

Attachment D - Financial Information

See Attached

WEST END COMMUNICATIONS, INC  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2000

# BUDOWSKY & BUDOWSKY

*Certified Public Accountants*

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MEMBERS AMERICAN AND FLORIDA  
INSTITUTES OF CERTIFIED  
PUBLIC ACCOUNTANTS

January 18, 2001

To the Board of Directors  
West End Communications, Inc.  
Miami, FL

We have compiled the accompanying statement of assets, liabilities, and stockholders' equity—income tax basis of West End Communications, Inc. (a corporation) as of December 31, 2000, and the related statement of revenue and expenses—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, stockholders' equity, revenue, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Budowsky & Budowsky C.P.A.s*

Budowsky and Budowsky, C.P.A.s

WESTEND COMMUNICATIONS, INC.  
 STATEMENT OF REVENUE AND EXPENSES  
 INCOME TAX BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2000

ASSETS

CURRENT ASSETS

Cash	\$123,453	
Accounts Receivable: Trade	2,427,353	
Accounts Receivable: Employees	3,966	
Inventory	36,842	
Prepaid Rent	1,811	
Total Current Assets	<u>          </u>	\$2,593,425

FIXED ASSETS

Furniture & Fixtures	\$7,397	
Equipment	559,326	
Software	9,000	575,723
Less: Accumulated Depreciation	<u>(30,194)</u>	<u>545,529</u>

OTHER ASSETS

Investment in Magical Stone at Cost	25,000	
Security Deposits	14,385	
Deposits on Equipment	<u>20,475</u>	
Total Other Assets	<u>          </u>	59,860

TOTAL ASSETS

\$3,198,814

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$2,140,912	
Note Payable: Ocean Capital (S-T)	<u>115,084</u>	
Total Current Liabilities	<u>          </u>	\$2,255,988

OTHER LIABILITIES

Note Payable: Ocean Capital (L-T)	398,313	
Loan Payable: McCallum	<u>114,400</u>	
Total Other Liabilities	<u>          </u>	510,713

STOCKHOLDERS' EQUITY

Stock	17,100	
Retained earnings:		
Earnings for the year ended		
December 31, 2000 (Exhibit B)	<u>415,005</u>	

Total Stockholders' Equity

432,105

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

\$3,198,814

WESTEND COMMUNICATIONS, INC.  
 STATEMENT OF ASSETS, LIABILITIES, AND STOCKHOLDERS' EQUITY  
 INCOME TAX BASIS  
 DECEMBER 31, 2000

	AMOUNT	PERCENT
REVENUE	\$3,855,797	100%
COSTS OF GOODS SOLD		
Purchases	2,885,257	
Ending Inventory	<u>(36,842)</u>	
	<u>\$2,828,415</u>	<u>74.3%</u>
GROSS MARGIN ON SALES	<u>\$1,007,382</u>	<u>25.7%</u>
OPERATING EXPENSES		
Advertising	44,091	1.1%
Amortization	417	0.0%
Auto Expenses	4,429	0.1%
Bank Charges	738	0.0%
Continuing Education	3,300	0.1%
Contracted Labor	238,375	6.1%
Depreciation	29,777	0.8%
Dues and Subscription	805	0.0%
Entertainment	8,482	0.2%
Equipment Rental	3,388	0.1%
Freight-Out	9,392	0.2%
Gifts	1,200	0.0%
Insurance	10,718	0.3%
Interest	84,459	2.2%
Office Expenses	12,918	0.3%
Payroll	83,039	2.1%
Professional Fees	5,050	0.1%
Rent	15,778	0.4%
Repairs & maintenance	4,601	0.1%
Taxes & Licenses	8,353	0.2%
Telephone	7,632	0.2%
Trade Shows	8,351	0.2%
Travel	21,812	0.6%
Utilities	<u>5,295</u>	<u>0.1%</u>
Total Expenses	<u>\$812,378</u>	<u>15.9%</u>
EARNINGS FOR THE YEAR	<u>\$415,005</u>	<u>9.8%</u>

Subject to accountants' report.

EXHIBIT B

BUDOWSKY & BUDOWSKY *Certified Public Accountants*