

09/15/00

**Image Online Design**  
**Profit and Loss**  
 January through August 2000

	Jan - Aug '00
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Fees</b>	
.WEB Fees	528,386.88
Development Fees	135.00
Service Fee	6,726.08
<b>Total Fees</b>	535,247.96
<b>Total Income</b>	535,247.96
<b>Gross Profit</b>	535,247.96
<b>Expense</b>	
Advertising	5,988.70
Bank Service Charges	18,822.38
<b>Computer Expense</b>	
Software Expense	481.96
Computer Expense - Other	156.51
<b>Total Computer Expense</b>	638.47
Computer Supplies	332.27
Depreciation Expense	0.00
Development & Consulting	23,360.53
Interest Expense	1,184.11
Internic Registration Services	105.00
Miscellaneous	0.00
Office Supplies	96.79
Postage and Delivery	84.00
<b>Professional Fees</b>	
Legal Fees	107,307.93
<b>Total Professional Fees</b>	107,307.93
<b>Taxes</b>	
Local	55.00
Property	66.38
<b>Total Taxes</b>	121.38
Telephone	25,547.04
Travel & Ent	13,163.85
<b>Total Expense</b>	196,752.45
<b>Net Ordinary Income</b>	338,495.51
<b>Other Income/Expense</b>	
<b>Other Income</b>	
Interest Income	996.28
<b>Total Other Income</b>	996.28
<b>Other Expense</b>	
Deductions for Bad Debt	8,840.07
<b>Total Other Expense</b>	8,840.07
<b>Net Other Income</b>	-7,843.79
<b>Net Income</b>	330,651.72

09/15/00

**Image Online Design  
Balance Sheet  
As of August 31, 2000**

	Aug 31, '00
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
First Bank of San Luis Obispo	106,246.20
First Bank of SLO Moneymarket	181,116.53
<b>Total Checking/Savings</b>	287,362.73
<b>Accounts Receivable</b>	
Accounts Receivable	16,987.37
<b>Total Accounts Receivable</b>	16,987.37
<b>Other Current Assets</b>	
Prepaid Taxes	800.00
Undeposited Funds	-55.00
<b>Total Other Current Assets</b>	745.00
<b>Total Current Assets</b>	305,095.10
<b>Fixed Assets</b>	
<b>Fixed Assets</b>	
Accumulated Depreciation	-33,935.62
Adtran TSU/Hub	4,724.11
Air Conditioners	959.87
APC Smart UPS 450	627.88
Ascend Pipeline 50 ISDN	1,193.63
Camera	716.21
Cisco 2514 Router	2,895.61
Computer 1	3,664.28
Computer 2	3,272.82
Computer 3	4,379.64
Computer 4,5,6	8,534.58
Computer 7	8,595.03
Computer 8 & 9	15,627.42
JAZ Drive	527.96
Printer	569.00
Scanner	2,239.62
Telefax Machine	546.27
Verifone Credit Card Machine	321.75
<b>Total Fixed Assets</b>	25,460.06
<b>Total Fixed Assets</b>	25,460.06
<b>Other Assets</b>	
Christopher Ambler Draw	22,433.65
John Frangie Draw	2,907.00
<b>Total Other Assets</b>	25,340.65
<b>TOTAL ASSETS</b>	<b>355,895.81</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Equity</b>	
Capital Stock	1,000.00
Distributions C Ambler	-5,508.00
Distributions J Frangie	-5,508.00
Retained Earnings	33,272.09
Net Income	332,639.72
<b>Total Equity</b>	355,895.81
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>355,895.81</b>