$1,898,574	\$347,846	\$408,736	\$829,396	\$1,979,621	\$853,283	\$1,437,889	\$1,601,216	\$1,388,306	\$1,517,683
Closing Cash Balance	\$1,343,877	\$1,606,896	\$3,839,646	\$4,463,484	\$3,933,087	\$4,010,740	\$5,909,314	\$6,257,159	\$6,665,896	\$7,495,292	\$9,474,913	\$10,328,196	\$11,766,085	\$13,367,301	\$14,755,606	\$16,273,289