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**ALIGN COMMUNICATIONS
INTERNATIONAL, LTD.**

FINANCIAL STATEMENTS

DECEMBER 31, 1999

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***ALIGN COMMUNICATIONS INTERNATIONAL, LTD.
STATEMENTS OF ASSETS, LIABILITIES AND EQUITY
FOR THE YEARS ENDED DECEMBER 31, 1999 AND 1998***

ASSETS

	<u>1999</u>	<u>1998</u>
<i>Current Assets:</i>		
Cash	\$ 16,173	\$ 2,421
Fixed Assets (Net of Accumulated Depreciation)	16,276	22,712
Sundry Assets	<u>4,992</u>	<u>4,992</u>
<i>Total Current Assets</i>	<u>\$ 32,449</u>	<u>\$ 30,125</u>
<i>Other Assets:</i>		
Deposits	<u>14,732</u>	<u>25,608</u>
<i>Total Assets</i>	<u><u>\$ 47,181</u></u>	<u><u>\$ 55,733</u></u>

LIABILITIES AND STOCKHOLDER'S EQUITY

	<u>1999</u>	<u>1998</u>
<i>Current Liabilities:</i>		
Sales Taxes Payable	82,634	72,049
Due to Align Communications Inc.	<u>218,496</u>	<u></u>
<i>Total Current Liabilities</i>	<u>\$ 301,130</u>	<u>\$ 72,049</u>
<i>Stockholder's Equity:</i>		
Common Stock	100	100
Retained Earnings	<u>(254,049)</u>	<u>(16,416)</u>
<i>Total Stockholder's Equity</i>	<u>(253,949)</u>	<u>55,733</u>
<i>Total Liabilities and Stockholder's Equity</i>	<u><u>\$ 47,181</u></u>	<u><u>\$ 55,733</u></u>

See Accountants' Compilation Report.

ALIGN COMMUNICATIONS INTERNATIONAL, LTD.
INCOME STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
<i>Revenue</i>	\$ 2,211,161	\$ 1,716,958
<i>Direct Costs</i>	<u>(769,752)</u>	<u>(954,405)</u>
<i>Gross Profit</i>	1,441,409	762,553
<i>Selling, General and Administrative Expenses</i>	<u>(1,700,246)</u>	<u>(714,192)</u>
<i>Income (Loss) from Operations</i>	(258,837)	48,361
<i>Other Income/(Expense) -Interest Income</i>	<u>14,921</u>	<u>34,891</u>
<i>Net Income (Loss)</i>	(243,916)	83,252
<i>Retained Deficit at January 1, 1998</i>	<u> </u>	<u>(99,668)</u>
<i>Net Income (Loss)</i>	<u><u>\$ (243,916)</u></u>	<u><u>\$ (16,416)</u></u>

See Accountants' Compilation Report.

ALIGN COMMUNICATIONS INTERNATIONAL, LTD.
STATEMENTS OF RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 1999

	<u>1999</u>
Retained Deficit-January 1, 1999	\$ (16,416)
Loss for the Year	(243,916)
Currency Translation Gain	<u>6,283</u>
Retained Deficit-December 31, 1999	<u><u>\$ (254,049)</u></u>

See Accountants' Compilation Report.

FIROOZNIA AND MEKUL
CERTIFIED PUBLIC ACCOUNTANTS, P.C.
111 BROOK STREET
SCARSDALE, NEW YORK 10583-5151
TEL. (914) 725-0101
FAX. (914) 725-0905

To the Board of Directors
Align Communications International, Ltd.
New York, New York

We have compiled the accompanying statement of assets, liabilities, and equity – income tax basis of Align Communications International, Ltd. as of December 31, 1999, and the related statement of revenues and expenses, and retained earnings – income tax basis, for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accounting basis used by the Company for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the income tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Firooznia & Mekul

October 10, 2000