

**STAYTOP SYSTEMS INC**

**Financial Statements**

**March 31<sup>st</sup>, 2021**

## STAYTOP SYSTEMS, INC

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Certified Public Accountant

8995 Moor Park Run,  
Duluth, GA 30097

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## **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, 2021, 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 assessing 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



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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, 2021, 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 underneath it.

**REDDY CPA**  
**Prabhakar Boyapally**  
**Certified Public Accountants**

June 22<sup>nd</sup> 2021

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STAYTOP SYSTEMS, INC.	
Balance Sheet March 31, 2021	
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$107,035
Accounts receivables	\$337,834
Other current assets	\$1,857,129
Total current assets	<b>\$2,301,998</b>
Fixed assets, net	\$1,315
Total assets	<b>\$2,303,313</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	
Current liabilities:	
Accounts payables and accrued expenses	\$545,432
Payroll liabilities	\$6,136
Other current liabilities	\$15,576
Total current liabilities	<b>\$567,144</b>
Stockholders' equity	
Common stock, no per value; 10,000 shares authorized, issued and outstanding	\$1,200
Retained earnings	
Total stockholders' equity	<b>\$1,734,969</b>
Total liabilities and stockholders' equity	<b>\$2,303,313</b>
<b>"Please refer Notes on Financial Statements "</b>	

**STAYTOP SYSTEMS, INC.**  
**Statement of Operations**  
**For the year ended March 31,2021**

Net Revenue	\$1,556,575
Cost of Revenue	\$1,561,272
Gross Profit	(\$4,697)
Operating Expenses	
Selling , General and Administrative Expenses	\$256,607
	(\$261,304)
Operating Loss Before Other Income /( Expense)	
Depreciation	(\$398)
Net Loss Before Income Tax Expense	(\$261,702)
Net Loss	(\$261,702)
Federal Income Tax Benefit/ (Expense)	
State Income Tax Benefit / (Expense)	(\$3,300)
Net Loss	(\$265,002)

**See Accompanying Notes to Financial statements -**

**STAYTOP SYSTEMS, INC.**  
**Cash Flow Statement**  
**For the year ended March 31, 2021**

<b>Cash Flows used for Operating Activities</b>	
Net Loss	\$ (265,002)
<b>Operating Activities</b>	
Depreciation	\$ 398
<b>Changes in Assets and Liabilities</b>	
(Increase)/ Decrease in Accounts Receivable	\$ 141,875
(Increase)/ Decrease in Other Current Assets	\$ 48,251
Increase / (Decrease) in Accounts Payable and Accrued Expenses	\$ (98,758)
Increase / (Decrease) in Payroll Liabilities	\$ -
Increase / (Decrease) in Other Current Liabilities	\$ (9,782)
Total Adjustments	\$ 81,586
<b>Net Cash Used in Operating Activities</b>	<b>\$ (183,019)</b>
<b>Cash Flows from Investing Activities</b>	
Purchase of Fixed Assets	\$ -
<b>Net Cash used in Investing activities</b>	<b>\$ -</b>
Increase / (Decrease) in Line of Credit	\$ -
Increase / (Decrease) in Dividend Payable	\$ -
<b>Net increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>\$ (183,019)</b>
<b>Cash at the beginning of the Year</b>	<b>\$ 290,054</b>
<b>Cash at the end of the year</b>	<b>\$ 107,035</b>
<b>Supplimentary disclosure of cash flows information</b>	
<b>Cash paid during the year for</b>	
Interest	\$ -
Income Taxes paid	\$ 3,300

**See Accompanying Notes to Financial statements -**

**StaySoft Inc**  
**Statement of Changes in Stock Holders Equity**  
**For the Year March 31st 2021**

Particulrs	Number of Shares	Amount	Retained Earnings	Total Stock Holders Equity
Balance As on 31st March 2020	10000	\$1,200	\$1,999,971	\$2,001,171
Net Loss			(\$265,002)	(\$265,002)
Balance As on 31st March 2021	10000	\$1,200	\$1,734,969	\$1,736,169

**See Accompanying Notes to Financial statements -**





## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

### **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 Companies headquarter 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 adjustments, if any, to the estimates used are made prospectively base on such periodic evaluations.

#### **Fair Value:**

Unless otherwise indicated, the fair values of all reported assets and liabilities 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 that may exceed federally insured limits. The Company does not believe this results in any significant credit risk.

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**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. Income-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. 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 is recognized using a similar model 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 31, 2021.

**Accounts Receivable**

The Company extends credit to clients based upon management's assessment of their creditworthiness 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 31<sup>st</sup> 2021 is NIL

Total Accounts receivable for the year ending on March 31, 2021, was \$ 337,834

**Fixed Assets**

Fixed Assets costing \$1,000 and above are stated at cost, net of accumulated depreciation. Leasehold improvements are amortized on a straight-line basis over the lesser of the asset's estimated useful life or the term of the lease. Assets cost less than \$1,000 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 31, 2021, \$398  
Net Assets as of March 31, 2021, \$ 1315

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**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 and laws that will be in effect when the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to reflect the uncertainty associated with their ultimate realization. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty, as applicable, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

For the year ending March 31, 2021 – Deferred Tax liability – Nil

**Related Party Transactions.**

Party	Transaction	Amount	Related Party
GoldStone Technologies LTD	Intercompany Receivable	\$1,697,269	Yes
Other	Other receivables	\$140,000	Yes

**Commitments and Contingencies**

The Company uses office space leased by Director in his name and is reimbursed for the same monthly

Rent Expenses for the Year ending March 31, 2021, Was \$2004

**Subsequent Events:**

The Company has Evaluated and other subsequent events through June 22 2021, in which the financial statements were available to be issued. No subsequent reportable events have occurred through June 22, 2021, which would significantly affect the financial statements as of March 31 2021, except as otherwise disclosed.