

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)

FINANCIAL STATEMENTS
SUPPLEMENTARY INFORMATION
AND INDEPENDENT AUDITOR'S REPORT

MARCH 31, 2015 AND 2014

BALACHANDAR JAYARAMAN CPA LLC
Certified Public Accountant/Business Consultant
719 Inman Ave., Suite # 201, P.O. Box 117
Colonia, NJ 07067
Tel. (732) 943-7605 eFax. (732) 909-7122
Cell. (732) 539-0924
Email: balajayaraman@msn.com
www.jayaraman CPA.com

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)

TABLE OF CONTENTS

MARCH 31, 2015 AND 2014

| | <u>PAGE NO.</u> |
|---|------------------------|
| INDEPENDENT ACCOUNTANT’S AUDIT REPORT | 1-2 |
| FINANCIAL SECTION | |
| Balance Sheets..... | 3 |
| Statements of Income | 4 |
| Statements of Changes in Stockholder’s Equity..... | 5 |
| Statements of Cash Flows | 6 |
| Notes to Financial Statements | 7-13 |
| SUPPLEMENTARY INFORMATION | |
| Schedule I – Schedules of Cost of Sales..... | 14 |
| Schedule II – Schedules of Operating Expenses | 15 |

BALACHANDAR JAYARAMAN CPA LLC

Certified Public Accountant/ Business Consultant

719 Inman Avenue, Suite # 201, P O Box 117

Colonia, NJ 07067

www.jayaraman CPA.com

Email: balajayaraman@msn.com

732-943-7605 (Tel)

732-909-7122 (eFax)

732-539-0924 (Tel/Cell)

Licensed: NJ & IL

Member: AICPA

Member: NJSCPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders of
SQS BFSI Inc.
(Formerly Thinksoft Global Services, Inc.)

We have audited the accompanying financial statements of SQS BFSI Inc. (formerly Thinksoft Global Services, Inc.) (a Delaware Corporation), which comprise the balance sheets as of March 31, 2015 and 2014 and the related statements of income, changes in stockholder's equity and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITOR'S REPORT – (Cont'd)

Auditor's Responsibility – (cont'd)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SQS BFSI Inc. (formerly Thinksoft Global Services, Inc.) as of March 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of cost of sales and operating expenses (on pages 15-16) are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Balachandar Jayaraman CPA LLC

Colonia, New Jersey

April 21, 2015

SQS BFSI INC.
(Formerly THINKSOFT GLOBAL SERVICES, INC.)
BALANCE SHEETS
March 31, 2015 and 2014

| | 2015 | 2014 |
|---|----------------------------|--------------------------|
| <u>Assets</u> | | |
| <u>Current Assets</u> | | |
| Cash and Cash Equivalents | \$ 994,205 | \$ 386,263 |
| Accounts Receivable - Affiliate SQS India | 304,517 | 204,554 |
| Accounts Receivable - Affiliate Others | 12,401 | - |
| Loans & Advances | 63,369 | 29,245 |
| Prepaid Expenses | 3,565 | 5,226 |
| Total Current Assets | <u>1,378,057</u> | <u>625,288</u> |
| <u>Property, Plant and Equipment</u> | | |
| Computer Equipment | 4,108 | 3,666 |
| Less: Accumulated Depreciation | <u>(1,789)</u> | <u>(1,533)</u> |
| Total Property, Plant and Equipment | <u>2,319</u> | <u>2,133</u> |
| <u>Other Assets</u> | | |
| Security Deposits | 1,150 | 1,326 |
| Total Other Assets | <u>1,150</u> | <u>1,326</u> |
| Total Assets | <u>\$ 1,381,526</u> | <u>\$ 628,747</u> |
| <u>Liabilities and Stockholder's Equity</u> | | |
| <u>Current Liabilities</u> | | |
| Accounts Payable | \$ 4,266 | \$ 10,931 |
| Accounts Payable - Affiliate Others | 448,460 | - |
| Accrued Expenses | 190,593 | 83,137 |
| Accrued Income Taxes | 34,019 | 15,182 |
| Total Current Liabilities | <u>677,338</u> | <u>109,250</u> |
| <u>Stockholder's Equity</u> | | |
| Common Stock - 0.01 Cent par value; 10,000 shares authorized and 3,000 shares issued | 30 | 30 |
| Additional Paid-in Capital | 99,970 | 99,970 |
| Retained Earnings | 604,188 | 419,497 |
| Total Stockholder's Equity | <u>704,188</u> | <u>519,497</u> |
| Total Liabilities and Stockholder's Equity | <u>\$ 1,381,526</u> | <u>\$ 628,747</u> |

See independent auditor's report and accompanying notes to the financial statements

SQS BFSI INC.
(Formerly THINKSOFT GLOBAL SERVICES, INC.)
STATEMENTS OF INCOME
For the Years Ended March 31, 2015 and 2014

| | <u>2015</u> | <u>2014</u> |
|---|--------------------------|--------------------------|
| <u>Operating Revenues</u> | | |
| Sales Revenues | \$ 4,189,822 | \$ 2,803,147 |
| Total Operating Revenues | <u>4,189,822</u> | <u>2,803,147</u> |
| Cost of Sales (Schedule I) | (2,324,999) | (1,657,433) |
| Gross Profit/(Loss) | <u>1,864,823</u> | <u>1,145,714</u> |
| Operating Expenses (Schedule II) | (1,590,737) | (962,333) |
| Income/(Loss) from Operations | <u>274,086</u> | <u>183,381</u> |
| <u>Other Non-Operating Income/Expenses</u> | | |
| Interest Expense | - | - |
| Income/(Loss) before provision for Income Taxes | <u>274,086</u> | <u>183,381</u> |
| Income Tax Expense | <u>(89,395)</u> | <u>(64,200)</u> |
| Net Income/(Loss) | <u>\$ 184,691</u> | <u>\$ 119,181</u> |

See independent auditor's report and accompanying notes to the financial statements

SQS BFSI INC.
(Formerly THINKSOFT GLOBAL SERVICES, INC.)
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
For the Years Ended March 31, 2015 and 2014

| | Common Stock | Additional Paid-in Capital | Retained Earnings | Total |
|--------------------------------|---------------------|-------------------------------|--------------------------|--------------------------|
| Balance at 04/01/2013 | \$ 30 | \$ 99,970 | \$ 300,316 | \$ 400,316 |
| Contribution/Return of capital | - | - | - | |
| Net Income/(Loss) | - | - | 119,181 | 119,181 |
| Balance at 03/31/2014 | <u>30</u> | <u>99,970</u> | <u>419,497</u> | <u>519,497</u> |
| Contribution/Return of Capital | - | - | - | - |
| Net Income/(Loss) | <u>-</u> | <u>-</u> | <u>184,691</u> | <u>184,691</u> |
| Balance at 03/31/2015 | <u>\$ 30</u> | <u>\$ 99,970</u> | <u>\$ 604,188</u> | <u>\$ 704,188</u> |

See independent auditor's report and accompanying notes to the financial statements

SQS BFSI INC.
(Formerly THINKSOFT GLOBAL SERVICES, INC.)
STATEMENTS OF CASH FLOWS
For the Years Ended March 31, 2015 and 2014

| | 2015 | 2014 |
|--|--------------------------|--------------------------|
| <u>Cash Flows From Operating Activities</u> | | |
| Net Income | \$ 184,691 | \$ 119,181 |
| Adjustment to Reconcile Changes in Net Income to Net Cash Provided by/(used in) Operating Activities: | | |
| Depreciation Expense | 1,183 | 752 |
| <u>(Increase)/Decrease in:</u> | | |
| Accounts Receivable - Affiliate SQS India | (99,963) | (30,485) |
| Accounts Receivable/ Affiliate Others | (12,401) | 30,397 |
| Loans & Advances | (34,124) | 45,181 |
| Prepaid Expenses | 1,661 | (5,226) |
| Security Deposit | 176 | - |
| <u>Increase/(Decrease) in:</u> | | |
| Accounts Payable | (6,665) | (13,947) |
| Accounts Payable - Affiliate Others | 448,460 | - |
| Accrued Expenses | 107,456 | (100,607) |
| Accrued Income Taxes | 18,837 | (36,378) |
| Sales & Other Business Taxes | - | (207) |
| Net Cash Provided by/(used in) Operating Activities | <u>609,311</u> | <u>8,661</u> |
| <u>Cash Flows From Investing Activities</u> | | |
| Purchase of Property, Plant and Equipment | (1,369) | (2,740) |
| Net Cash Provided by/(used in) Investing Activities | <u>(1,369)</u> | <u>(2,740)</u> |
| <u>Cash Flows From Financing Activities</u> | | |
| Common Stock | - | - |
| Additional Paid-in Capital | - | - |
| Net Cash Provided by/(used in) Financing Activities | <u>-</u> | <u>-</u> |
| Net Increase/(Decrease) in Cash and Cash Equivalents | 607,942 | 5,921 |
| Cash and Cash Equivalents: Beginning of Year | <u>386,263</u> | <u>380,342</u> |
| Cash and Cash Equivalents: End of Year | <u><u>\$ 994,205</u></u> | <u><u>\$ 386,263</u></u> |

See independent auditor's report and accompanying notes to the financial statements

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014

Note 1. Organization

SQS BFSI Inc., formerly known as Thinksoft Global Services, Inc. (SQS/Company) was incorporated on April 29, 2002 in the State of Delaware. SQS BFSI is a wholly owned subsidiary of SQS India BFSI Limited (formerly known as Thinksoft Global Services Limited (SQS-India) a public limited corporation in India. SQS BFSI is a software service firm that provides software validation and verification services to the Banking and Financial Services industry located throughout the United States.

Note 2. Summary of Significant Accounting Policies

This summary of significant accounting policies of SQS is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements.

a) Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Accordingly, all significant receivables, payables, and other liabilities are recorded.

b) Use of Estimates

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

c) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash is defined as unrestricted cash balances and investments with original maturities of three months or less. As of March 31, 2015 and 2014, there were no restricted cash balances and investments.

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014

Note 2. Summary of Significant Accounting Policies – (Cont'd)

d) Concentrations of Credit Risk

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents. Cash and cash equivalents are deposited with federally insured commercial banks in the United States. As of March 31, 2015 and 2014, the Company had cash balances in excess of federal insurance limits. Risk to the Company for the uninsured cash balances is considered minimal.

e) Accounts Receivable

Trade accounts receivable are stated at net of allowance for doubtful accounts. The Company establishes an allowance for uncollectible trade accounts receivable based on historical collection experience and management's evaluation of collectability of outstanding accounts receivable.

f) Property, Plant and Equipment

For financial reporting purposes, depreciation of property, plant and equipment is provided on the straight-line method. The estimated useful lives of the assets are as follows:

| | |
|-----------|---------|
| Computers | 3 years |
|-----------|---------|

All property, plant and equipment with acquisition costs of 5,000 INR, which is converted to US dollars (approximately equal to \$80 converted at the exchange rate of INR 62.25 per US Dollar as of March 31, 2015) according to the exchange rate applicable at the time of purchase and useful life of over one year, is capitalized. The cost of assets sold, retired, or otherwise disposed of and the related accumulated depreciation are eliminated from the accounts, and any resulting gain or loss is included in statement of income and retained earnings. Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

g) Revenue Recognition

The company generates revenue from professional services rendered. Revenue is recognized for the services performed while the corresponding costs of providing those services are reflected as cost of sales. Revenue represents services billed to Parent company based on cost plus margin as per transfer pricing study. The Company invoices the parent company for all services rendered to customers in the United States at cost plus margin based on transfer pricing study. The entire revenue of the Company, therefore, represents services billed to the parent company in accordance with the transfer pricing study.

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014

Note 2. Summary of Significant Accounting Policies – (Cont'd)

g) Revenue Recognition-(Cont'd)

Billings to customers for out-of-pocket expenses were recorded as revenues. Unbilled services represent revenue for services performed but not yet billed until the subsequent period. Advances received prior to providing services are recognized as revenue when services are performed.

h) Cost of Sales

Costs of sales primarily consist of employee payroll costs, related payroll taxes and benefits, business travel expenses, amounts paid to SQS-India for support services rendered to the customers and professional services for consultants on the projects.

i) Operating Expenses

Operating expenses are general and administrative in nature, which include recruiting, marketing, rent etc., which are not directly related to any specific client project, but provide for the overall support and direction of SQS BFSI, Inc.

j) Income Taxes

The Company provides for income taxes on the basis of United States generally accepted accounting principles (as codified by Financial Accounting Standards Board) which requires recognition of deferred taxes based on the differences between the financial statement and the tax bases of assets and liabilities at enacted rates in effect in the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

k) Advertising

The Company expenses the costs of advertising, including promotional expenses, as incurred.

l) Subsequent Events

Management considered subsequent events through the date of issuance of this report (April 21, 2015).

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014

Note 3. Cash and Cash Equivalents

For purposes of statements of cash flows, SQS BFSI considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Company maintains its cash accounts at banks, which are guaranteed by the FDIC up to \$ 250,000. Risk to the Company for uninsured cash balances is considered minimal. As of March 31, 2015 and 2014, the Company's uninsured cash balances were as follows:

| | Mar. 31, 2015 | Mar. 31, 2014 |
|---------------------------|--------------------------|--------------------------|
| Carrying Value | \$ 1,015,081 | \$ 387,979 |
| Portion insured by FDIC | 250,000 | 250,000 |
| Portion uninsured by FDIC | <u>\$ 765,081</u> | <u>\$ 137,979</u> |

Risk to the Company for uninsured cash balances is considered minimal.

Note 4. Accounts Receivable – Affiliate SQS India

100 % of the revenues represented amounts billed to the parent company at cost plus overhead basis, using transfer pricing study. Accounts Receivable – Affiliate SQS India consists of balances due from the parent company for services billed at cost plus basis. As of March 31, 2015 and 2014 such balances amounted to \$ 304,517 and \$ 204,554, respectively.

Note 5. Accounts Receivable – Affiliate Others

Accounts Receivable – Affiliate Others represent amounts billed to an affiliate company for services rendered. Such balances amounted to \$ 12,401 and \$ -0- as of March 31, 2015 and 2014, respectively.

Note 6. Loans & Advances

The Company provides advances to employees to meet their expenses during relocation or temporary assignments away from their home location. These advances are adjusted when the employee's expense bills are submitted or salary advances are repaid by the employees. Advances also include fees paid to government for immigration matters. As of March 31, 2015 and 2014, loans & advances amounted to \$ 63,369 and \$ 29,245, respectively. These advances bear no interest.

Note 7. Prepaid Expenses

The Company paid advances for dues and subscription. As of March 31, 2015 and 2014, prepaid expenses amounted to \$ 3,565 and \$ 5,226, respectively.

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014

Note 8. Property and Equipment

Property and equipment included computer equipment purchased for business purposes at a cost of \$ 4,108 and \$ 3,666 as of March 31, 2015 and 2014, respectively. The accumulated depreciation as of March 31, 2015 and 2014 amounted to \$ 1,789 and \$ 1,533, respectively. The depreciation expense for the years ended March 31, 2015 and 2014 amounted to \$ 1,183 and \$752, respectively.

Note 9. Security Deposits

The Company has total security deposit of \$ 1,150 and \$1,326 as of March 31, 2015 and 2014, respectively.

Note 10. Accounts Payable

Accounts payable includes outstanding invoices due to vendors. As of March 31, 2015 and 2014, the balances amounted to \$ 4,266 and \$ 10,931, respectively.

Note 11. Accrued Expenses

Accrued expenses include sales and marketing expenses, professional fees for services rendered, travel and immigration related expenses incurred during the reporting period. As of March 31, 2015 and 2014, accrued expenses amounted to \$ 190,593 and \$ 83,137, respectively.

Note 12. Accrued Income Taxes

Accrued income taxes consist of federal and state corporate income taxes owed by the Company less the amount of estimated tax payments made during the period. As of March 31, 2015 and 2014, they amounted to \$ 34,019 and \$ 15,182, respectively.

Note 13. Stockholder's Equity

During the years ended March 31, 2015 and 2014, parent Company SQS-India did not contribute any additional funds to Equity.

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014

Note 14. Related Party Transactions

SQS-India, the parent company of SQS BFSI, undertakes full responsibility for project execution, provides operational and management direction, technical literatures, and training for implementation of projects.

SQS billed \$ 4,189,822 and \$ 2,803,147 for costs of consultants provided for onsite/offshore services to SQS India for the years ended March 31, 2015 and 2014, respectively. Such billing is based on transfer pricing study, which uses cost plus overhead as the basis, consistent with industry standards.

Accounts Receivable due from SQS-India as of March 31, 2015 and 2014 were \$ 304,517 and \$ 204,554, respectively. Accounts Payable to related affiliated companies amounted to \$448,460 and \$-0- as of March 31, 2015 and 2014, respectively. The amounts due to/ from are settled with the parent and affiliated companies periodically in the ordinary course of business.

During the years ended March 31, 2015 and 2014, SQS received \$ 1,983 and \$ 339,207 respectively, from the customers of SQS-India. SQS did not provide any services to those customers and all services were provided and billed by SQS-India.

During the years ended March 31, 2015 and 2014, SQS billed \$ 6,743 and \$ -0- respectively, to SQS-India for cost incurred on their behalf.

Note 15. Cash Flow Information

Cash paid for interest and income taxes for the years ended March 31, 2015 and 2014 were as follows:

| | <u>Mar. 31, 2015</u> | <u>Mar. 31, 2014</u> |
|--------------|-----------------------------|-----------------------------|
| Interest | \$ - | \$ - |
| Income Taxes | 70,558 | 100,578 |
| Total | <u>\$ 70,558</u> | <u>\$ 100,578</u> |

SQS BFSI INC.
(FORMERLY THINKSOFT GLOBAL SERVICES, INC.)
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014

Note 16. Income Taxes

The Company files income tax returns in the U.S. federal and various state jurisdictions. During the years ended March 31, 2015 and 2014, the Company's tax expense / (benefit) amounted to \$ 89,395 and \$ 64,200, respectively.

Note 17. Operating Lease

The Company has an annual lease agreement for office space located in Harrison, New York at the rate of \$ 1,208 per month. The lease has been extended to March 31, 2016. Rental expenses incurred for the years ended March 31, 2015 and 2014 at this office location, amounted to \$ 15,216 and \$ 14,490, respectively.

The future minimum lease payments for the lease are as follows:

| | |
|----------------|-----------|
| Year ending: | |
| March 31, 2016 | \$ 15,972 |

Note 18. Concentrations

100 % of the sales revenue is based on billing the parent company for services rendered in the USA to various customers, at cost plus margin based on transfer pricing study.

The Company maintains its cash in a bank deposit account located in New York, which, at times, may exceed federally insured limit of \$ 250,000. The Company has not experienced any losses in the account. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents. As of March 31, 2015 and 2014, the uninsured cash balances were \$ 765,081 and \$ 137,979, respectively (Note 3).

Note 19. Foreign Operations

SQS-India, the parent company, provides professional services to the customers in the USA and bills at the agreed upon rates in US dollars based on the service contracts / orders received from them. SQS, in turn, bills SQS-India for all its revenues at cost plus margin basis in accordance with transfer pricing study.

SQS BFSI INC.
(Formerly THINKSOFT GLOBAL SERVICES, INC.)
SCHEDULES OF COST OF SALES
For the Years Ended March 31, 2015 and 2014

| | <u>2015</u> | <u>2014</u> |
|--|--------------------------------|--------------------------------|
| <u>Costs of Sales</u> | | |
| Payroll Expenses | \$ 1,825,023 | \$ 1,466,647 |
| Payroll Taxes & Benefits | 326,360 | 171,607 |
| Project Implentation/Professional Fees | <u>173,616</u> | <u>19,179</u> |
| Total Cost of Sales | <u><u>\$ 2,324,999</u></u> | <u><u>\$ 1,657,433</u></u> |

See independent auditor's report and accompanying notes to the financial statements

SQS BFSI INC.
(Formerly THINKSOFT GLOBAL SERVICES, INC.)
SCHEDULES OF OPERATING EXPENSES
For the Years Ended March 31, 2015 and 2014

| | <u>2015</u> | <u>2014</u> |
|-------------------------------|----------------------------|--------------------------|
| Operating Expenses | | |
| Salaries & Wages | \$ 1,046,543 | \$ 550,741 |
| Travel & Immigration Expenses | 219,956 | 80,892 |
| Marketing Expenses | 132,047 | 168,919 |
| Payroll Taxes & Benefits | 83,173 | 64,412 |
| Professional Fees | 50,243 | 26,630 |
| Recruitment Expenses | 32,000 | 31,720 |
| Rent | 15,216 | 14,490 |
| Office Expense | 4,939 | 4,259 |
| Telecommunication | 4,687 | 7,694 |
| Depreciation | 1,183 | 752 |
| Repairs & Maintenance | 565 | 996 |
| Bank Service Charges | 185 | 605 |
| Staff Training | - | 9,630 |
| Licenses, Permits & Fees | - | 593 |
| | <u> </u> | <u> </u> |
| Total Operating Expenses | <u><u>\$ 1,590,737</u></u> | <u><u>\$ 962,333</u></u> |

See independent auditor's report and accompanying notes to the financial statements