

ORIGINAL

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**** FLORIDA PUBLIC SERVICE COMMISSION ****

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DIVISION OF COMPETITIVE MARKETS AND ENFORCEMENT
CERTIFICATION

COMMISSION
CLERK

APPLICATION FORM
for
AUTHORITY TO PROVIDE
ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA

Instructions

- ◆ This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the 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 the Commission Clerk and Administrative Services
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

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

Florida Public Service Commission
Division of Competitive Markets and Enforcement
Certification
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6600

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FPSC-COMMISSION CLERK

ORIGINAL

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 of authority.

Approval of assignment of existing certificate: Example, a certificated company purchases an existing company and desires to retain the certificate of 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:

Nationwide Computer Systems, Inc.

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

Same as (2), also d/b/a Desoto.Net, d/b/a Greenwood.Net

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

PO Box 551149
Davie, FL 33355

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

PO Box 551149 / Physical address:
Davie, FL 33355 / 498 SW 34th St., #101
Ft. Lauderdale, FL 33315

6. Structure of organization:

- Individual
- Foreign Corporation
- General Partnership
- Other _____
- Corporation
- Foreign Partnership
- Limited Partnership

7. If individual, provide:

Name: N/A

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:

(a) The Florida Secretary of State corporate registration number:

M41451

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

(a) The Florida Secretary of State corporate registration number:

_____ N/A _____

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

(a) The Florida Secretary of State fictitious name registration number:

Desoto.Net-GO2060900318, Greenwood.Net-GO3150900253

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

(a) The Florida Secretary of State registration number:

_____ N/A _____

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

Name: _____ N/A _____

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.**

(a) The Florida registration number: _____ N/A _____

14. **Provide F.E.I. Number(if applicable):** _____ 59-2782497 _____

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.

No.

(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.

No.

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

(a) The application:

Name: Tom Fantacone
Title: VP
Address: Po Box 551149
City/State/Zip: Davie, FL 33355
Telephone No.: 954-327-2111 x106 Fax No.: 954-327-2108
Internet E-Mail Address: TDM@NATIONWIDEINC.COM
Internet Website Address: WWW.NATIONWIDEINC.COM

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

Name: Tom Fantacone
Title: VP
Address: PO Box 551149
City/State/Zip: Davie, FL 33355
Telephone No.: 954-327-2111 x106 Fax No.: 954-327-2108
Internet E-Mail Address: TOM@NATIONWIDEINC.COM
Internet Website Address: WWW.NATIONWIDEINC.COM

(c) Complaints/Inquiries from customers:

Name: Mike Burns
Title: President
Address: PO Box 551149
City/State/Zip: Davie, FL 33355
Telephone No.: 954-327-2111 x105 Fax No.: 954-327-2108
Internet E-Mail Address: MIKE@NATIONWIDEINC.COM
Internet Website Address: WWW.NATIONWIDEINC.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.

NA No.

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

No.

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

No.

18. Submit the following:

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

Attached

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.

Attached

3 resumes of ~~the~~ individuals in both management and technical capacities.

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.

Audited statements unavailable -

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.

Attached - (unaudited)

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.

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. APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

Thomas Fontaine
Print Name


Signature

VP
Title

5-5-4
Date

954-327-2111 x106
Telephone No.

954-327-2108
Fax No.

Address: Nationwide Computer Systems, Inc
PO Box 551149
Daide, FL 33355

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 company 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, "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:

Thomas Fontaine

Print Name

VP

Title

954-327-2111 x 106

Telephone No.



Signature

5/5/4

Date

954-327-2108

Fax No.

Address: Nationwide Computer Systems, Inc.

PO Box 551149

Davie, FL 33355

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.

<u>POP-to-POP</u>	<u>OWNERSHIP</u>
1) _____	_____
2) _____	_____
3) _____	_____
4) _____	_____

N/A

CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) _____
(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:

Print Name _____

Signature _____

Title _____

Date _____

Telephone No. _____

Fax No. _____

Address: _____

Michael Andrew Burns

Summary of qualifications

Highly intelligent, experienced computer and communications technologist with 20 years of experience consulting for hundreds of clients throughout the world. Successfully founded and managed a technology company, while maintaining responsible fiscal policies throughout the last 18 years. Mr. Burns was responsible for the acquisitions of four businesses in the last two years. In 2000, Mr. Burns developed a wireless Internet access product, and has installed similar products around the world.

Education

1980 – 1985 Massachusetts Institute of Technology Cambridge, MA

BS Management from the Sloan School of Management, 1985

- Majored in business management, minored in Asian Studies
- Student and resident at Wellesley College, 1983-1984
- William Barton Rogers Scholarship Winner
- MIT top GMAT score – 730

Professional Experience

1986 – Present Nationwide Computer Systems Ft. Lauderdale, FL

President

Founded company in 1986. Nationwide was a system integrator and networking consultancy until 1996, when it became a full-service Internet Service Provider as well. As president, Mr. Burns was responsible for all elements of the business, including sales, product development, legal issues, corporate financing, and acquisitions. During his career, Mr. Burns has developed specialties in billing systems, satellite and wireless communications, and VoIP technologies. Mr. Burns has testified as an expert witness and has traveled extensively in his capacity as a communications consultant.

Community activities

1998 – Present AYSO Youth Soccer Coach Weston, FL

Press

Network World Fusion July 28, 2003

VoIP Unwired by Phil Hochmuth Article on installation in Laos

<http://www.networkworldfusion.com/research/2003/0728voipfeat.html>

Communications Convergence June 4, 2003

Killer Wireless Apps by Ellen Muraskin Article on wireless VoIP

<http://www.cconvergence.com/shared/article/showArticle.jhtml?articleId=10300189&pgno=2>

Thomas Fantacone

531 S.W. 112th Avenue
Plantation, Florida 33325
tom@nationwideinc.com

Education

STANFORD UNIVERSITY
M.S. Degree – Physics
Completed September, 1985.
GPA – 3.7/4.0

MASACHUSETTS INSTITUTE of TECHNOLOGY
B.S. Degrees – Physics & Mathematics
Awarded simultaneously June, 1984
GPA – 4.7/5.0

Member: Sigma Pi Sigma, Sigma Xi, national
Honorary scientific research societies.

Work Experience

Nationwide Computer Systems, Inc. June, 1987 - Present
Ft. Lauderdale, Florida

Vice President/Chief Technical Officer

Perform technical and operations management functions for company which installs networked computer systems, designs custom automated accounting systems, and provides a full suite of Internet services. Functions include management consulting, designing and writing business computer programs, installing computer systems, purchasing, evaluating new products, maintaining internal accounting, and maintaining ISP operations.

Geldermann, Inc.
Chicago, Illinois

Financial Markets Analyst

Performed computer-generated investment analysis for institutional investors; developed and oversaw proprietary trading programs for firm's house account.

Lawrence Berkeley Laboratory
Berkeley, California

Computer Programmer

Wrote computer programs to test electronic components used in particle detector at Stanford Linear Accelerator.

Born in New Brunswick, N.J. Graduated high school in Savannah, Georgia. Hobbies include martial arts, volleyball and reading.

RESUME

Edware P. Stauble
2805 N.W. 73 Avenue
Sunrise, Florida 33313

- HIGHLIGHTS:**
- * Ability to design, program, and implement computer based systems.
 - * Extensive experience in LAN, WAN and ISP systems.
 - * Trained dozens of individuals at all levels in computer operations.

PROFESSIONAL EXPERIENCE:

- December 1991 to Present Nationwide Computer Systems, Inc.
Ft. Lauderdale, Florida
Position: Systems Analyst/Programmer/Network Manager
Responsibilities include installing and maintaining computer hardware, software and networking components for company and its customers; design and program billing and accounting applications and interfaces with ISP infrastructure; maintaining and troubleshooting ISP network including servers, routers and access devices.
- June 1983 to December 1991 All Metals Service & Warehousing, Inc.
Hollywood, Florida
Position: Systems Analyst/Programmer
responsibilities include purchasing, installing and maintaining computer hardware; designing, programming and maintaining software; training and supporting employees; implementing EDI with vendors; maintaining IBM S/34 system; designing, programming and maintaining steel inventory tracking system.

EDUCATION:

- 1982 Total Technical Institute
Fort Lauderdale, Florida
Studies included computer operations and programming on IBM S/34 in Basic, RPG II, Cobol, and Assembler. Graduated with honors.
- 1978 – 1979 Kennebec Valley Vocational Technical Institute
Waterville, Maine
Studies included heavy equipment maintenance, hydraulics, communication skills, and mathematics. Graduated with honors.
- 1974 – 1978 Mount View High School
Thorndike, Maine
High school education. Graduated with honors.



NATIONWIDE COMPUTER SYSTEMS, INC.

P.O. Box 551149

Davie, Florida 33355

Office: (954) 327-2111 Fax: (954) 327-2108

Nationwide Computer Systems, Inc.

Financial Statements and Explanations

To the Florida Public Service Commission:

Attached please find the following financial statements and information for Nationwide Computer Systems, Inc.:

1. Financial capability explanation (this document).
2. Balance Sheets for years 2003, 2002 and 2001.
3. Income Statements for years 2003, 2002 and 2001 (in comparative format – one set shows years 2003 and 2002, other set shows years 2002 and 2001).
4. Statement of Retained Earnings for years 2003, 2002 and 2001.
5. Copies of tax returns for years 2003, 2002 and 2001 (Forms 1120S).

As a Florida subchapter "S" corporation, the company generally strives to distribute dividends each year approximately equal to the company's profits. Thus, the income statements, which reflect post-dividend earnings, will generally reflect a near "break-even" situation. The company's tax returns (forms 1120S) reflect true "pre-dividend" earnings and are included for comparison purposes. Schedule M-1 on page 4 of each form 1120S provides a reconciliation of book income and income for tax purposes.

The company has been in business since 1986 and has been an Internet Service Provider (ISP) since 1996. The company already has collocated equipment in various Sprint facilities for the purpose of providing dialup internet service in these locations. The company is seeking CLEC status in Florida for the express purpose of providing DSL service to customers in its existing coverage areas via Interconnect agreements with Sprint. Since the company already provides marketing and internet service in these areas and already collocates with the ILEC, the additional financial and technical requirements to provide and maintain DSL service in these areas is expected to fall well within the company's financial capabilities. The company has no current plans or intentions of providing any kind of voice telephony service as a CLEC.

We affirm that to the best of our knowledge, the attached (unaudited) financial statements and explanations are true and correct:

Thomas Fantacone, VP and CFO

5/5/04

Date

Michael A. Burns, President and CEO

5/5/04

Date

NATIONWIDE COMPUTER SYSTEMS, INC.

Balance Sheet

As Of December 31, 2003

Last Seq. #: 2762

Balance

===== Assets =====

CASH IN BANK - UP BANK	269.44
CASH IN BANK - UP PAYROLL	120.00
CASH IN BANK - CAPITAL GREENWOOD	22,461.32
ACCOUNTS RECEIVABLE - TRADE	78,066.04
INVENTORY	12,987.00

Total CURRENT ASSETS	113,903.80
----------------------	------------

Total DUE FROM STOCKHOLDERS	0.00
-----------------------------	------

OFFICE EQUIPMENT	8,735.29
FURNITURE & FIXTURES	4,458.57
AUTOS & TRUCKS	16,497.50
COMPUTERS	9,800.00
NETRUS.NET EQUIPMENT	60,000.00
DESOTO.NET EQUIPMENT	234,000.00
GREENWOOD.NET - EQUIPMENT	70,000.00
NETRUS.NET GOODWILL	17,000.00
DESOTO.NET GOODWILL	45,000.00
GREENWOOD.NET GOODWILL	100,000.00
ACCUMULATED AMORTIZATION	-10,943.00
ACCUMULATED DEPRECIATION	-132,393.07

Total FIXED ASSETS	422,155.29
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DEPOSITS	100.00
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Total OTHER ASSETS	100.00
--------------------	--------

Total Assets	536,159.09
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===== Liabilities =====

ACCOUNTS PAYABLE - TRADE	2,579.34
ACCOUNTS PAYABLE - OTHER	6,516.13
SALES TAX PAYABLE	72.96
PAYROLL TAXES PAY - FICA	649.64
PAYROLL TAXES PAY - FWT	3,000.00
PAYROLL TAXES PAY - SWT SC	456.81
PAYROLL TAXES PAY-FUTA	464.84
PAYROLL TAXES PAY-SUTA FL	3.25
SUNTRUST BANK FINANCING	295.91

Total CURRENT LIABILITIES	14,038.88
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NATIONWIDE COMPUTER SYSTEMS, INC.

Balance Sheet

As Of December 31, 2003

Last Seq. #: 2762

	<u>Balance</u>
NOTE PAYABLE - CARLOS E. CORDOVA	14,903.64
NOTE PAYABLE - STUART GITLOW	14,903.64
NOTE PAYABLE - ESMIE YOUNG	29,807.28
NOTE PAYABLE - RONALD J. STAUBLE, SR	14,903.64
NOTE PAYABLE - GRACE BURNS	37,259.10
NOTE PAYABLE - ROBERT FARRELL	59,614.57
NOTE PAYABLE - TIFFANY FARRELL	14,903.64
GREENWOOD NOTE - GRACE BURNS	25,460.95
GREENWOOD NOTE - MIKE BURNS	44,530.40
GREENWOOD NOTE - EDWARD STAUBLE	17,812.16
GREENWOOD NOTE - ESMIE YOUNG	8,486.98
GREENWOOD NOTE - TOM FANTACONE	44,530.40
GREENWOOD NOTE - ED ROWAN	25,460.95
	<hr/>
Total LONG TERM LIABILITIES	352,577.35
	<hr/>
Total LOANS PAYABLE STOCKHOLDERS	0.00
	<hr/>
Total Liabilities	366,616.23
	<hr/>
===== Equity =====	
COMMON STOCK	10.00
PAID IN CAPITAL	128,000.00
RETAINED EARNINGS-PRIOR PERIOD	41,532.86
	<hr/>
Total Equity	169,542.86
	<hr/>
Total Liabilities and Equity	536,159.09
	<hr/> <hr/>

NCS - 12/31/03
Balance Sheet
As Of December 31, 2002
Last Seq. #: 2745

Balance

===== **Assets** =====

CASH IN BANK - UP BANK	21,009.38
CASH IN BANK - W.C.M.A.	724.44
CASH IN BANK - UP PAYROLL	50.00
ACCOUNTS RECEIVABLE - TRADE	52,209.69
INVENTORY	21,827.00

Total CURRENT ASSETS	95,820.51
----------------------	-----------

Total DUE FROM STOCKHOLDERS	0.00
-----------------------------	------

OFFICE EQUIPMENT	8,735.29
FURNITURE & FIXTURES	4,458.57
AUTOS & TRUCKS	16,497.50
COMPUTERS	11,100.00
NETRUS.NET EQUIPMENT	60,000.00
DESOTO.NET EQUIPMENT	234,000.00
NETRUS.NET GOODWILL	17,000.00
DESOTO.NET GOODWILL	45,000.00
ACCUMULATED AMORTIZATION	-3,477.00
ACCUMULATED DEPRECIATION	-71,253.07

Total FIXED ASSETS	322,061.29
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DEPOSITS	100.00
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Total OTHER ASSETS	100.00
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Total Assets	417,981.80
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===== **Liabilities** =====

ACCOUNTS PAYABLE - TRADE	2,084.76
ACCOUNTS PAYABLE - OTHER	2,347.50
SALES TAX PAYABLE	91.54
PAYROLL TAXES PAY - FICA	701.96
PAYROLL TAXES PAY - FWT	3,316.00
PAYROLL TAXES PAY-FUTA	433.47
PAYROLL TAXES PAY-SUTA FL	2.27
SUNTRUST BANK FINANCING	4,026.70

Total CURRENT LIABILITIES	13,004.20
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NOTE PAYABLE - CARLOS E. CORDOVA	18,233.48
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NOTE PAYABLE - STUART GITLOW	18,233.48
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NCS - 12/31/03
Balance Sheet
As Of December 31, 2002
Last Seq. #: 2745

	<u>Balance</u>
NOTE PAYABLE - ESMIE YOUNG	36,466.97
NOTE PAYABLE - RONALD J. STAUBLE,SR	18,233.48
NOTE PAYABLE - GRACE BURNS	45,583.71
NOTE PAYABLE - ROBERT FARRELL	72,933.94
NOTE PAYABLE - TIFFANY FARRELL	18,233.48
	<hr/>
Total LONG TERM LIABILITIES	227,918.54
	<hr/>
Total LOANS PAYABLE STOCKHOLDERS	0.00
	<hr/>
Total Liabilities	240,922.74
	<hr/>
===== Equity =====	
COMMON STOCK	10.00
PAID IN CAPITAL	128,000.00
RETAINED EARNINGS-PRIOR PERIOD	49,049.06
	<hr/>
Total Equity	177,059.06
	<hr/>
Total Liabilities and Equity	417,981.80
	<hr/> <hr/>

NCS-12/31/02
Balance Sheet
As Of December 31, 2001
Last Seq. #: 2573

	Balance
===== Assets =====	
CASH IN BANK - MAIN ACCOUNT	21,464.62
CASH IN BANK - W.C.M.A.	133.65
UNION PLANTERS PAYROLL ACCOUNT	50.00
ACCOUNTS RECEIVABLE - TRADE	43,988.03
INVENTORY	22,677.00
	88,313.30
Total CURRENT ASSETS	88,313.30
	0.00
Total DUE FROM STOCKHOLDERS	0.00
OFFICE EQUIPMENT	3,679.29
FURNITURE & FIXTURES	4,458.57
AUTOS & TRUCKS	16,497.50
COMPUTERS	11,100.00
NETRUS.NET EQUIPMENT	60,000.00
NETRUS.NET GOODWILL	17,000.00
ACCUMULATED AMORTIZATION	-94.00
ACCUMULATED DEPRECIATION	-51,787.07
	60,854.29
Total FIXED ASSETS	60,854.29
DEPOSITS	100.00
	100.00
Total OTHER ASSETS	100.00
Total Assets	149,267.59
===== Liabilities =====	
ACCOUNTS PAYABLE - TRADE	1,605.79
ACCOUNTS PAYABLE - OTHER	5,932.34
LOANS PAYABLE - F. CASSIDY	10,000.00
SALES TAX PAYABLE	60.65
PAYROLL TAXES PAY-SUTA	12.09
SUNTRUST BANK FINANCING	7,506.13
NETRUS.NET FINANCING	27,000.00
	52,117.00
Total CURRENT LIABILITIES	52,117.00
	0.00
Total LONG TERM LIABILITIES	0.00
	0.00
Total LOANS PAYABLE STOCKHOLDERS	0.00

NCS-12/31/02
Balance Sheet
As Of December 31, 2001
Last Seq. #: 2573

	<u>Balance</u>
Total Liabilities	<u>52,117.00</u>
===== Equity =====	
COMMON STOCK	10.00
PAID IN CAPITAL	45,000.00
RETAINED EARNINGS-PRIOR PERIOD	52,140.59
Total Equity	<u>97,150.59</u>
Total Liabilities and Equity	<u><u>149,267.59</u></u>

NATIONWIDE COMPUTER SYSTEMS, INC.

Income Statement
Period 13, This Year
Last Seq. #: 2745

	12/31/03 This Year Period 13		12/31/02 Last Year Period 13	
	YTD Post	%Sales	YTD Post	%Sales
===== Sales =====				
SALES				
SALES-HARDWARE	93,655.21	8.8	99,442.00	10.0
SALES-SOFTWARE	1,115.00	0.1	9,477.00	1.0
SALES-PROGRAMMING/CONSULTING	87,850.49	8.3	114,928.00	11.5
SALES-TRAINING	0.00	N/A	285.00	0.0
SALES-SERVICE CONTRACTS	9,880.00	0.9	11,300.00	1.1
SALES-BUSINESS FORMS	2,012.50	0.2	2,262.00	0.2
SALES-INTERNET FEES	864,046.73	81.6	756,955.00	76.1
SALES - COMMISSIONS	224.81	0.0	415.00	0.0
Total SALES	<u>1,058,784.74</u>	<u>100.0</u>	<u>995,064.00</u>	<u>100.0</u>
Total RETURNS AND ALLOWANCES	0.00	N/A	0.00	N/A
Total Sales	<u>1,058,784.74</u>	<u>100.0</u>	<u>995,064.00</u>	<u>100.0</u>
==== Cost of Sales ====				
DIRECT COSTS				
PURCHASES-HARDWARE	37,798.00	3.6	56,644.00	5.7
PURCHASES-FORMS	1,887.49	0.2	2,758.00	0.3
PURCHASES-SOFTWARE	692.06	0.1	5,380.00	0.5
SUBCONTRACT-REPAIR	325.99	0.0	340.00	0.0
SUBCONTRACT-PROGRAMMING	0.00	N/A	2,441.00	0.2
SUBCONTRACT - SERVICES	41,125.00	3.9	98,000.00	9.8
PURCHASES - INTERNET	380,327.00	35.9	330,396.00	33.2
Total Cost of Sales	<u>462,155.54</u>	<u>43.6</u>	<u>495,958.00</u>	<u>49.8</u>
Gross Margin	<u>596,629.20</u>	<u>56.4</u>	<u>499,105.00</u>	<u>50.2</u>
===== Expenses =====				
SELLING EXPENSES				
SALES COMMISSIONS	4,051.93	0.4	3,330.00	0.3
Total SELLING EXPENSES	<u>4,051.93</u>	<u>0.4</u>	<u>3,330.00</u>	<u>0.3</u>
PAYROLL COSTS				
SALARIES - OFFICERS	34,850.00	3.3	31,610.00	3.2
SALARIES - OFFICE	181,741.26	17.2	177,071.00	17.8
PAYROLL TAX EXPENSE	15,702.85	1.5	15,487.00	1.6

NATIONWIDE COMPUTER SYSTEMS, INC.

Income Statement

Period 13, This Year

Last Seq. #: 2745

	This Year Period 13		Last Year Period 13	
	YTD Post	%Sales	YTD Post	%Sales
TEMPORARY HELP	82.00	0.0	0.00	N/A
Total PAYROLL COSTS	232,376.11	21.9	224,168.00	22.5
GENERAL AND ADMINISTRATIVE				
ADVERTISING	9,236.47	0.9	10,231.00	1.0
AUTO	5,900.88	0.6	5,903.00	0.6
AUTO RENTALS/FEES	14,569.73	1.4	9,267.00	0.9
BANK & INTEREST CHARGES	1,510.86	0.1	2,309.00	0.2
DUES & SUBSCRIPTIONS	509.79	0.0	520.00	0.1
DONATIONS	100.00	0.0	0.00	N/A
INSURANCE-BUSINESS	4,022.60	0.4	6,681.00	0.7
INSURANCE-HEALTH	20,095.56	1.9	23,598.00	2.4
LEGAL & ACCOUNTING FEES	4,167.96	0.4	12,137.00	1.2
ALLOWANCE FOR BAD DEBT	3,826.24	0.4	16,271.00	1.6
OFFICE SUPPLIES	10,208.07	1.0	9,344.00	0.9
POSTAGE & COURIER	5,596.81	0.5	5,779.00	0.6
RENT	30,506.53	2.9	12,358.00	1.2
REPAIRS & MAINTENANCE	319.70	0.0	925.00	0.1
TAXES, LICENSES & FEES	1,051.50	0.1	759.00	0.1
TELEPHONE & CABLE	18,598.47	1.8	13,155.00	1.3
MEALS & ENTERTAINMENT (50 %)	791.43	0.1	1,114.00	0.1
TRAVEL	10,194.48	1.0	4,350.00	0.4
EMPLOYEE BENEFITS	3,679.41	0.3	2,075.00	0.2
UTILITIES	3,831.69	0.4	2,116.00	0.2
Total GENERAL AND ADMINISTRATIV	148,718.18	14.0	138,893.00	14.0
DEPRECIATION & AMORTIZATION				
DEPRECIATION & AMORTIZATION	69,906.00	6.6	25,993.00	2.6
Total DEPRECIATION & AMORTIZATI	69,906.00	6.6	25,993.00	2.6
Total Expenses	455,052.22	43.0	392,384.00	39.4
===== Other Income =====				
OTHER INCOME				
Total OTHER INCOME	0.00	N/A	0.00	N/A
OTHER EXPENSE				
INTEREST EXPENSE	-45,231.43	(4.3)	-17,361.00	(1.7)
MEALS & ENTERTAINMENT (50%)	-791.43	(0.1)	-1,114.00	(0.1)
DISTRIBUTION OF DIVIDENDS	-101,947.60	(9.6)	-90,444.00	(9.1)
OFFICERS' LIFE INSURANCE	-1,122.72	(0.1)	-895.00	(0.1)
Total OTHER EXPENSE	-149,093.18	(14.1)	-109,813.00	(11.0)

NATIONWIDE COMPUTER SYSTEMS, INC.

Income Statement
 Period 13, This Year
 Last Seq. #: 2745

	This Year Period 13		Last Year Period 13	
	YTD Post	%Sales	YTD Post	%Sales
Total Other Income	-149,093.18	(14.1)	-109,813.00	(11.0)
Gross Income Before Taxes	-7,516.20	(0.7)	-3,092.00	(0.3)
===== Taxes =====				
STATE INCOME TAX				
Total STATE INCOME TAX	0.00	N/A	0.00	N/A
FEDERAL INCOME TAX				
Total FEDERAL INCOME TAX	0.00	N/A	0.00	N/A
Total Taxes	0.00	N/A	0.00	N/A
Net Income After Taxes	-7,516.20	(0.7)	-3,092.00	(0.3)

NCS-12/31/02
Income Statement
Period 13, This Year
Last Seq. #: 2573

	12/31/02 This Year Period 13		12/31/01 Last Year Period 13	
	YTD Post	%Sales	YTD Post	%Sales
===== Sales =====				
SALES				
SALES-HARDWARE	99,442.21	10.0	136,811.00	23.0
SALES-SOFTWARE	9,477.40	1.0	16,659.00	2.8
SALES-PROGRAMMING/CONSULTING	114,927.98	11.5	146,724.00	24.6
SALES-TRAINING	285.00	0.0	900.00	0.2
SALES-SERVICE CONTRACTS	11,300.00	1.1	12,585.00	2.1
SALES-BUSINESS FORMS	2,261.50	0.2	1,396.00	0.2
SALES-INTERNET FEES	756,954.56	76.1	279,101.00	46.9
SALES - COMMISSIONS	415.24	0.0	1,056.00	0.2
Total SALES	995,063.89	100.0	595,231.00	100.0
Total RETURNS AND ALLOWANCES	0.00	N/A	0.00	N/A
Total Sales	995,063.89	100.0	595,231.00	100.0

==== Cost of Sales =====

DIRECT COSTS				
PURCHASES-HARDWARE	56,644.00	5.7	71,199.00	12.0
PURCHASES-FORMS	2,758.00	0.3	1,844.00	0.3
PURCHASES-SOFTWARE	5,379.63	0.5	8,562.00	1.4
SUBCONTRACT-REPAIR	340.00	0.0	293.00	0.0
SUBCONTRACT-TRAINING	0.00	N/A	863.00	0.1
SUBCONTRACT-PROGRAMMING	2,441.25	0.2	0.00	N/A
SUBCONTRACT - SERVICES	98,000.00	9.8	0.00	N/A
PURCHASES - INTERNET	330,395.60	33.2	93,788.00	15.8
Total Cost of Sales	495,958.48	49.8	176,548.00	29.7
Gross Margin	499,105.41	50.2	418,683.00	70.3

===== Expenses =====

SELLING EXPENSES				
SALES COMMISSIONS	3,330.00	0.3	3,905.00	0.7
Total SELLING EXPENSES	3,330.00	0.3	3,905.00	0.7
PAYROLL COSTS				
SALARIES - OFFICERS	31,610.00	3.2	29,600.00	5.0
SALARIES - OFFICE	177,070.78	17.8	158,574.00	26.6

NCS-12/31/02
Income Statement
Period 13, This Year
Last Seq. #: 2573

	This Year Period 13		Last Year Period 13	
	YTD Post	%Sales	YTD Post	%Sales
PAYROLL TAX EXPENSE	15,487.28	1.6	14,187.00	2.4
Total PAYROLL COSTS	224,168.06	22.5	202,361.00	34.0
GENERAL AND ADMINISTRATIVE				
ADVERTISING	10,230.88	1.0	4,531.00	0.8
AUTO	5,903.42	0.6	5,795.00	1.0
AUTO RENTALS/FEES	9,267.17	0.9	8,541.00	1.4
BANK & INTEREST CHARGES	2,308.60	0.2	2,086.00	0.4
DUES & SUBSCRIPTIONS	520.31	0.1	0.00	N/A
INSURANCE-BUSINESS	6,681.41	0.7	4,202.00	0.7
INSURANCE-HEALTH	23,598.39	2.4	13,591.00	2.3
LEGAL & ACCOUNTING FEES	12,136.50	1.2	3,103.00	0.5
ALLOWANCE FOR BAD DEBT	16,271.48	1.6	5,955.00	1.0
OFFICE SUPPLIES	9,343.90	0.9	7,396.00	1.2
POSTAGE & COURIER	5,778.91	0.6	3,358.00	0.6
RENT	12,358.30	1.2	5,604.00	0.9
REPAIRS & MAINTENANCE	924.72	0.1	3,952.00	0.7
TAXES, LICENSES & FEES	758.91	0.1	241.00	0.0
TELEPHONE & CABLE	13,155.14	1.3	7,570.00	1.3
MEALS & ENTERTAINMENT (50 %)	1,113.62	0.1	1,290.00	0.2
TRAVEL	4,350.42	0.4	3,634.00	0.6
EMPLOYEE BENEFITS	2,075.00	0.2	2,150.00	0.4
UTILITIES	2,115.72	0.2	1,161.00	0.2
Total GENERAL AND ADMINISTRATIV	138,892.80	14.0	84,159.00	14.1
DEPRECIATION & AMORTIZATION				
DEPRECIATION & AMORTIZATION	25,993.00	2.6	27,694.00	4.7
Total DEPRECIATION & AMORTIZATI	25,993.00	2.6	27,694.00	4.7
Total Expenses	392,383.86	39.4	318,120.00	53.4
==== Other Income ====				
OTHER INCOME				
INTEREST INCOME	0.00	N/A	65.00	0.0
Total OTHER INCOME	0.00	N/A	65.00	0.0
OTHER EXPENSE				
INTEREST EXPENSE	-17,360.55	(1.7)	-697.00	(0.1)
MEALS & ENTERTAINMENT (50%)	-1,113.63	(0.1)	-1,290.00	(0.2)
DISTRIBUTION OF DIVIDENDS	-90,444.15	(9.1)	-97,256.00	(16.3)
OFFICERS' LIFE INSURANCE	-894.75	(0.1)	-1,114.00	(0.2)
Total OTHER EXPENSE	-109,813.08	(11.0)	-100,357.00	(16.9)

NCS-12/31/02
Income Statement
Period 13, This Year
Last Seq. #: 2573

	This Year Period 13		Last Year Period 13	
	YTD Post	%Sales	YTD Post	%Sales
Total Other Income	-109,813.08	(11.0)	-100,291.00	(16.8)
Gross Income Before Taxes	-3,091.53	(0.3)	272.00	0.0
===== Taxes =====				
STATE INCOME TAX				
Total STATE INCOME TAX	0.00	N/A	0.00	N/A
FEDERAL INCOME TAX				
Total FEDERAL INCOME TAX	0.00	N/A	0.00	N/A
Total Taxes	0.00	N/A	0.00	N/A
Net Income After Taxes	-3,091.53	(0.3)	272.00	0.0

Nationwide Computer Systems, Inc.

Statement of Retained Earnings 2001 – 2003

	Year Ending 12/31/2003	Year Ending 12/31/2002	Year Ending 12/31/2001
Retained Earnings At Beginning of Year	\$ 49,049	\$ 52,141	\$ 51,869
Net Income (Loss)	<u>(7,516)</u>	<u>(3,092)</u>	<u>272</u>
Retained Earnings At End of Year	\$ 41,533	\$ 49,049	\$ 52,141

▶ Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation.
▶ See separate instructions.

2003

Department of the Treasury
Internal Revenue Service

For calendar year 2003, 20

A Effective date of election as an S corporation
12/15/91

ZL 59-2782497 DEC2003 S29
NATIONWIDE COMPUTER SYSTEMS INC
PO BOX 551149
DAVIE FL 33355-1149

N I R S

B Business code number (see pages 31-33 of the Insts.)
518111

type.

C Employer identification number
59 2782497

D Date incorporated
11/12/86

E Total assets (see page 13 of instructions)
\$ 536,159 00

F Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
G Enter number of shareholders in the corporation at end of the tax year

Caution: Include only trade or business income and expenses on lines 1a through 21. See page 12 of the instructions for more information.

Income	1a	Gross receipts or sales	1,058,785 00	b	Less returns and allowances	0 00	c Bal ▶	1c	1,058,785 00
	2	Cost of goods sold (Schedule A, line 8)						2	462,156 00
	3	Gross profit. Subtract line 2 from line 1c						3	596,629 00
	4	Net gain (loss) from Form 4797, Part II, line 18 (attach Form 4797)						4	0 00
	5	Other income (loss) (attach schedule)						5	0 00
	6	Total income (loss). Add lines 3 through 5						6	596,629 00
Deductions (see page 13 of the instructions for limitations)	7	Compensation of officers						7	34,850 00
	8	Salaries and wages (less employment credits)						8	185,793 00
	9	Repairs and maintenance						9	320 00
	10	Bad debts						10	3,826 00
	11	Rents						11	30,507 00
	12	Taxes and licenses						12	16,754 00
	13	Interest						13	45,231 00
	14a	Depreciation (Attach Form 4562)	14a	69,906 00					
	b	Depreciation claimed on Schedule A and elsewhere on return	14b	0 00					
	c	Subtract line 14b from line 14a						14c	69,906 00
	15	Depletion (Do not deduct oil and gas depletion.)						15	0 00
	16	Advertising						16	9,236 00
	17	Pension, profit-sharing, etc., plans						17	0 00
	18	Employee benefit programs						18	23,775 00
19	Other deductions (attach schedule)						19	80,085 00	
20	Total deductions. Add the amounts shown in the far right column for lines 7 through 19						20	500,283 00	
21	Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6						21	96,346 00	
Tax and Payments	22	Tax: a Excess net passive income tax (attach schedule)	22a	0 00					
	b	Tax from Schedule D (Form 1120S)	22b	0 00					
	c	Add lines 22a and 22b (see page 17 of the instructions for additional taxes)						22c	0 00
	23	Payments: a 2003 estimated tax payments and amount applied from 2002 return	23a	0 00					
	b	Tax deposited with Form 7004	23b	0 00					
	c	Credit for Federal tax paid on fuels (attach Form 4136)	23c	0 00					
	d	Add lines 23a through 23c						23d	0 00
	24	Estimated tax penalty (See page 17 of instructions). Check if Form 2220 is attached						24	0 00
	25	Tax due. If line 23d is smaller than the total of lines 22c and 24, enter amount owed						25	0 00
	26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid						26	0 00
27	Enter amount of line 26 you want: Credited to 2004 estimated tax						27	0 00	

Sign Here ▶ Jim Jones 3-18-4 VP
Signature of officer Date Title

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer's Use Only
Preparer's signature: _____ Date: _____ Check if self-employed Preparer's SSN or PTIN: _____
Firm's name (or yours if self-employed), address, and ZIP code: _____ EIN: _____
Phone no: _____

Schedule A Cost of Goods Sold (see page 18 of the instructions)

1	Inventory at beginning of year	1	21,827	00
2	Purchases	2	411,865	00
3	Cost of labor	3	41,451	00
4	Additional section 263A costs (attach schedule)	4	0	00
5	Other costs (attach schedule)	5	0	00
6	Total. Add lines 1 through 5	6	475,143	00
7	Inventory at end of year	7	12,987	00
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	462,156	00

9a Check all methods used for valuing closing inventory: (i) Cost as described in Regulations section 1.471-3
(ii) Lower of cost or market as described in Regulations section 1.471-4
(iii) Other (specify method used and attach explanation) ▶
b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) ▶
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶
d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d
e If property is produced or acquired for resale, do the rules of Section 263A apply to the corporation? Yes No
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Schedule B Other Information (see page 19 of instructions)

	Yes	No
1 Check method of accounting: (a) <input type="checkbox"/> Cash (b) <input checked="" type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶		
2 See pages 31 through 33 of the instructions and enter the: (a) Business activity ▶ <u>Computers/Internet</u> (b) Product or service ▶ <u>Computers/Internet</u>		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter ▶ <input type="checkbox"/>		
6 Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
7 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years ▶ \$		
8 Check this box if the corporation had accumulated earnings and profits at the close of the tax year ▶ <input type="checkbox"/>		
9 Are the corporation's total receipts (see page 19 of the instructions) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1		X

Note: If the corporation had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

	(a) Pro rata share items		(b) Total amount	
1 Ordinary income (loss) from trade or business activities (page 1, line 21)	1		96,346	00
2 Net income (loss) from rental real estate activities (attach Form 8825)	2		0	00
3a Gross income from other rental activities	3a	0 00		
b Expenses from other rental activities (attach schedule)	3b	0 00		
c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c		0	00
4 Portfolio income (loss):				
a Interest income	4a		0	00
b Dividends: (1) Qualified dividends ▶ (2) Total ordinary dividends ▶	4b(2)		0	00
c Royalty income	4c		0	00
d Net short-term capital gain (loss): (1) Post-May 5, 2003 ▶ (2) Entire year ▶	4d(2)		0	00
e Net long-term capital gain (loss): (1) Post-May 5, 2003 ▶ (2) Entire year ▶	4e(2)		0	00
f Other portfolio income (loss) (attach schedule)	4f		0	00
5 Net section 1231 gain (loss) (attach Form 4797): (a) Post-May 5, 2003 ▶ (b) Entire year ▶	5(b)		0	00
6 Other income (loss) (attach schedule)	6		0	00

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc. (continued)

	(a) Pro rata share items		(b) Total amount	
Deductions	7 Charitable contributions (attach schedule)	7	0	00
	8 Section 179 expense deduction (attach Form 4562)	8	0	00
	9 Deductions related to portfolio income (loss) (itemize)	9	0	00
	10 Other deductions (attach schedule)	10	0	00
Investment Interest	11a Interest expense on investment debts	11a	0	00
	b (1) Investment income included on lines 4a, 4b(2), 4c, and 4f on page 2	11b(1)	0	00
	(2) Investment expenses included on line 9 above	11b(2)	0	00
Credits	12a Credit for alcohol used as a fuel (attach Form 6478)	12a	0	00
	b Low-income housing credit:			
	(1) From partnerships to which section 42(j)(5) applies	12b(1)	0	00
	(2) Other than on line 12b(1)	12b(2)	0	00
	c Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c	0	00
	d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d	0	00
	e Credits related to other rental activities	12e	0	00
13 Other credits	13	0	00	
Adjustments and Tax Preference Items	14a Depreciation adjustment on property placed in service after 1986	14a	0	00
	b Adjusted gain or loss	14b	0	00
	c Depletion (other than oil and gas)	14c	0	00
	d (1) Gross income from oil, gas, or geothermal properties	14d(1)	0	00
	(2) Deductions allocable to oil, gas, or geothermal properties	14d(2)	0	00
e Other adjustments and tax preference items (attach schedule)	14e	0	00	
Foreign Taxes	15a Name of foreign country or U.S. possession ▶			
	b Gross income from all sources	15b	0	00
	c Gross income sourced at shareholder level	15c	0	00
	d Foreign gross income sourced at corporate level:			
	(1) Passive	15d(1)	0	00
	(2) Listed categories (attach schedule)	15d(2)	0	00
	(3) General limitation	15d(3)	0	00
	e Deductions allocated and apportioned at shareholder level:			
	(1) Interest expense	15e(1)	0	00
	(2) Other	15e(2)	0	00
	f Deductions allocated and apportioned at corporate level to foreign source income:			
(1) Passive	15f(1)	0	00	
(2) Listed categories (attach schedule)	15f(2)	0	00	
(3) General limitation	15f(3)	0	00	
g Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15g	0	00	
h Reduction in taxes available for credit (attach schedule)	15h	0	00	
Other	16 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶	16b	0	00
	17 Tax-exempt interest income	17	0	00
	18 Other tax-exempt income	18	0	00
	19 Nondeductible expenses	19	0	00
	20 Total property distributions (including cash) other than dividends reported on line 22 below	20	0	00
	21 Other items and amounts required to be reported separately to shareholders (attach schedule)			
	22 Total dividend distributions paid from accumulated earnings and profits	22	101,948	00
	23 Income (loss) . (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15g, and 16b	23	96,346	00

Note: The corporation is not required to complete Schedules L and M-1 if question 9 of Schedule B is answered "Yes"

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		21,784		22,851
2a	Trade notes and accounts receivable	52,210		78,066	
b	Less allowance for bad debts	0	52,210	0	78,066
3	Inventories		21,827		12,987
4	U.S. government obligations		0		0
5	Tax-exempt securities		0		0
6	Other current assets (attach schedule)		0		0
7	Loans to shareholders		0		0
8	Mortgage and real estate loans		0		0
9	Other investments (attach schedule)		0		0
10a	Buildings and other depreciable assets	334,791		403,491	
b	Less accumulated depreciation	(71,253)	263,538	(132,393)	271,098
11a	Depletable assets	0		0	
b	Less accumulated depletion	0	0	0	0
12	Land (net of any amortization)		0		0
13a	Intangible assets (amortizable only)	62,000		162,000	
b	Less accumulated amortization	(3,477)	58,523	(10,943)	151,057
14	Other assets (attach schedule)		100		100
15	Total assets		417,982		536,159
Liabilities and Shareholders' Equity					
16	Accounts payable		4,432		9,095
17	Mortgages, notes, bonds payable in less than 1 year		0		0
18	Other current liabilities (attach schedule)		8,572		4,944
19	Loans from shareholders		0		0
20	Mortgages, notes, bonds payable in 1 year or more		227,918		352,577
21	Other liabilities (attach schedule)		0		0
22	Capital stock		10		10
23	Additional paid-in capital		128,000		128,000
24	Retained earnings		49,050		41,533
25	Adjustments to shareholders' equity (attach schedule)		0		0
26	Less cost of treasury stock		(0)		(0)
27	Total liabilities and shareholders' equity		417,982		536,159

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

1	Net income (loss) per books	(7,516)	5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize):	
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):	0	a	Tax-exempt interest \$	0
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15g, and 16b (itemize):		6	Deductions included on Schedule K, lines 1 through 11a, 15g, and 16b, not charged against book income this year (itemize):	
a	Depreciation \$	0	a	Depreciation \$	0
b	Travel and entertainment \$	79.1	7	Add lines 5 and 6	0
Div/OfficerLife	103,071	103,862	8	Income (loss) (Schedule K, line 23) Line 4 less line 7	96,346
4	Add lines 1 through 3	96,346			

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see page 29 of the instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	159,173	
2	Ordinary income from page 1, line 21	96,346	
3	Other additions	0	
4	Loss from page 1, line 21	(0)	
5	Other reductions	(0)	
6	Combine lines 1 through 5	255,519	
7	Distributions other than dividend distributions	101,948	
8	Balance at end of tax year. Subtract line 7 from line 6	153,571	



Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation. See separate instructions.

2002

Department of the Treasury Internal Revenue Service

For calendar year 2002, or tax year beginning , 2002, and ending , 20

A Effective date of election as an S corporation 12/15/91
B Business code no. 7389
C Employer identification number 59:2782497
D Date incorporated 11/12/86
E Total assets (see page 11) \$ 417,982.00
Name: Nationwide Computer Systems, Inc.
Address: P.O. Box 551149, Davie, FL 33355

F Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
G Enter number of shareholders in the corporation at end of the tax year

Caution: Include only trade or business income and expenses on lines 1a through 21. See page 11 of the instructions for more information.

Table with 3 columns: Description, Amount, and Subtotal. Rows include Income (1a-6), Deductions (7-21), and Tax and Payments (22-27). Total income is 499,105.00. Total deductions are 409,744.00. Tax due is 0.00.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Signature of officer: [Signature] Date: 3-6-03 Title: VP

May the IRS discuss this return with the preparer shown below (see instructions)? Yes [X] No []

Paid Preparer's Use Only
Preparer's signature, Date, Check if self-employed, Preparer's SSN or PTIN, Firm's name, EIN, Phone no.

Schedule A Cost of Goods Sold (see page 17 of the instructions)

1	Inventory at beginning of year	22,677	00
2	Purchases	394,327	00
3	Cost of labor	100,781	00
4	Additional section 263A costs (attach schedule)	0	00
5	Other costs (attach schedule)	0	00
6	Total. Add lines 1 through 5	517,785	00
7	Inventory at end of year	21,827	00
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	495,958	00

9a Check all methods used for valuing closing inventory: (i) Cost as described in Regulations section 1.471-3
(ii) Lower of cost or market as described in Regulations section 1.471-4
(iii) Other (specify method used and attach explanation) _____
b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)
c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d _____
e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No
f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input type="checkbox"/> Cash (b) <input checked="" type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) _____		
2 Refer to the list on pages 29 through 31 of the instructions and state the corporation's principal. (a) Business activity <input checked="" type="checkbox"/> <u>Install Computers</u> (b) Product or service <input checked="" type="checkbox"/> <u>Computers/Programs</u>		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter <input type="checkbox"/>		
6 Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/> If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
7 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see page 17 of the instructions) <input type="checkbox"/> \$ _____		
8 Check this box if the corporation had accumulated earnings and profits at the close of the tax year (see page 18 of the instructions) <input type="checkbox"/>		
9 Are the corporation's total receipts (see page 29 of the instructions) for the tax year and total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1		X

Note: If the corporation had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

	(a) Pro rata share items		(b) Total amount	
1 Ordinary income (loss) from trade or business activities (page 1, line 21)			1	89,361 00
2 Net income (loss) from rental real estate activities (attach Form 8825)			2	000
3a Gross income from other rental activities	3a	000		
b Expenses from other rental activities (attach schedule)	3b	000		
c Net income (loss) from other rental activities. Subtract line 3b from line 3a			3c	0 00
4 Portfolio income (loss):				
a Interest income			4a	000
b Ordinary dividends			4b	000
c Royalty income			4c	000
d Net short-term capital gain (loss) (attach Schedule D (Form 1120S)).			4d	0 00
e (1) Net long-term capital gain (loss) (attach Schedule D (Form 1120S)).			4e(1)	000
(2) 28% rate gain (loss) <input type="checkbox"/> (3) Qualified 5-year gain <input type="checkbox"/>				
f Other portfolio income (loss) (attach schedule)			4f	000
5 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)			5	000
6 Other income (loss) (attach schedule)			6	000

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc. (continued)

		(a) Pro rata share items	(b) Total amount	
Deductions	7	Charitable contributions (attach schedule)	7	000
	8	Section 179 expense deduction (attach Form 4562)	8	000
	9	Deductions related to portfolio income (loss) (itemize)	9	000
	10	Other deductions (attach schedule)	10	000
Investment Interest	11a	Interest expense on investment debts	11a	000
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	11b(1)	000
	(2)	Investment expenses included on line 9 above	11b(2)	000
Credits	12a	Credit for alcohol used as a fuel (attach Form 6478)	12a	000
	b	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12b(1)	000
	(2)	Other than on line 12b(1)	12b(2)	000
	c	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c	000
	d	Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d	000
	e	Credits related to other rental activities	12e	000
13	Other credits	13	000	
Adjustments and Tax Preference Items	14a	Depreciation adjustment on property placed in service after 1986	14a	000
	b	Adjusted gain or loss	14b	000
	c	Depletion (other than oil and gas)	14c	000
	d (1)	Gross income from oil, gas, or geothermal properties	14d(1)	000
	(2)	Deductions allocable to oil, gas, or geothermal properties	14d(2)	000
e	Other adjustments and tax preference items (attach schedule)	14e	000	
Foreign Taxes	15a	Name of foreign country or U.S. possession ▶		
	b	Gross income from all sources	15b	000
	c	Gross income sourced at shareholder level	15c	000
	d	Foreign gross income sourced at corporate level:		
	(1)	Passive	15d(1)	000
	(2)	Listed categories (attach schedule)	15d(2)	000
	(3)	General limitation	15d(3)	000
	e	Deductions allocated and apportioned at shareholder level:		
	(1)	Interest expense	15e(1)	000
	(2)	Other	15e(2)	000
	f	Deductions allocated and apportioned at corporate level to foreign source income:		
(1)	Passive	15f(1)	000	
(2)	Listed categories (attach schedule)	15f(2)	000	
(3)	General limitation	15f(3)	000	
g	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15g	000	
h	Reduction in taxes available for credit (attach schedule)	15h	000	
Other	16	Section 59(e)(2) expenditures: a Type ▶ b Amount ▶	16b	000
	17	Tax-exempt interest income	17	000
	18	Other tax-exempt income	18	000
	19	Nondeductible expenses	19	000
	20	Total property distributions (including cash) other than dividends reported on line 22 below	20	000
	21	Other items and amounts required to be reported separately to shareholders (attach schedule)		
	22	Total dividend distributions paid from accumulated earnings and profits	22	90,4400
23	Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15g, and 16b	23	89,36100	

Note: The corporation is not required to complete Schedules L and M-1 if question 9 of Schedule B is answered "Yes"

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		21,649		21,784
2a	Trade notes and accounts receivable	43,988		52,210	
b	Less allowance for bad debts	0	43,988	0	52,210
3	Inventories		22,677		21,827
4	U.S. Government obligations		0		0
5	Tax-exempt securities		0		0
6	Other current assets (attach schedule)		0		0
7	Loans to shareholders		0		0
8	Mortgage and real estate loans		0		0
9	Other investments (attach schedule)		0		0
10a	Buildings and other depreciable assets	95,735		334,791	
b	Less accumulated depreciation	(51,787)	43,948	(71,253)	263,538
11a	Depletable assets	0		0	
b	Less accumulated depletion	0	0	0	0
12	Land (net of any amortization)		0		0
13a	Intangible assets (amortizable only)	17,000		62,000	
b	Less accumulated amortization	(94)	16,906	(3,477)	58,523
14	Other assets (attach schedule)		100		100
15	Total assets		149,268		417,982
Liabilities and Shareholders' Equity					
16	Accounts payable		7,538		4,432
17	Mortgages, notes, bonds payable in less than 1 year		10,000		0
18	Other current liabilities (attach schedule)		34,579		8,572
19	Loans from shareholders		0		0
20	Mortgages, notes, bonds payable in 1 year or more		0		227,918
21	Other liabilities (attach schedule)		0		0
22	Capital stock		10		10
23	Additional paid-in capital		45,000		128,000
24	Retained earnings		52,141		49,050
25	Adjustments to shareholders' equity (attach schedule)		0		0
26	Less cost of treasury stock		(0)		(0)
27	Total liabilities and shareholders' equity		149,268		417,982

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

1	Net income (loss) per books	(3,092)	5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize)	
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):	0	a	Tax-exempt interest \$	0
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15g, and 16b (itemize)		6	Deductions included on Schedule K, lines 1 through 11a, 15g, and 16b, not charged against book income this year (itemize)	
a	Depreciation \$	0	a	Depreciation \$	0
b	Travel and entertainment \$	1,114	7	Add lines 5 and 6.	0
st.Div/OfficersLife		91,339	8	Income (loss) (Schedule K, line 23). Line 4 less line 7	89,361
4	Add lines 1 through 3.	89,361			

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see page 26 of the instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders undistributed taxable income previously taxed
1	Balance at beginning of tax year	77,256	
2	Ordinary income from page 1, line 21	89,361	
3	Other additions	83,000	
4	Loss from page 1, line 21	(0)	
5	Other reductions	(0)	
6	Combine lines 1 through 5	249,617	
7	Distributions other than dividend distributions	90,444	
8	Balance at end of tax year. Subtract line 7 from line 6	159,173	



▶ Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation.

▶ See separate instructions.

2001

Department of the Treasury
Internal Revenue Service

For calendar year 2001, or tax year beginning 2001 and ending 20

A Effective date of election as an S corporation
12/15/91
B Business code no. (see pages 29-31)
7389

ZL 59-2782497 DEC2001 S29 N
NATIONWIDE COMPUTER SYSTEM INC
6051 SW 45TH ST
DAVIE FL 33314-3609

C Employer identification number
59 2782497
D Date incorporated
11/12/86
E Total assets (see page 11)
\$ 149,268 00

F Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
G Enter number of shareholders in the corporation at end of the tax year 2

Caution: Include only trade or business income and expenses on lines 1a through 21. See page 11 of the instructions for more information.

Income	1a	Gross receipts or sales	595,231 00	b	Less returns and allowances	0 00	c	Bal	1c	595,231 00
	2	Cost of goods sold (Schedule A, line 8)							2	176,548 00
	3	Gross profit. Subtract line 2 from line 1c							3	418,683 00
	4	Net gain (loss) from Form 4797, Part II, line 18 (attach Form 4797)							4	0 00
	5	Other income (loss) (attach schedule)							5	0 00
	6	Total income (loss). Combine lines 3 through 5							6	418,683 00
Deductions (see page 12 of the instructions for limitations)	7	Compensation of officers							7	29,600 00
	8	Salaries and wages (less employment credits)							8	162,479 00
	9	Repairs and maintenance							9	3,952 00
	10	Bad debts							10	5,955 00
	11	Rents							11	5,604 00
	12	Taxes and licenses							12	14,428 00
	13	Interest							13	697 00
	14a	Depreciation (if required, attach Form 4562)		14a	3,694 00					
	b	Depreciation claimed on Schedule A and elsewhere on return		14b	0 00					
	c	Subtract line 14b from line 14a							14c	3,694 00
	15	Depletion (Do not deduct oil and gas depletion.)							15	0 00
	16	Advertising							16	4,531 00
	17	Pension, profit-sharing, etc., plans							17	0 00
	18	Employee benefit programs							18	15,741 00
19	Other deductions (attach schedule)							19	48,136 00	
20	Total deductions. Add the amounts shown in the far right column for lines 7 through 19							20	294,817 00	
21	Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6							21	123,866 00	
Tax and Payments	22a	Excess net passive income tax (attach schedule)		22a	0 00					
	b	Tax from Schedule D (Form 1120S)		22b	0 00					
	c	Add lines 22a and 22b (see page 16 of the instructions for additional taxes)							22c	0 00
	23a	2001 estimated tax payments and amount applied from 2000 return		23a	0 00					
	b	Tax deposited with Form 7004		23b	0 00					
	c	Credit for Federal tax paid on fuels (attach Form 4136)		23c	0 00					
	d	Add lines 23a through 23c							23d	0 00
	24	Estimated tax penalty. Check if Form 2220 is attached							24	0 00
	25	Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See page 4 of the instructions for depository method of payment							25	0 00
	26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid							26	0 00
27	Enter amount of line 26 you want: Credited to 2002 estimated tax							27	0 00	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer

Date 2-26-02

Title V.P.

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no. ()	

Schedule A Cost of Goods Sold (see page 16 of the instructions)

1	Inventory at beginning of year	1	7,325	00
2	Purchases	2	190,245	00
3	Cost of labor	3	1,155	00
4	Additional section 263A costs (attach schedule)	4	0	00
5	Other costs (attach schedule)	5	0	00
6	Total. Add lines 1 through 5	6	199,225	00
7	Inventory at end of year	7	22,677	00
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	176,548	00

9a Check all methods used for valuing closing inventory:

- (i) Cost as described in Regulations section 1.471-3
- (ii) Lower of cost or market as described in Regulations section 1.471-4
- (iii) Other (specify method used and attach explanation) ▶

b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input type="checkbox"/> Cash (b) <input checked="" type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶		
2 Refer to the list on pages 29 through 31 of the instructions and state the corporation's principal: (a) Business activity ▶ <u>Install computers</u> (b) Product or service ▶ <u>Computers/Programs</u>		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned.		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter ▶ <input type="checkbox"/>		
6 Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ <input type="checkbox"/> If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
7 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see page 17 of the instructions) ▶ \$		
8 Check this box if the corporation had accumulated earnings and profits at the close of the tax year (see page 17 of the instructions) ▶ <input type="checkbox"/>		

Note: If the corporation had assets or operated a business in a foreign country or U.S. possession, it may be required to attach Schedule N (Form 1120), Foreign Operations of U.S. Corporations, to this return. See Schedule N for details.

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

	(a) Pro rata share items		(b) Total amount	
1 Ordinary income (loss) from trade or business activities (page 1, line 21)	1		123,866	00
2 Net income (loss) from rental real estate activities (attach Form 8825)	2		0	00
3a Gross income from other rental activities	3a	0 00		
b Expenses from other rental activities (attach schedule)	3b	0 00		
c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c		0	00
4 Portfolio income (loss):				
a Interest income	4a		66	00
b Ordinary dividends	4b		0	00
c Royalty income	4c		0	00
d Net short-term capital gain (loss) (attach Schedule D (Form 1120S)).	4d		0	00
e (1) Net long-term capital gain (loss) (attach Schedule D (Form 1120S)).	4e(1)		0	00
(2) 28% rate gain (loss) ▶				
(3) Qualified 5-year gain ▶				
f Other portfolio income (loss) (attach schedule)	4f		0	00
5 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	5		0	00
6 Other income (loss) (attach schedule)	6		0	00

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc. (continued)

		(a) Pro rata share items	(b) Total amount	
Deductions	7	Charitable contributions (attach schedule)	7	0 00
	8	Section 179 expense deduction (attach Form 4562)	8	24,000 00
	9	Deductions related to portfolio income (loss) (itemize)	9	0 00
	10	Other deductions (attach schedule)	10	0 00
Investment Interest	11a	Interest expense on investment debts	11a	0 00
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	11b(1)	0 00
	(2)	Investment expenses included on line 9 above	11b(2)	0 00
Credits	12a	Credit for alcohol used as a fuel (attach Form 6478)	12a	0 00
	b	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12b(1)	0 00
	(2)	Other than on line 12b(1)	12b(2)	0 00
	c	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c	0 00
	d	Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d	0 00
	e	Credits related to other rental activities	12e	0 00
13	Other credits	13	0 00	
Adjustments and Tax Preference Items	14a	Depreciation adjustment on property placed in service after 1986	14a	0 00
	b	Adjusted gain or loss	14b	0 00
	c	Depletion (other than oil and gas)	14c	0 00
	d (1)	Gross income from oil, gas, or geothermal properties	14d(1)	0 00
	(2)	Deductions allocable to oil, gas, or geothermal properties	14d(2)	0 00
e	Other adjustments and tax preference items (attach schedule)	14e	0 00	
Foreign Taxes	15a	Name of foreign country or U S possession		
	b	Gross income from all sources	15b	0 00
	c	Gross income sourced at shareholder level	15c	0 00
	d	Foreign gross income sourced at corporate level:		
	(1)	Passive	15d(1)	0 00
	(2)	Listed categories (attach schedule)	15d(2)	0 00
	(3)	General limitation	15d(3)	0 00
	e	Deductions allocated and apportioned at shareholder level:		
	(1)	Interest expense	15e(1)	0 00
	(2)	Other	15e(2)	0 00
	f	Deductions allocated and apportioned at corporate level to foreign source income:		
(1)	Passive	15f(1)	0 00	
(2)	Listed categories (attach schedule)	15f(2)	0 00	
(3)	General limitation	15f(3)	0 00	
g	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15g	0 00	
h	Reduction in taxes available for credit (attach schedule)	15h	0 00	
Other	16	Section 59(e)(2) expenditures: a Type b Amount	16b	0 00
	17	Tax-exempt interest income	17	0 00
	18	Other tax-exempt income	18	0 00
	19	Nondeductible expenses	19	0 00
	20	Total property distributions (including cash) other than dividends reported on line 22 below	20	0 00
	21	Other items and amounts required to be reported separately to shareholders (attach schedule)		
	22	Total dividend distributions paid from accumulated earnings and profits	22	97,256 00
23	Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15g, and 16b	23	99,932 00	

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		12,270		21,649
2a	Trade notes and accounts receivable	36,330		43,988	
b	Less allowance for bad debts	0	36,330	0	43,988
3	Inventories		7,825		22,677
4	U.S. Government obligations		0		0
5	Tax-exempt securities		0		0
6	Other current assets (attach schedule)		0		0
7	Loans to shareholders		0		0
8	Mortgage and real estate loans		0		0
9	Other investments (attach schedule)		0		0
10a	Buildings and other depreciable assets	37,935		95,735	
b	Less accumulated depreciation	(26,387)	11,548	(51,787)	43,948
11a	Depletable assets	0		0	
b	Less accumulated depletion	0	0	0	0
12	Land (net of any amortization)		0		0
13a	Intangible assets (amortizable only)	0		17,000	
b	Less accumulated amortization	0	0	(94)	16,906
14	Other assets (attach schedule)		1,397		100
15	Total assets		69,370		149,268
Liabilities and Shareholders' Equity					
16	Accounts payable		6,733		7,538
17	Mortgages, notes, bonds payable in less than 1 year		0		10,000
18	Other current liabilities (attach schedule)		10,759		34,579
19	Loans from shareholders		0		0
20	Mortgages, notes, bonds payable in 1 year or more		0		0
21	Other liabilities (attach schedule)		0		0
22	Capital stock		10		10
23	Additional paid-in capital		0		45,000
24	Retained earnings		51,868		52,141
25	Adjustments to shareholders' equity (attach schedule)		0		0
26	Less cost of treasury stock		(0)		(0)
27	Total liabilities and shareholders' equity		69,370		149,268

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (You are not required to complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)

1	Net income (loss) per books	272	5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize):	
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):	0	a	Tax-exempt interest \$	0
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15g, and 16b (itemize):		6	Deductions included on Schedule K, lines 1 through 11a, 15g, and 16b, not charged against book income this year (itemize):	
a	Depreciation \$	0	a	Depreciation \$	0
b	Travel and entertainment \$	1,290	7	Add lines 5 and 6.	0
Dist. Div/OfficersLife		98,370	8	Income (loss) (Schedule K, line 23). Line 4 less line 7	99,932
4	Add lines 1 through 3.	99,932			

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see page 27 of the instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	29,646	
2	Ordinary income from page 1, line 21	123,866	
3	Other additions	45,000	
4	Loss from page 1, line 21	(0)	
5	Other reductions	(24,000)	
6	Combine lines 1 through 5	174,512	
7	Distributions other than dividend distributions	97,256	
8	Balance at end of tax year. Subtract line 7 from line 6	77,256	

