

VALUE ADDED COMMUNICATIONS, INC.
UNAUDITED FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED 12/31/2013

STATEMENT OF FINANCIAL POSITION

<i>Assets</i>	
Cash	2,876,725
AR	3,248,412
Prepaid and other current assets	460,861
Intercompany balances	<u>71,448</u>
Total current assets	6,657,446
Property & equipment, net	1,990,049
Other intangible assets	25,029,771
Goodwill	18,611,194
Other assets, long term	<u>305,408</u>
<i>Total assets</i>	52,593,869
 <i>Liabilities & Equity</i>	
Accounts payable	737,487
Accrued liabilities	696,550
Commission payable	4,777,679
Deferred revenue, current	2,381,748
Income tax payable	<u>2,311,392</u>
Total current liabilities	10,904,857
Deferred tax liability, long term	<u>9,676,078</u>
<i>Total liabilities</i>	20,580,935
Additional paid in capital	49,061,198
Accumulated deficit	<u>(17,048,264)</u>
Total equitiy	<u>32,012,934</u>
<i>Total liabilities & equity</i>	52,593,869
check total s/b zero	-

STATEMENT OF OPERATIONS

Net revenue	70,684,094
Cost of revenue	46,934,404
General & Administrative	16,564,845
Bad Debt Expense	1,642,385
Loss on disposal of assets	<u>145,524</u>
Total operating expenses	<u>65,287,157</u>
Income from operations	5,396,937
Interest Income	<u>3,065</u>
Total other income	3,065
Income before taxes	<u>5,400,002</u>
Income tax expense	<u>2,160,001</u>
Net income	<u>3,240,001</u>