

STAYTOP SYSTEMS INC

Financial Statements

March 31st, 2020

STAYTOP SYSTEMS, INC

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Certified Public Accountant

8995 Moor Park Run,
Duluth, GA 30097

INDEPENDENT AUDITOR REPORT

Board of Directors
StayTop Systems Inc.
Raleigh, NC

We have reviewed the accompanying financial statements of StayTop Systems, Inc. (a California corporation) which comprise the balance sheet as of March 31, 2020, and the related statements of operation, changes in stockholders' equity, for the year 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 under 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 audit. We conducted our audit per 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 misstatements.

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 to design the audit procedures that are appropriate in the circumstances, but not to express 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.

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 StayTop Systems, Inc. as of March 31, 2020, and the results of its operations and its cash flows for the year then ended, as per accounting principles generally accepted in the United States of America

A handwritten signature in black ink, appearing to read "Prabhakar", with a horizontal line drawn underneath it.

REDDY CPA
Prabhakar Boyapally
Certified Public Accountants

May 28th 2020

STAYTOP SYSTEMS, INC.	
Balance Sheet March 31, 2020	
ASSETS	
Current assets:	
Cash and cash equivalents	\$290,053
Accounts receivables	\$479,708
Other current assets	\$1,905,379
Total current assets	\$2,675,140
Fixed assets, net	\$1,713
Total assets	\$2,676,853
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities:	
Accounts payables and accrued expenses	\$644,190
Payroll liabilities	\$5,002
Other current liabilities	\$26,492
Total current liabilities	\$675,684
Stockholders' equity	
Common stock, no per value; 10,000 shares authorized, issued and outstanding	\$1,200
Retained earnings	
Total stockholders' equity	\$1,999,969
Total liabilities and stockholders' equity	\$2,676,853

"Please refer Notes on Financial Statements"

STAYTOP SYSTEMS, INC.
Statement of Operations
For the year ended March 31, 2020

Net Revenue	\$1,503,529
Cost of Revenue	\$1,414,654
Gross Profit	\$88,875
Operating Expenses	
Selling, General and Administrative Expenses	\$249,869
	(\$160,994)
Operating Loss Before Other Income / (Expense)	
Depreciation	(\$398)
Net Loss Before Income Tax Expense	(\$161,392)
Net Loss	(\$161,392)
Federal Income Tax Benefit / (Expense)	
State Income Tax Benefit / (Expense)	(\$5,228)
Net Loss	(\$166,620)

See Accompanying Notes to Financial statements -

STAYTOP SYSTEMS, INC.
Cash Flow Statement
For the year ended March 31, 2020

Cash Flow Used For Operating Activities	
Net Loss	(\$166,620.02)
Operating Activities	
Depreciation	\$398.00
Changes In Assets and Liabilities	(\$20,857.41)
(Increase)/ Decrease in Account Receivable	(\$67,299.29)
(Increase)/ Decrease in Other Current Assets	
Increase / (Decrease) in Account Payables and Accured Expenses	\$176,563.47
Increase / (Decrease) in Payroll Liabilities	\$0.00
Increase / (Decrease) in Other Current Liabilities	\$22,856.00
Total Adjustments	\$111,262.77
Net cash Used in Operatig Activities	(\$54,959.25)
Net Increase/(Deacrese) in Cash & Cash Equivalents	(\$54,959.25)
Cash at the beginning of the Year	\$345,013.06
Cash at the end of the Year	\$290,053.81
Income Taxes Paid	\$5,228.47

See Accompanying Notes to Financial statements -

STAYTOP SYSTEMS INC

Statement of Changes in Stock holders Equity
For the year March 31st 2020

Particulars	Number of Shares	Amount	Retained Earnings	Total Stock Holders Equity
Balance As on 31st March 2019	10000	\$1200	\$2,166,589	\$2,167,789
Net Loss			(\$166,620)	(\$166,620)
Balance as on 31st March 2020	10000	12000	\$1,999,969	\$2,001,169

See Accompanying Notes to Financial statements -



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Summary and Accounting Policies and procedures.

General:

StayTop Systems Inc a California corporation is engaged in onsite Information Technology (IT) consulting to Capgemini America, Inc. The Company's headquarter is in North Carolina. In 2004 Stay Top was acquired by Goldstone Technologies Limited. They provide technically skilled engineers to manage complex projects for leading corporations around the world. They integrate technology, organizational change, and business Process Improvements to help customers achieve their business objectives.

Accounting Policies and Use of Estimates

These Financial Statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP); consequently, revenue is recognized when services are rendered and expenses reflected when costs are incurred

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 revenues and expenses during the reporting period. Actual results could differ from those estimates. Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustment, if any, to the estimates used are made prospectively based on such periodic evaluations.

Fair Value:

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

Cash and Cash Equivalents

The Company considers all highly liquid investments (including money market funds) with an original maturity at acquisition of three months or less to be cash equivalents. The company maintains cash balances which may exceed federally insured limits. The company does not believe this results in any significant credit risk.

Revenue Recognition.

Revenue is primarily derived from professional services under time and materials contracts, which are recognized in the period in which services are provided. Revenue related to services



performed without a signed agreement or work orders are not recognized until there is evidence of an arrangement, such as when agreements or work orders are signed or payment is received; however, the cost related to the performance of such work is recognized in the period the services are Rendered.

For all services, revenue is recognized when, and if, evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability is assured.

Revenue related to fixed-price contracts for professional services are recognized using a model that is similar to the proportional performance method. Anticipated losses are recognized when they become known. Revisions in estimated profits are made in the month in which the circumstances requiring the revision become known. There was no fixed-price contract for the period ending March 31st 2020.

Accounts Receivable

The company extends credit to clients based upon management's assessment of their credit-worthiness on an unsecured basis. The Company provides an allowance for uncollectible accounts based on historical experience and management evaluation of trend analysis. The allowances for uncollectible accounts as of March 31st 2020 is NIL.

Total Accounts receivable for the year ending on March 31, 2020, was \$ 479509

Fixed Assets

Fixed Assets costing \$1000 and above are stated at cost, net of accumulated depreciation. Leasehold improvements are amortized on a straight-line basis over the lesser of the estimated useful life of the asset or the term of the lease. Assets cost less than \$1000 expense as incurred. Furniture and equipment are depreciated on a straight-line basis over the useful life of the assets as follows.

Computer and Purchased software	3-5 Years
Furniture and equipment	5-7 Years
Automobile	7 Years

The company charges to repair and maintenance costs that do not extend the lives of the assets to expenses as incurred.

Depreciation for the year ending March 31st 2020 \$398

Net Assets as on 31st March 2020 \$ \$1713

Income Taxes.

The Company provides for income taxes under Accounting Standards Codification (ASC) No. 740. Deferred tax assets and liabilities are determined based on the differences between financial reporting and tax bases on the assets and Liabilities and are measured using the enacted tax rates

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