



ORIGINAL

October 15, 2002
Overnight Delivery

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02 OCT 16 AM 9:56
COMMISSION CLERK

210 N. Park Ave.
Winter Park, FL
32789

Ms. Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oaks Boulevard
Tallahassee, Florida 32399-0870

P.O. Drawer 200
Winter Park, FL
32790-0200

RE: Application of Intellitec Consulting Inc. d/b/a STS for Authority to Provide
Alternative Local Exchange Services within the State of Florida.

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

Dear Ms. Bayo:

021053-TX

Enclosed for filing are the original and six (6) copies of the above-referenced
application of Intellitec Consulting Inc. d/b/a STS.

Also enclosed is a STS, Inc. check in the amount of \$250, to cover the filing fee.

Please acknowledge receipt of this filing by returning, filed stamped, the extra copy
of this letter in the self-addressed stamped envelope provided for that purpose.

Any questions you may have regarding this application may be addressed to me at the
above address, or by calling (407) 740-8575. Thank you for your assistance.

Sincerely,

Shari Dawson
Consultant to Intellitec Consulting Inc. d/b/a STS

cc: Jon Krutchik - Saturn
file: Saturn/Intellitec - FL (Local)
tms: FL10200

DISTRIBUTION CENTER
02 OCT 16 AM 9:25

RECEIVED & FILED

RLM

FPSC-BUREAU OF RECORDS

Check received with filing and forwarded
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Initials of person who forwarded check:

RLM

DOCUMENT NUMBER - DATE

11226 OCT 16 02

FPSC-COMMISSION CLERK

FLORIDA PUBLIC SERVICE COMMISSION

**DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION**

**APPLICATION FORM
for**

**AUTHORITY TO PROVIDE
ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA**

021053-TX

Instructions

This form is used as an application for a certificate and for approval of the assignment or transfer of an existing certificate. In case of an assignment or transfer, the information provided shall be for the assignee or transferee. (See Page 12).

Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.

Use a separate sheet for each answer which will not fit the allotted space.

Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **\$250.00** to:

**Florida Public Service Commission
Division of Records and Reporting
2450 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6770**

- If you have any questions about completing the form, contact:

**Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2450 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6600**

APPLICATION

1. This is an application for (check one):

- Original certificate** (new company).
- Approval of transfer of existing certificate:** Example, a non-certificated company purchases an existing company and desires to retain the original certificate authority.
- Approval of assignment of existing certificate:** Example, a certificated company purchases an existing company and desires to retain the original certificate authority of that company.
- Approval of transfer of control:** Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

Intellitec Consulting, Inc.

3. Name under which the applicant will do business (fictitious name, etc.):

d/b/a STS

4. Official mailing address (including street name & number, post office box, city, state, zip code):

Name: Intellitec Consulting, Inc. d/b/a STS
Street: 12233 SW 55th Street, #811
P.O. Box:
City: Cooper City
State: Florida
Zip Code: 33330

5. Florida address (including street name & number, post office box, city, state, zip code):

Name: Intellitec Consulting, Inc. d/b/a STS
Street: 12233 SW 55th Street, #811
P.O. Box:
City: Cooper City
State: Florida
Zip Code: 33330

6. Structure of organization:

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Corporation |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other _____ | |

7. If individual, provide:

Name: Not applicable
Title:
Address:
City, State, Zip:
Telephone No.: Fax No.:
Internet E-Mail Address:
Internet Website Address:

8. If incorporated in Florida, provide proof of authority to operate in Florida:

The Florida Secretary of State corporate registration number:

P00000106431

9. If foreign corporation, provide proof of authority to operate in Florida:

The Florida Secretary of State corporate registration number:

Not applicable

10. If using fictitious name-d/b/a, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:

The Florida Secretary of State fictitious name registration number:

#G02283900200

11. If a limited liability partnership, provide proof of registration to operate in Florida:

The Florida Secretary of State registration Number:

Not applicable

12. If a partnership, provide name, title and address of all partners and a copy of the partnership agreement.

Name: Not applicable
Title:
Address:
City, State, Zip:
Telephone No.: Fax No.:
Internet E-Mail Address:
Internet Website Address:

13. If a foreign limited partnership, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

The Florida registration number: Not applicable

14. Provide F.E.I. Number (if applicable): 65-1085747

15. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. Provide explanation.

None

(b) an officer, director, partner or stockholder in any other Florida certificated telephone company, If yes, give name of company and relationship. If no longer associated with company, give reason why not.

Jon Krutchik is also the CEO and owner of Saturn Telecommunication Services, Inc. Saturn Telecommunication Services, Inc. has been an interexchange provider (Certificate #3594, Company Code TI292) in Florida since 1994.

16. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

Name: Shari Dawson
Title: Consultant to Intellitec Consulting, Inc. d/b/a STS
Address: P.O. Drawer 200
City, State, Zip: Winter Park, FL 32790-0200
Telephone No.: (407) 740-8575
Fax No.: (407) 740-0613
Internet E-Mail Address: sdawson@tminc.com
Internet Website Address: www.tminc.com

(b) Official point of contact for the ongoing operations of the company:

Name: Jonathan Krutchik
Title: Director
Address: 12233 SW 55th Street, #811
City, State, Zip: Cooper City, FL 33330
Telephone No.: (954) 434-7388
Fax No.: (954) 680-2506
Internet E-Mail Address: jon@ststel.com
Internet Website Address: www.ststel.com

(c) Complaints/Inquiries from customers:

Name: Shannon Smith
Title: Operations Manager
Address: 12233 SW 55th Street, #811
City, State, Zip: Cooper City, FL 33330
Telephone No.: (800) 617-2887
Fax No.: (800) 787-7855
Internet E-Mail Address: support@ststel.com
Internet Website Address: www.ststel.com

17. List the states in which the applicant:

- (a) has operated as an alternative local exchange company**

None

- (b) has applications pending to be certificated as an alternative local exchange company.**

None

- (c) is certificated to operate as an alternative local exchange company.**

None

- (d) has been denied authority to operate as an alternative local exchange company and the circumstances involved.**

None

- (e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.**

None

- (f) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.**

None

18. **Submit the following:**

- A. **Managerial capability: give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.**

Please see Exhibit I.

- B. **Technical capability: give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.**

Please see Exhibit I.

- C. **Financial capability.**

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer **affirming that the financial statements are true and correct** and should include:

1. The balance sheet;
2. Income statement; and
3. Statement of retained earnings.

NOTE: *This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.*

Further, the following (which includes supporting documentation) should be provided:

1. **written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

Please see Exhibit II.

THIS PAGE MUST BE COMPLETED AND SIGNED

APPLICANT ACKNOWLEDGMENT STATEMENT

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with this application.

UTILITY OFFICIAL:



Jonathan Krutchik, Director
Intellitec Consulting, Inc. d/b/a STS
12233 SW 55th Street, #811
Cooper City, FL 33330
Phone: 954-434-7388
Fax: 954-680-2506
Toll Free: 800-617-2887

10-14-02

Date

THIS PAGE MUST BE COMPLETED AND SIGNED

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, ~~A~~Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s.775.082 and s. 775.083".

UTILITY OFFICIAL:



Jonathan Krutchik, Director
Intellitec Consulting, Inc. d/b/a STS
12233 SW 55th Street, #811
Cooper City, FL 33330
Phone: 954-434-7388
Fax: 954-680-2506
Toll Free: 800-617-2887

10-14-02

Date

INTRASTATE NETWORK (if available)

Chapter 25-24.825 (5), Florida Administrative Code, requires the company to make available to staff the alternative local exchange service areas only upon request.

1. POP: Addresses where located, and indicate if owned or leased.

- | | |
|----|----|
| 1) | 2) |
| 3) | 4) |

2. SWITCHES: Address where located, by type of switch, and indicate if owned or leased.

- | | |
|----|----|
| 1) | 2) |
| 3) | 4) |

3. TRANSMISSION FACILITIES: POP-to-POP facilities by type of facilities (microwave, fiber, copper, satellite, etc.) And indicate if owned or leased.

Type of POP-to POP

Owned or Leased

- | | |
|----|--|
| 1) | |
| 2) | |
| 3) | |
| 4) | |

CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name and Title), of (Name of Company) and current holder of Florida Public Service Commission Certificate Number # _____, have reviewed this application and join in the petitioner's request for a:

- Sale
- Transfer
- Assignment

of the above mentioned certificate.

UTILITY OFFICIAL:

Name, Title
Company
Street
City, State, Zip
Phone:
Fax:
Toll Free:

Date

Intellitec Consulting, Inc. d/b/a STS

Exhibit I

Management Profiles

Corporate Resumes **Intellitec Consulting, Inc. d/b/a STS**

Jon Krutchik, CEO

Jon Krutchik is the founder of Saturn Telecommunication Services, Inc. (STS) which was created in 1995. STS has since grown into a company with a customer base of over 5,000 residential and business accounts. As the CEO of STS, Mr. Krutchik has created a management team committed to customer satisfaction. Mr. Krutchik graduated from Florida International University with a Bachelor's degree in Business Administration in 1990.

Mr. Krutchik's responsibilities at STS include management of the employees, strategic planning and business development, industry and public relations, general marketing, budgets, deploying advertising campaigns, creating a sales force, and the financial performance of the company. Mr. Krutchik has devised and implemented strategies to achieve the overall corporate vision and business objectives. Mr. Krutchik has an extensive knowledge of telecommunication billing systems and practices since he developed STS' entire billing and customer support system from scratch. Mr. Krutchik also has experience in managing multiple departments. STS has a proven track record of success within a fast paced, highly competitive and rapidly changing industry.

Shannon Smith, Operations Manager

Shannon Smith has been with Saturn Telecommunication Services, Inc. (STS) since its creation in 1995. Ms. Smith is responsible for the supervision of STS employees, evaluates customer credit decisions, maintains the customer database, performs monthly customer billing and works with customers to resolve inquiries.

Ms. Smith's prior experience includes Customer Service Manager - Northwest Florida region for National Telephone and Executive Assistant to the Vice President of Finance at South Telephone.

Intellitec Consulting, Inc. d/b/a STS

Exhibit II

Financial Statements
(see attached)

The Company will be relying upon the financial backing of its sister company, Saturn Telecommunication Services, Inc. Saturn Telecommunication Services, Inc has been operating in the state of Florida as an interexchange provider (certificate #3594, Company Code TI292) since 1994 and has an established customer base.

The Company has sufficient financial capability to add the provisioning of local exchange service throughout the state of Florida.

The Company has sufficient financial capability to maintain local exchange service throughout the state of Florida.

The Company does not have plans to lease or own any equipment in connection with the services it intends to offer. The Company will utilize Unbundled Network Elements - Platform (UNE-P) to provide its local service. The Company has sufficient financial capability to meet its contractual obligations to its UNE-P provider.

The Company submits Saturn Telecommunication Services, Inc.'s financial statements for Year-to-Date 2002, 2001 and 2000.

STATEMENT OF FINANCIAL BACKING

Saturn Telecommunication Services Inc. ("Saturn") is the sister company of Intellitec Consulting, Inc. d/b/a STS ("Intellitec"). Saturn has substantial assets and is financially capable of guaranteeing any debts incurred by Intellitec or repaying any advance payments or deposits owed to customers in the event that Intellitec becomes insolvent or for any reason cannot meet these obligations itself.



Signature of Corporate Officer - Jonathan Krutchik

CEO

Title - CEO, Saturn Telecommunication Services, Inc.

10-14-02

Date

SATURN TELECOMMUNICATIONS SERVICES, INC.

AUGUST 31, 2002

SLATER & SLATER, CPA, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA

SATURN TELECOMMUNICATIONS SERVICES, INC.

AUGUST 31, 2002

SLATER & SLATER, CPA, P.A.

Certified Public Accountants

Alexander Slater, CPA (1910-1992)
Michael A. Slater, CPA

October 4, 2002

4400 N. Federal Hwy.
Boca Raton, FL 33431
Telephone (561) 417-9688
Fax (561) 417-9339

The Board of Directors
Saturn Telecommunications Services, Inc.
P.O. Box 822270
Pembroke Pines, Florida 33082

Gentlemen:

We have compiled the Statement of Assets, Liabilities and Stockholders' Equity - Income Tax Basis of Saturn Telecommunications Services, Inc., as of August 31, 2002 and the related Statements of Revenue and Expenses and Retained Earnings - Income Tax Basis, for the period then ended. These financial statements are the responsibility of the Company's management.

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 required by generally accepted accounting principles as well as the Statement of Cash Flows. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Very truly yours,

SLATER & SLATER, CPA, P.A.



Certified Public Accountants

MAS:lh

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF ASSETS, LIABILITIES & STOCKHOLDERS' EQUITY-

INCOME TAX BASIS

AUGUST 31, 2002

=====

LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 99,961
Sales & Communications Taxes Payable	46,858
Loans & Exchanges	<u>650</u>

TOTAL CURRENT LIABILITIES \$ 147,469

TOTAL LIABILITIES \$ 147,469

STOCKHOLDERS' EQUITY

Capital Stock	\$ 20,000
Retained Earnings	<u>214,410</u>

TOTAL STOCKHOLDERS' EQUITY 234,410

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY \$ 381,879
=====

See accountant's compilation report dated October 4, 2002

=====

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF REVENUE & EXPENSES - INCOME TAX BASIS

FOR THE PERIOD ENDED AUGUST 31, 2002

<u>TELECOMMUNICATIONS INCOME</u>		\$ 2,039,234
Less - Discounts & Allowances		<u>22,566</u>
GROSS INCOME		\$ 2,016,668
<u>COST OF SERVICES</u>		<u>913,147</u>
<u>GROSS INCOME</u>		\$ 1,103,521
<u>OPERATING EXPENSES</u>		
Officer's Compensation	\$ 98,000	
Office Salaries	113,701	
Rent	27,295	
Advertising	43,111	
Utilities	3,829	
Commissions	355,185	
Payroll & Other Taxes	15,609	
Insurance	9,169	
Repairs & Maintenance	10,730	
Telephone	9,653	
Legal & Accounting	10,191	
Office Expenses	4,577	
Dues, Licenses & Permits	3,701	
Automobile & Equipment Leases	36,191	
Postage & Messengers	12,426	
Business Meals & Meetings	3,186	
Travel Away	4,796	
Computer Expenses	16,615	
Employee Medical Benefits	2,580	
Bank Charges & Credit Card Fees	6,308	
Other Operating Expenses	<u>8,174</u>	
<u>TOTAL OPERATING EXPENSES</u>		<u>795,027</u>
<u>NET INCOME</u>		\$ 308,494

See accountant's compilation report dated October 4, 2002.

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF RETAINED EARNINGS- INCOME TAX BASIS

AUGUST 31, 2002

RETAINED EARNINGS - January 1, 2002 \$ (52,247)

NET INCOME FOR THE YEAR ENDED DECEMBER 31, 2001 308,494
\$ 252,247

LESS - SHAREHOLDER'S DISTRIBUTION (41,837)

RETAINED EARNINGS - August 31, 2002 \$ 214,410

See accountant's compilation report dated October 4, 2002.

SATURN TELECOMMUNICATIONS SERVICES, INC.

DECEMBER 31, 2001

SLATER & SLATER, CPA, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA

SATURN TELECOMMUNICATIONS SERVICES, INC.

DECEMBER 31, 2001

SLATER & SLATER, CPA, P.A.

Certified Public Accountants

Alexander Slater, CPA (1910-1992)
Michael A. Slater, CPA

4400 N. Federal Hwy.
Boca Raton, FL 33431
Telephone (561) 417-9688
Fax (561) 417-9339

August 15, 2002

The Board of Directors
Saturn Telecommunications Services, Inc.
P.O. Box 822270
Pembroke Pines, Florida 33082

Gentlemen:

We have compiled the Statement of Assets, Liabilities and Stockholders' Equity - Income Tax Basis of Saturn Telecommunications Services, Inc., as of December 31, 2001 and the related Statements of Revenue and Expenses and Retained Earnings - Income Tax Basis, for the year then ended. These financial statements are the responsibility of the Company's management.

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 required by generally accepted accounting principles as well as the Statement of Cash Flows. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Very truly yours,

SLATER & SLATER, CPA, P.A.



Certified Public Accountants

MAS:lh

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF ASSETS, LIABILITIES, & STOCKHOLDERS' EQUITY-

INCOME TAX BASIS

DECEMBER 31, 2001

A S S E T S

CURRENT ASSETS

Cash	\$ 1,347
Accounts Receivable	<u>81,764</u>

TOTAL CURRENT ASSETS \$ 83,111

FIXTURES & EQUIPMENT

Furniture, Fixtures & Equipment	\$ 56,441
	<u>56,441</u>
Less: Accumulated Depreciation	<u>56,441</u>

TOTAL FIXTURES & EQUIPMENT - Net of Accumulated Depreciation 0

TOTAL ASSETS \$ 83,111

See accountant's compilation report dated August 15, 2002

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF ASSETS, LIABILITIES & STOCKHOLDERS' EQUITY-

INCOME TAX BASIS

DECEMBER 31, 2001

=====

LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 65,389
Sales & Communications Taxes Payable	49,519
Loans & Exchanges	<u>450</u>

TOTAL CURRENT LIABILITIES \$ 115,358

TOTAL LIABILITIES \$ 115,358

STOCKHOLDERS' EQUITY

Capital Stock	\$ 20,000
Retained Earnings	<u>(52,247)</u>

TOTAL STOCKHOLDERS' EQUITY (32,247)

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY \$ 83,111

=====

See accountant's compilation report dated August 15, 2002

=====

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF REVENUE & EXPENSES - INCOME TAX BASIS

FOR THE YEAR ENDED DECEMBER 31, 2001

<u>TELECOMMUNICATIONS INCOME</u>		\$ 1,570,481
Less - Discounts & Allowances		21,805
Business Bad Debt		<u>69,449</u>
GROSS INCOME		\$ 1,479,227
<u>COST OF SERVICES</u>		<u>772,827</u>
<u>GROSS INCOME</u>		\$ 706,400
<u>OPERATING EXPENSES</u>		
Officer's Compensation	\$ 142,000	
Office Salaries	93,220	
Rent	32,049	
Advertising	47,292	
Utilities	5,113	
Commissions	219,291	
Payroll & Other Taxes	12,635	
Insurance	11,473	
Interest	3,937	
Depreciation & Amortization	4,686	
Repairs & Maintenance	17,760	
Telephone	11,253	
Legal & Accounting	8,571	
Office Expenses	10,700	
Dues, Licenses & Permits	3,020	
Automobile & Equipment Leases	34,535	
Postage & Messengers	10,203	
Business Meals & Meetings	4,224	
Travel Away	4,304	
Computer Expenses	12,012	
Employee Medical Benefits	5,560	
Bank Charges & Credit Card Fees	3,504	
Other Operating Expenses	<u>2,119</u>	
<u>TOTAL OPERATING EXPENSES</u>		<u>699,461</u>
<u>NET INCOME</u>		\$ <u>6,939</u>

See accountant's compilation report dated August 15, 2002

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF RETAINED EARNINGS- INCOME TAX BASIS

DECEMBER 31, 2001

RETAINED EARNINGS - January 1, 2001 \$ (53,691)

NET INCOME FOR THE YEAR ENDED DECEMBER 31, 2001 6,939
\$ (46,752)

LESS - SHAREHOLDER'S DISTRIBUTION (5,495)

RETAINED EARNINGS - December 31, 2001 \$ (52,247)

See accountant's compilation report dated August 15, 2002

SATURN TELECOMMUNICATIONS SERVICES, INC.

DECEMBER 31, 2000

SLATER & SLATER, CPA, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA

SATURN TELECOMMUNICATIONS SERVICES, INC.

DECEMBER 31, 2000

SLATER & SLATER, CPA, P.A.

Certified Public Accountants

Alexander Slater, CPA (1910-1992)
Michael A. Slater, CPA

4400 N. Federal Hwy.
Boca Raton, FL 33431
Telephone (561) 417-9688
Fax (561) 417-9339

September 5, 2001

The Board of Directors
Saturn Telecommunications Services, Inc.
P.O. Box 822270
Pembroke Pines, Florida 33082

Gentlemen:

We have compiled the Statement of Assets, Liabilities and Stockholders' Equity - Income Tax Basis of Saturn Telecommunications Services, Inc., as of December 31, 2000 and the related Statements of Revenue and Expenses and Retained Earnings - Income Tax Basis, for the year then ended. These financial statements are the responsibility of the Company's management.

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Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles as well as the Statement of Cash Flows. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Very truly yours,

SLATER & SLATER, CPA, P.A.

Slater & Slater CPA PA

Certified Public Accountants

MAS:lh

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF ASSETS, LIABILITIES, & STOCKHOLDERS' EQUITY-

INCOME TAX BASIS

DECEMBER 31, 2000

A S S E T S

CURRENT ASSETS

Cash	\$ 1,586
Accounts Receivable	<u>66,321</u>

TOTAL CURRENT ASSETS \$ 67,907

FIXTURES & EQUIPMENT

Furniture, Fixtures & Equipment	\$ <u>51,755</u>
	51,755
Less: Accumulated Depreciation	<u>51,755</u>

TOTAL FIXTURES & EQUIPMENT - Net of Accumulated Depreciation 0

TOTAL ASSETS \$ 67,907

See accountant's compilation report dated September 5, 2001.

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF ASSETS, LIABILITIES & STOCKHOLDERS' EQUITY-

INCOME TAX BASIS

DECEMBER 31, 2000

=====

LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable \$ 83,969
Sales & Communications Taxes Payable 17,629

TOTAL CURRENT LIABILITIES \$ 101,598

TOTAL LIABILITIES \$ 101,598

STOCKHOLDERS' EQUITY

Capital Stock \$ 20,000
Retained Earnings (53,691)

TOTAL STOCKHOLDERS' EQUITY (33,691)

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY \$ 67,907
=====

See accountant's compilation report dated September 5, 2001.

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SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF REVENUE & EXPENSES - INCOME TAX BASIS

FOR THE YEAR ENDED DECEMBER 31, 2000

<u>TELECOMMUNICATIONS INCOME</u>		\$ 1,347,658
Less - Discounts & Allowances		<u>64,466</u>
GROSS INCOME		\$ 1,283,192
<u>COST OF SERVICES</u>		<u>774,366</u>
<u>GROSS INCOME</u>		\$ 508,826
<u>OPERATING EXPENSES</u>		
Officer's Compensation	\$ 101,000	
Office Salaries	61,575	
Rent	23,407	
Advertising	90,936	
Utilities	4,173	
Commissions	115,353	
Payroll & Other Taxes	13,104	
Insurance	8,539	
Interest	8,109	
Depreciation & Amortization	5,619	
Repairs & Maintenance	3,524	
Telephone	7,736	
Legal & Accounting	2,248	
Office Expenses	4,920	
Dues, Licenses & Permits	1,948	
Automobile & Equipment Leases	26,453	
Postage & Messengers	17,911	
Business Meals & Meetings	8,903	
Travel Away	5,890	
Other Operating Expenses	<u>1,245</u>	
<u>TOTAL OPERATING EXPENSES</u>		<u>512,593</u>
<u>NET INCOME (LOSS)</u>		\$ <u>(3,767)</u>

See accountant's compilation report dated September 5, 2001.

SATURN TELECOMMUNICATIONS SERVICES, INC.

STATEMENT OF RETAINED EARNINGS- INCOME TAX BASIS

DECEMBER 31, 2000

RETAINED EARNINGS - January 1, 2000 \$ (49,924)

NET INCOME FOR THE YEAR ENDED DECEMBER 31, 2000 (3,767)

RETAINED EARNINGS - December 31, 2000 \$ (53,691)

See accountant's compilation report dated September 5, 2001.
