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NORSTAR TELECOMMUNICATIONS, LLC
Reviewed Financial Statement
Year Ended December 31, 2006

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NORSTAR TELECOMMUNICATIONS, LLC
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FIELDS & NEVAREZ, P.A.

Certified Public Accountants

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To the Stockholders and Board of Directors
Norstar Telecommunications, LLC
10025 Scenic View Terrace
Vienna, VA 22182

We have reviewed the accompanying balance sheet of Norstar Telecommunications, LLC as of December 31, 2006 and the related statement of income, retained earnings and cash flow for the year then ended, in accordance with Statements on Standards for Accounting and Review Services established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of management of Norstar Telecommunications, LLC.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles.

Fields & Nevarez, P.A.

Fields & Nevarez, P. A.

March 16, 2007

NORSTAR TELECOMMUNICATIONS, LLC
BALANCE SHEET
YEAR ENDED DECEMBER 31, 2006

ASSETS

2006

Current Assets

 Cash

 Accounts receivable

 Prepaid expenses

 Total Current Assets

Property and Equipment (Notes 1)

 Furniture and equipment

 Transportation equipment

 Less accumulated depreciation & amortization

Total Assets

See accompanying notes and accountants' report

NORSTAR TELECOMMUNICATIONS, LLC
BALANCE SHEET
YEAR ENDED DECEMBER 31, 2006

LIABILITIES AND STOCKHOLDERS' EQUITY

2006

Current Liabilities

Accounts payable

Total Current Liabilities

Noncurrent Liabilities

Notes payable

Total Noncurrent Liabilities

Total Liabilities

Members' Equity

Member's Capital

Total Stockholders' Equity

Total Liabilities & Stockholders' Equity



See accompanying notes and accountants' report

NORSTAR TELECOMMUNICATIONS, LLC.
STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR ENDED DECEMBER 31, 2006

2006

Commission Income (See Note 1)	
Total	
Cost of Goods Sold	
Gross Profit	
General & Administrative Expenses	
Income from Operations Before Other Income & Expenses	
Net Income	
Retained Earnings	
Beginning of Year	
Member Distribution	
End of Year	



See accompanying notes and accountants' report

NORSTAR TELECOMMUNICATIONS, LLC.
COST OF GOODS SOLD
YEAR ENDED DECEMBER 31, 2006

2006

Phone Service Costs

Commission Fees

Transportation Expense

Travel

Total Cost of Goods Sold



See accompanying notes and accountants' report

NORSTAR TELECOMMUNICATIONS, LLC.
GENERAL AND ADMINISTRATIVE EXPENSES
YEAR ENDED DECEMBER 31, 2006

2006

Office Expense
Telephone
Accounting
Insurance
Legal
Internet Fee
Postage
Supplies
Consulting Fees
Utilities
Dues & Subscriptions
License Fees
Advertising
Entertainment
Depreciation
Rent
Repairs & Maintenance
Taxes-other



See accompany notes and accountants' report

NORSTAR TELECOMMUNICATIONS, LLC
Notes to Financial Statement
December 31, 2006

1. Summary of Significant Accounting Policies

Norstar Telecommunications, LLC. is a telecommunications provider headquartered in Vienna, Virginia providing local, long distance, internet and conferencing services nationwide

Property and Equipment

Property and equipment is recorded at cost. Depreciation is computed using both straight-line and accelerated methods over the estimated useful lives of the specific units of property.

Income Taxes

The company with the consent of its members has elected under the provisions of the Internal Revenue Code to be treated as a Limited Liability Company effective the date of formation, January 1, 1998. In lieu of corporate income taxes, the members of a Limited Liability Company are taxed on their proportionate share of the company's taxable income. Therefore, no provision for income tax is required.

Revenue and Cost Recognition

The Company reflects revenues and expenses on the accrual basis of accounting. Income is recognized when invoiced and expenses are recognized when incurred.

Use of Estimates

The preparation of final statements in conformity with generally accepted accounting principles requires management to make estimates that affect certain reported amounts and disclosures. Accordingly, actual numbers could differ from those estimates.

Income Recognition

The Company receives a sixteen percent commission income of all services provided. In 2006 the company provided services totaling \$ [REDACTED] which represented \$ [REDACTED] in commission income for the year.