

B2B SOFTECH INC.

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2014

B2B SOFTECH, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2014

CONTENTS

	<u>Page</u>
Accountants' Audit Report	1
Financial Statements:	
Balance Sheet	2
Statement of Income	3
Statement of Stockholders' Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6-7
Accountants' Audit Report on Supplemental Information	8
Supplementary Information:	
Schedule of Operating Expenses	9

**KUMAR INCOME TAX SERVICE
18118 PARTHENIA STREET
NORTHRIDGE, CA 91325
TEL: 818-349-9300**

Board of Directors
B2B Softech Inc.
11407 Wistful Vista Way
Porter Ranch, CA 91326.

We have audited the accompanying balance sheet of B2B Softech Inc. as of March 31, 2014 and the related statements of operations, stockholders' equity and cash flows for the year ended March 31, 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the financial position of B2B Softech Inc. as of March 31, 2014 and the results of its operations and its cash flows for the year ended March 31, 2014 in conformity with generally accepted accounting principles.

SATISH TOMAR

SATISH TOMAR
KUMAR INCOME TAX SERVICES
Northridge, California
April 29, 2014

18118 Parthenia Street, Northridge, California 91325
Telephone 818-349-9300

B2B SOFTECH, INC.

BALANCE SHEET – MARCH 31, 2014

ASSETS

Current Assets:

Cash	\$ 60,633
Accounts receivable	<u>10,100</u>
Total current assets	70,733

Property and Equipment, net of Accumulated depreciation and amortization	<u>1,284</u>
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Total assets	<u>\$ 72,017</u>
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Liabilities and Stockholders' Equity

Stockholders Equity:

Common stock: \$1.00 par value, 1,000,000 shares authorized, 72,000 shares issued and outstanding	72,000
Retained Earnings	<u>17</u>

Total stockholders' equity	<u>\$ 72,017</u>
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Total Liabilities and stockholders equity	<u>\$ 72,017</u>
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B2B SOFTECH, INC.
STATEMENT OF INCOME
YEAR ENDED MARCH 31, 2014

	<u>Amount</u>	<u>Percent</u>
Net Revenues	\$ 438,288	100.000%
	<u>0</u>	<u>0.0</u>
Gross Profit	438,288	100.000
Operating Expenses	<u>434,672</u>	<u>99.175</u>
Net Income	<u>\$ 3,616</u>	<u>0.825</u>

B2B SOFTECH, INC.
STATEMENT OF STOCKHOLDERS' EQUITY
YEAR ENDED MARCH 31, 2014

Balance at April 1, 2013	\$ 68,401
Net Income for the year ended March 31, 2014	<u>3,616</u>
Balance at March 31, 2014	<u>\$ 72,017</u>

B2B SOFTECH, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2014

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

Cash flow provided by (used for) operating activities:	
Net Income	\$ 3,616
Adjustments to reconcile net income to net cash	
Provided by (used for) operating activities -	
Depreciation and amortization	\$ 2,339
Changes in assets and liabilities:	
(Increase) decrease in assets:	
Accounts receivable	467
Increase (decrease) in liabilities –	
Accounts payable	<u>0</u>
Total adjustments	<u>2,806</u>
Net cash provided from operating activities	6,422
Cash and Cash equivalents, beginning of period	<u>54,211</u>
Cash and Cash equivalents, end of period	<u>\$ 60,633</u>

B2B SOFTECH, INC
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

(1) Summary of Significant Accounting Policies:

General:

B2B Softech, Inc (the “Company”) was incorporated under the laws of state of California on June 19, 2000.

The company is a 100% owned subsidiary of B2B Software Technologies Ltd, a company in India.

Business Activity:

The company designs, develops, markets, and exports proprietary software products to customers worldwide. The Company also provides training and consulting services in exchange for fees from customers. The Company also imports hardware and other products for sale.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value:

Unless otherwise indicated, the fair values of all reported assets and liabilities which represent financial instruments, none of which are held for trading purposes, approximate carry values of such amounts.

Cash Equivalents:

For purposes of the statement of cash flows, cash equivalents include all highly liquid debt instruments with original maturities of three months or less which are not securing any corporate obligations.

B2B SOFTECH, INC

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2014

(2) Major Customers:

During the year ended March 31, 2014, two customer accounted for 100% of the total sales of \$438,288; and one customer owed approximately \$10,100 as of March 31, 2014.

(3) Property and Equipment:

A summary is as follows:

Office Equipment	\$42,749
Furniture and fixtures	5,902
Software	1,956
Capitalized costs of new product line	<u>30,000</u>
	80,607
Less accumulated depreciation and amortization	<u>79,323</u>
	<u>\$ 1,284</u>

Depreciation and amortization expense related to property and equipment is \$2,339 for the year ended March 31, 2014.

(4) Stockholders' equity:

The Company is authorized to issue 1,000,000 shares with a par value of \$1.00. The company has 72,000 shares issued to B2B Software Technologies Ltd. (the parent company in India).

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**Board of Directors
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11407 Wistful Vista Way
Porter Ranch, CA 91326.**

The supplemental information for the year ended March 31, 2014, continued on page 9 is presented only for supplementary analysis purposes and is the representation of the Board of Directors and management of B2B Softech Inc. Such information has been subjected to the generally accepted accounting principles applied in the audit of the basic financial statements, and we are not aware of any material modification that should be made to the supplemental information in order for it to be in conformity with accounting principles generally accepted in the United States of America.

SATISH TOMAR

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KUMAR INCOME TAX SERVICES
Northridge, California
April 29, 2014**

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B2B SOFTECH INC.

**SCHEDULE OF
OPERATING EXPENSES**

FOR THE YEAR ENDED MARCH 31, 2014

	<u>Amount</u>	<u>Percent</u>
General and administrative:		
Salaries and Payroll Taxes	392,880	89.640
Bank Charges	206	0.047
Depreciation	2,339	0.534
Health / General Insurance	35,478	8.095
Legal & Accounting	2,800	0.639
Taxes	909	0.206
Telephone	60	0.014
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	<u>\$434,672</u>	<u>99.175%</u>