

Consolidated financial statements of

Uniserve Communications Corporation

Three months ended August 31, 2008

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim Consolidated Financial Statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

"William Spratt"

William Spratt, President and CEO

October 31, 2008

Uniserve Communications Corporation

Consolidated statement of operations and deficit

	Three months ended August 31,	
	2008	2007
	(Unaudited)	(Unaudited)
	\$	\$
Revenues	7,713,812	8,880,973
Cost of sales	3,370,628	3,678,475
Gross margin	4,343,184	5,202,498
Expenses		
Operations and service delivery costs	3,685,568	3,791,473
Sales and marketing	362,115	499,906
Amortization of property and equipment	274,970	266,750
Amortization of intangible assets (Note 3)	348,681	768,682
Amortization of deferred finance costs (Note 3)	71,931	103,433
Stock-based compensation (Note 8(d))	2,937	-
	4,746,202	5,430,244
Operating loss	(403,018)	(227,746)
Other income (expense)		
Interest and bank charges	(793,955)	(882,487)
Foreign exchange gain (loss)	(558,966)	96,780
Accretion to face value of subordinated debt (Note 7)	(101,500)	-
Accretion to face value of preferred shares (Note 7)	(79,798)	-
	(1,534,219)	(785,707)
Loss before income taxes	(1,937,237)	(1,013,453)
Income tax recovery (expense)		
Current	(90,000)	(90,000)
Future	67,200	-
	(22,800)	(90,000)
Net loss and comprehensive loss for the period	(1,960,037)	(1,103,453)
Deficit, beginning of period	(17,187,683)	(12,051,867)
Deficit, end of period	(19,147,720)	(13,155,320)
Basic and diluted		
Loss and comprehensive loss per common share	(0.08)	(0.05)
Weighted average number of common shares outstanding	24,546,082	22,924,367

See accompanying notes to interim consolidated financial statements.

Uniserve Communications Corporation

Consolidated balance sheet

	August 31, 2008 (Unaudited)	May 31, 2008 (Audited)
	\$	\$
Assets		
Current assets		
Cash	565,320	201,118
Accounts receivable	2,881,267	2,942,307
Inventory	304,358	338,710
Prepaid expenses	187,559	438,670
Future income tax asset	182,871	182,871
	4,121,375	4,103,676
Future income tax asset	225,661	225,661
Property and equipment	3,113,160	3,218,577
Intangible and other assets (Note 3)	11,647,579	11,815,824
Goodwill (Note 4)	10,219,891	10,219,891
	29,327,666	29,583,629
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	8,596,885	7,494,143
Due to vendors of businesses acquired	450,879	450,879
Income taxes payable	428,581	484,358
Deferred revenue	1,318,381	1,428,316
Bank indebtedness (Note 6)	1,519,184	1,608,035
Obligations under capital leases	578,729	524,794
Due to related parties (Note 5)	1,888,383	1,893,458
Current portion of future income tax liability	33,950	33,950
	14,814,972	13,917,933
Long-term debt (Note 7)	12,185,527	11,314,229
Future income tax liability	2,215,183	2,282,383
	29,215,682	27,514,545
Shareholders' equity		
Share capital (Note 8(a))	14,315,028	14,247,905
Other equity instruments (Note 8(e))	3,792,559	3,792,559
Contributed surplus (Note 8(a))	1,152,117	1,216,303
Deficit	(19,147,720)	(17,187,683)
	111,984	2,069,084
	29,327,666	29,583,629

See accompanying notes to interim consolidated financial statements.

Approved by the Directors

"William Spratt"

Director

"Maurice Lees"

Director

Uniserve Communications Corporation

Consolidated statement of cash flows

	Three months ended August 31,	
	2008	2007
	(Unaudited)	(Unaudited)
	\$	\$
Operating activities		
Net loss for the year	(1,960,037)	(1,103,453)
Items not involving cash		
Amortization of property and equipment	274,096	227,441
Amortization of intangible assets	348,681	704,218
Amortization of deferred finance costs	71,931	112,811
Amortization of warrant & conversion options	-	219,874
Accretion to face value of preferred shares	79,798	-
Accretion to face value of subordinated debt	101,500	-
Stock-based compensation	2,937	-
Unrealized loss on foreign exchange	620,681	-
Future income taxes	(67,200)	(270,129)
Net proceeds on issuance of common shares	70,000	-
Net proceeds from common shares to be issued	(70,000)	-
Changes in non-cash operating working capital		
Accounts receivable	125,508	348,614
Investment tax credits receivable	-	973,054
Inventory	34,352	(75,473)
Prepaid expenses	251,111	(27,218)
Accounts payable and accrued liabilities	1,102,742	(705,066)
Deferred revenue	(109,935)	(187,271)
Income taxes payable	(55,777)	(82,101)
	820,388	135,301
Investing activities		
New product development	(252,367)	(333,457)
Purchase of property and equipment	(200,473)	(134,109)
Due to vendors of businesses acquired	-	(1,147,623)
	(452,840)	(1,615,189)
Financing activities		
Repayment of capital lease obligations	85,729	-
Revolving line of credit	(70,000)	-
Repayment of short-term debt	(18,851)	-
Repayments to related parties	(5,075)	(78,693)
Repayment of promissory notes	-	(3,000,000)
Net proceeds on issuance of preferred shares	-	850,000
	(8,197)	(2,228,693)
Effect of foreign exchange rate changes on cash	4,851	-
Increase (decrease) in cash	359,351	(3,708,581)
Cash, beginning of year	201,118	5,711,271
Cash, end of period	565,320	2,002,690

See accompanying notes to interim consolidated financial statements.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

1. Nature of operations and going concern

Uniserve Communications Corporation ("the Company") was incorporated on January 19, 1988 under the Company Act of British Columbia. The Company's principal business activity is the provision of Internet access and related communications services primarily in British Columbia, Alberta, Ontario and Quebec which represents a single operating segment. The acquisition of Parasun Technologies Inc. ("Parasun") and KBT Systems Corporation ("KBT") will create new revenue opportunities and adds to the product suite that can be offered to all of the Company's retail and wholesale customers.

The industry in which the Company operates requires the Company to provide services to a large number of individual customers. As such, there are significant economies of scale required to achieve continued profitability and positive operating cash flow. To attain and maintain the necessary economies of scale, the Company completed the acquisitions of Parasun on May 24, 2007 and KBT on May 23, 2007.

As at August 31, 2008, the Company has a working capital deficiency of \$10,693,597 (May 31, 2008 - deficiency of \$9,814,257). For the period ended August 31, 2008 and the year ended May 31, 2008, the Company had positive cash flow from operations but incurred net losses due to interest expense, foreign exchange, amortization of customer lists and other intangible assets, accretion to face value of subordinated debt and preferred shares, the write-down of goodwill and intangible assets and loss on settlement of note payable. Accordingly, its ability to continue as a going concern, which means that it can realize its assets and discharge its liabilities in the normal course of business, is dependent in part upon the Company's ability to continue to generate positive cash flow from operations and to obtain additional equity or debt financing in the near term to continue to meet its obligations as they come due.

2. Basis of Presentation and Accounting Policies:

(a) Basis of presentation:

The unaudited interim Consolidated Financial Statements include the accounts of Uniserve Communications Corp., and its subsidiaries (collectively the "Company"). The notes presented in these unaudited interim Consolidated Financial Statements include only significant events and transactions occurring since the Company's last fiscal year end and are not fully inclusive of all matters required to be disclosed in the Company's annual audited consolidated financial statements. As a result, these unaudited interim Consolidated Financial Statements should be read in conjunction with the Company's consolidated financial statements for the year ended May 31, 2008.

(b) Accounting Policies:

The unaudited interim Consolidated Financial Statements follow the same accounting policies and method of application as the most recent annual consolidated financial statements.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

3. Intangible and other assets

	August 31, 2008			
	Cost	Accumulated amortization	Write-down	Net book value
	\$	\$		\$
Customer lists	20,883,939	15,332,336	-	5,551,603
Intellectual property	4,020,000	957,500	-	3,062,500
Deferred finance costs	1,258,705	674,657	-	584,048
Product development costs	2,402,648	-	-	2,402,648
Other assets	46,780	-	-	46,780
	28,612,072	16,964,493	-	11,647,579

	May 31, 2008			
	Cost	Accumulated amortization	Write-down	Net book value
	\$	\$		\$
Customer lists	20,871,161	14,675,288	395,866	5,800,007
Intellectual property	4,020,000	402,000	468,000	3,150,000
Deferred finance costs	1,258,705	602,726	-	655,979
Product development costs	2,160,857	-	-	2,160,857
Other assets	48,981	-	-	48,981
	28,359,704	15,680,014	863,866	11,815,824

4. Goodwill

Balance, May 31, 2006	4,312,884
Acquisition of Parasun	5,112,244
Acquisition of KBT	364,903
Balance, May 31, 2007	9,790,031
Purchase price reallocation - Parasun	485,566
Purchase price reallocation - KBT	98,000
Write-down - KBT	(153,706)
Balance, May 31, 2008 and August 31, 2008	10,219,891

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

5. Related party transactions

	Aug. 31, 2008	May 31, 2008
	\$	\$
\$1,000,000 loan payable to a director and shareholder of the Company, payable on demand, bearing interest at 15% per annum payable monthly, secured by a general security agreement granting first charge subject to permitted encumbrances over all assets of the Company (notes 5(a), 5(b), 5(c))	912,055	912,055
\$650,000 loan payable to a director and shareholder of the Company, payable on demand, bearing interest at 18% per annum payable monthly, secured by a general security agreement granting first charge subject to permitted encumbrances over all assets of the Company (note 5(b))	576,328	581,403
\$400,000 loan payable to a company controlled by a director and shareholder of the Company, payable on demand, bearing interest at 18% per annum payable monthly, secured by a general security agreement granting first charge subject to permitted encumbrances over all assets of the Company (note 5(b))	400,000	400,000
	1,888,383	1,893,458

(a) The Company was charged \$100,000 in loan extension fees in the year ended May 31, 2008 (2007 - \$nil). These fees were outstanding as at August 31, 2008 (May 31, 2008 - \$100,000) and were included in accounts payable and accrued liabilities.

(b) As at August 31, 2008 accumulated interest in arrears of \$176,086, \$138,714, and \$36,493 (May 31, 2008 - \$141,603, \$113,520 and \$18,345) was included in accounts payable and accrued liabilities for the \$1,000,000, \$650,000 and \$400,000 loans respectively.

On October 7, 2008, subsequent to the balance sheet date, the \$1,000,000, the \$650,000 and the \$400,000 loans plus accrued interest amounts of \$190,493, \$151,141, \$43,938 respectively, were paid in conjunction with the sale of Parasun to IBBS, see note 10.

(c) During the year ended May 31, 2007, the Company incurred costs associated with issuing 350,000 share purchase warrants to a director and shareholder for the extension of the expiry date of the \$1,000,000 loan. Each warrant entitled the holder to purchase one common share at an exercise price of \$0.40; the fair value of these warrants was \$66,500. These warrants expired on March 9, 2008, and the previously recorded warrant value was charged to deficit in the year ended May 31, 2008.

(d) One of the Company's subsidiaries entered into a lease agreement, commencing June 1, 2008 with a private company controlled by a director and shareholder.

Related party transactions are in the normal course of operations and are recorded at amounts established and agreed between the related parties.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

6. Bank indebtedness

	Aug. 31, 2008	May 31, 2008
	\$	\$
Revolving credit facility bearing interest at prime plus 2%, secured by a general security agreement constituting a first ranking security interest in all assets of the Company	1,340,000	1,410,000
Bank demand loan bearing interest at prime plus 3% repayable in monthly blended payments of \$7,650; secured by a general security agreement over assets of KBT	179,184	198,035
	1,519,184	1,608,035

The revolving credit facility was repaid subsequent to the balance sheet date in conjunction with the sale of the Company's wholly owned subsidiary, Parasun, see note 10.

7. Long-term debt

	Aug. 31, 2008	May 31, 2008
	\$	\$
Subordinated debt, US\$10,000,000 bearing interest at 12% per annum, maturing November 24, 2012, net of unamortized discount of \$1,522,500 (May 31, 2008 - \$1,624,000), (note 8(e)(i)), interest-only payments to May 2009, with the loan repayable thereafter at US\$62,500 per month with the balance at maturity	9,097,500	8,306,000
Series A Convertible Preferred Shares, \$4,285,000 (May 31, 2008 - \$4,285,000) redeemable at the option of the holder on or after May 24, 2014, 8% cumulative dividends, net of unamortized discount of \$1,196,973 (May 31, 2008 - \$1,276,771 (Note 8(a)(iii)))	3,088,027	3,008,229
	12,185,527	11,314,229
Current portion of long-term debt	-	-
	12,185,527	11,314,229

The Company agreed to pay US\$50,000 per month for a six month period commencing December 2007 as part of a temporary relaxation of the financial covenants with the holder of the subordinated debt. As of June 1, 2008 the interest rate on the subordinated debt increased to 18% as the Company was not able to meet the financial covenants of the subordinated debt.

Subsequent to the balance sheet date the subordinated debt was repaid in conjunction with the sale of the Company's wholly owned subsidiary, Parasun, see note 10.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

8. Share capital

(a) *Authorized and issued and contributed surplus*

The authorized share capital of the Company consists of an unlimited number of common shares and an unlimited number of Convertible Preferred Shares. As at August 31, 2008, 428,500 (May 31, 2008 – 428,500) Preferred Shares, Series A are outstanding. Common no par value shares outstanding are as follows:

Balance, May 31, 2007	22,924,367	13,742,296	1,124,635
Private placement (ii)	1,506,498	505,609	21,668
Private placement (i)	-	-	70,000
Balance, May 31, 2008	24,430,865	14,247,905	1,216,303
Private placement (i)	-	-	(70,000)
Private placement (i)	200,000	67,123	2,877
Stock-based compensation expense	-	-	2,937
Balance, August 31, 2008	24,630,865	14,315,028	1,152,117

- (i) On July 9, 2008, the Company issued 200,000 units via a private placement. Each unit consisted of one common share at \$0.35 and one half share purchase warrant for total proceeds of \$70,000. Warrants are exercisable until July 9, 2010 at an exercise price of \$0.45. On issue the amount allocated to share capital was \$67,123 and \$2,877 was allocated to the warrant.

The value assigned to the warrants of \$0.03 per share was determined using the Black Scholes option pricing formula with the following assumptions: risk free interest rate – 3.25%; annual dividends – nil; expected life – 23 months; expected stock price volatility – 40%.

- (ii) On April 24, 2008, the Company issued 1,506,498 units via a private placement. Each unit consisted of one common share at \$0.35 and one half share purchase warrant for total proceeds of \$527,277. Warrants are exercisable until April 24, 2010 at an exercise price of \$0.45. On issue the amount allocated to share capital was \$505,069 and \$21,668 was allocated to the warrant.

The value assigned to the warrants of \$0.03 per share was determined using the Black Scholes option pricing formula with the following assumptions: risk free interest rate – 3.25%; annual dividends – nil; expected life – 23 months; expected stock price volatility – 40%.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

8. Share capital (continued)

(a) *Authorized and issued and contributed surplus (continued)*

- (ii) During the year ended May 31, 2007, the Company issued the first tranche of 316,500 Series A Convertible Preferred Shares by way of Private Placement for gross proceeds of \$3,165,000. During the year ended May 31, 2008, the Company issued an additional 112,000 Series A Convertible Preferred Shares in four tranches for gross proceeds of \$1,120,000. These Preferred Shares are convertible to common shares at \$0.75 in year one, \$0.80 in year two, \$0.90 in year three, \$1.05 in year four and \$1.25 in year five and carry a cumulative dividend rate of 8%. The Company can, at its option, force conversion, if, at any time during the term, the common shares of the Company trade at 200% of the conversion price then in effect for a period of 30 days. The Preferred Shares are redeemable at the option of the holder on or after the fifth anniversary of the date of issue. As the Company may be required to redeem the preferred shares for cash, they have been classified as long-term debt with the value of the conversion right included in other equity instruments.

As the Company may be required to redeem the preferred shares for cash, they have been classified as long-term debt with the value of the conversion right included in other equity instruments. On issue the amount allocated to long-term debt was \$2,701,441 and \$1,583,559 was allocated to the conversion right. The carrying value of the amount allocated to long-term debt is being accreted to the face value of the preferred shares over a five year period.

(b) *Escrow*

As at August 31, 2008, 192,624 (May 31, 2008 - 192,624) shares are held in trust and are subject to arbitration proceedings.

(c) *Share purchase warrants*

The following share purchase warrants were outstanding as of August 31, 2008:

<u>Issue date</u>	<u>Expiry date</u>	<u>Number of warrants</u>	<u>Exercise price</u> \$
April 18, 2007	October 18, 2008 ⁽¹⁾	415,000	0.75
May 24, 2007	May 24, 2009	350,000	0.70
May 24, 2007	May 24, 2012	3,500,000	0.70
April 24, 2008	April 24, 2010	753,251	0.45
July 9, 2008	July 9, 2010	100,000	0.45
		<u>5,118,251</u>	

⁽¹⁾ All of the 415,000 warrants expired subsequent to the balance sheet date.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

8. Share capital (continued)

(d) Share purchase options (continued)

Pursuant to the policies of the TSX Venture Exchange, the Company may grant incentive stock options to its officers, directors and employees. TSX Venture Exchange policies permit the Company's directors to grant incentive stock options of the purchase of shares of the Company to persons in consideration for services. Stock options must be non-transferable and the aggregate number of shares that may be reserved for issuance pursuant to stock options may not exceed 10% of the issued shares of the Company at the time of granting and may not exceed 5% to any individual. The exercise price of stock options and vesting period is determined by the Board of Directors of the Company at the time of grant and may not be less than the average closing price of the Company's shares on the ten trading days immediately preceding the day on which the option is granted and publicly announced. Options have a maximum term of five years and terminate 30 days following the termination of the optionee's employment, except in the case of retirement, death, or disability, in which case they terminate one year after the event.

During the year ended May 31, 2007, 2,275,000 stock options were granted all of which were outstanding as at May 31, 2007. These options were granted at an exercise price of \$0.50 or \$0.65 and expire five years from the date of grant. The vesting periods ranged from vesting immediately to vesting over a 3 year period.

During the year ended May 31, 2008 and the period ended August 31, 2008, no stock options were granted. For the period ended August 31, 2008, the Company recognized stock-based compensation related to stock options of \$2,937 (August 31, 2007 - \$nil). The weighted average fair value of the options granted during the year ended May 31, 2007 was \$0.34. Stock-based compensation was measured using the Black Scholes option pricing formula with the following weighted average assumptions: risk free interest rate 3.97%, annual dividend rate nil; expected stock-price volatility 120%; expected life of options 5 years.

Stock option activity is summarized as follows:

	Options outstanding		
	Shares available for grant	Number of optioned common shares	Weighted average exercise price \$
Balance, May 31, 2007	17,437	2,275,000	0.51
Options forfeited	482,500	(482,500)	0.50
Additional shares available for grant	150,650	-	-
Options forfeited	355,000	(355,000)	0.50
Balance, May 31, 2008	1,005,587	1,437,500	0.51
Additional shares available for grant	20,000	-	-
Options forfeited	100,000	(100,000)	0.50
Balance August 31, 2008	1,125,587	1,337,500	0.51

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

8. Share capital (continued)

(d) *Share purchase options (continued)*

The following table summarizes information about stock options outstanding and exercisable as at August 31, 2008:

Range of exercise prices	Options outstanding		Options exercisable	
	Number of common shares issuable	Remaining contractual life (years)	Number of common shares issuable	Remaining contractual life (years)
\$				
0.50	1,187,500	3.19	1,145,000	3.19
0.65	150,000	3.73	50,000	3.73
	1,337,500	3.25	1,195,000	3.21

Stock-based compensation

The fair value of the Company's stock-based awards granted was estimated using the Black-Scholes valuation model. For the period ended August 31, 2008 the Company recognized stock-based compensation related to stock options of \$2,937 (August 31, 2008 - \$nil).

(e) *Other equity instruments*

	Aug. 31, 2008	May 31, 2008
	\$	\$
Conversion rights on Series A preferred shares (Note 8(a)(iii))	1,583,559	1,583,559
Warrants (i)	150,500	150,500
Warrants (ii)	2,030,000	2,030,000
Warrants (iii)	28,500	28,500
	3,792,559	3,792,559

- (i) As part of the \$3,000,000 promissory note payable that was repaid in the year ended May 31, 2008, the Company issued 350,000 warrants. On issue, the Company allocated \$150,500 of the proceeds received to the warrants issued based on their fair value with the remaining amounts allocated to the promissory note payable.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

8. Share capital (continued)

(e) *Other equity instruments (continued)*

- (ii) As part of the US\$10,000,000 subordinated debt financing arrangements described in Note 8, the Company issued a total of 3,500,000 warrants. On issue, the Company allocated \$2,030,000 of the proceeds received to the warrants issued based on their fair value with the remaining amounts allocated to the subordinated debt. The subordinated debt was repaid subsequent to the balance sheet date, see note 10.
- (iii) During the year ended May 31, 2007, in consideration for the issue of certain interim financing, the Company issued warrants with a fair value of \$28,500.

9. Cash flow supplemental information

	Aug. 31, 2008	Aug. 31, 2007
	\$	\$
Supplementary information		
Interest paid	586,475	495,646
Non-cash financing and investing transactions		
Obligations under capital leases	31,794	-
Taxes paid	357,580	-

10. Subsequent events

On October 7, 2008, the Company completed the sale of its wholly owned subsidiary, Parasun to Integrated Broadband Services ("IBBS"), for cash consideration of US\$20,000,000 in exchange for all of the issued and outstanding shares of Parasun. Of the purchase price, US\$2,500,000 US is to be held in escrow for a period of 1 year to satisfy any indemnification claims for any deficiencies in the representations and warranties and for any taxes owing up to the date of sale.

In conjunction with the sale, the long-term debt of US\$10,000,000 including an early payment fee of \$400,000 plus the accrued interest was repaid. Amounts due to related parties totaling \$1,883,383, plus accrued interest of \$351,293 and capital lease obligations totaling \$578,729 and amounts due to vendors of businesses acquired totaling \$440,562 as at August 31, 2008 were also paid out in conjunction with the sale. In addition, the balance outstanding on the revolving line of credit was repaid.

Uniserve Communications Corporation

Notes to the consolidated financial statements

August 31, 2008

10. Subsequent events (continued)

As at August 31, 2008 the financial results associated with Parasun are as follows:

	August 31, 2008 Parasun	August 31, 2008 Uniserve Excluding Parasun	August 31, 2008 Uniserve Consolidated
Revenues	2,575,071	5,138,741	7,713,812
Gross margin	1,921,638	2,421,546	4,343,184
<u>Expenses</u>	<u>1,987,591</u>	<u>2,758,611</u>	<u>4,746,202</u>
Operating loss	(65,953)	(337,065)	(403,018)
Other income (loss)	(152,219)	(1,382,000)	(1,534,219)
Loss before income taxes	(218,172)	(1,719,065)	(1,937,237)
Income taxes	(22,800)	-	(22,800)
<u>Net loss and comprehensive loss for the period</u>	<u>(240,972)</u>	<u>(1,719,065)</u>	<u>(1,960,037)</u>
Current assets	3,265,577	855,798	4,121,375
Future income tax asset	67,000	158,661	225,661
Property and equipment	1,105,743	2,007,417	3,113,160
Intangible and other assets	9,425,401	2,222,178	11,647,579
Goodwill	4,932,807	5,287,084	10,219,891
<u>Total assets</u>	<u>18,796,528</u>	<u>10,531,138</u>	<u>29,327,666</u>
Current liabilities	2,450,127	12,364,845	14,814,972
Long-term debt	-	12,185,527	12,185,527
Future income tax liability	2,215,183	-	2,215,183
<u>Total liabilities</u>	<u>4,665,310</u>	<u>24,550,372</u>	<u>29,215,682</u>
Shareholders' equity	14,131,218	(14,019,234)	111,984
<u>Total liabilities and shareholders' equity</u>	<u>18,796,528</u>	<u>10,531,138</u>	<u>29,327,666</u>