

**BOB KAKARALA**  
**CERTIFIED PUBLIC ACCOUNTANT**

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AVANT-GARDE INFOSYSTEMS, INC  
FINANCIAL STATEMENTS  
MARCH 31, 2019

## **BOB KAKARALA**

**CERTIFIED PUBLIC ACCOUNTANT**

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Management  
AVANT-GARDE INFOSYSTEMS, INC  
HOUSTON, TX

Management is responsible for the accompanying financial statements of AVANT-GARDE INFOSYSTEMS, INC which comprise the statement of assets, liabilities, and equity-tax basis as of March 31, 2019 and the related statement of revenues and expenses-tax basis for year then ended in accordance with the tax basis of accounting, and for determining that the tax basis of accounting is an acceptable financial reporting framework. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the tax basis accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the tax basis accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Bob Kakarala*

Bob Kakarala, CPA  
Houston, Texas

May 10, 2019

**AVANT-GARDE INFOSYSTEMS, INC**  
**STATEMENT OF REVENUES AND EXPENSES-TAX BASIS**  
**FOR THREE MONTHS AND TWELVE MONTHS ENDED MARCH 31, 2019**

	<u>3 MONTHS ENDED MAR. 31, 2019</u>	<u>12 MONTHS ENDED MAR. 31, 2019</u>
<b>Revenue</b>		
<b>Sales</b>	\$ 37,500.00	\$ 112,470.00
<b>Interest Income</b>	0.08	0.70
<b>Total Income</b>	<u>\$ 37,500.08</u>	<u>\$ 112,470.70</u>
<b>Cost of Goods Sold</b>		
<b>MATERIALS</b>	\$ 12,799.00	\$ 54,261.37
<b>Total COGS</b>	<u>\$ 12,799.00</u>	<u>\$ 54,261.37</u>
<b>Gross Profit</b>	<u>\$ 24,701.08</u>	<u>\$ 58,209.33</u>
<b>Expense</b>		
<b>AMORTIZATION EXPENSES</b>	\$ 28.50	\$ 114.00
<b>AUTOMOBILE EXPENSES</b>	-	519.03
<b>BANK CHARGES</b>	106.00	363.00
<b>LICENSES &amp; PERMITS</b>	-	335.90
<b>OFFICE EXPENSES</b>	214.82	1,161.80
<b>PAYROLL EXPENSES</b>	42,000.00	60,000.00
<b>PAYROLL TAX</b>	3,301.20	4,705.80
<b>PROFESSIONAL FEES</b>	-	600.00
<b>TAXES</b>	-	830.00
<b>Total Expense</b>	<u>\$ 45,650.52</u>	<u>\$ 68,629.53</u>
<b>Net Income</b>	<u><u>\$ (20,949.44)</u></u>	<u><u>\$ (10,420.20)</u></u>

**AVANT-GARDE INFOSYSTEMS, INC**  
**STATEMENT OF REVENUES AND EXPENSES-TAX BASIS**  
**FOR ONE YEAR ENDED MARCH 31, 2019**

<b>Revenue</b>	
<b>Sales</b>	\$ 112,470.00
<b>Interest Income</b>	0.70
<b>Total Income</b>	<u>\$ 112,470.70</u>
<b>Cost of Goods Sold</b>	
<b>MATERIALS</b>	<u>\$ 54,261.37</u>
<b>Total COGS</b>	<u>\$ 54,261.37</u>
<b>Gross Profit</b>	<u>\$ 58,209.33</u>
<b>Expense</b>	
<b>AMORTIZATION EXPENSES</b>	\$ 114.00
<b>AUTOMOBILE EXPENSES</b>	519.03
<b>BANK CHARGES</b>	363.00
<b>LICENSES &amp; PERMITS</b>	335.90
<b>OFFICE EXPENSES</b>	1,161.80
<b>PAYROLL EXPENSES</b>	60,000.00
<b>PAYROLL TAX</b>	4,705.80
<b>PROFESSIONAL FEES</b>	600.00
<b>TAXES</b>	830.00
<b>Total Expense</b>	<u>\$ 68,629.53</u>
<b>Net Income</b>	<u><u>\$ (10,420.20)</u></u>

**AVANT-GARDE INFOSYSTEMS, INC**  
**STATEMENT OF ASSETS, LIABILITIES, AND EQUITY-TAX BASIS**  
**AS OF MARCH 31, 2019**

**ASSETS**

<b>Current Assets</b>	
WELLS FARGO CHK #7475	\$ 7,874.13
WELLS FARGO SAVINGS #18303	302.73
PAYROLL ADVANCE	4,941.00
PAYROLL TAX TO BE REFUNDED	1,518.00
SOFTWARE DEVELOPMENT	<u>316,550.00</u>
<b>Total Current Assets</b>	<b>\$ <u>331,185.86</u></b>
<b>Other Assets</b>	
ORGANIZATION EXPENSES	\$ 9,907.00
ACCUMULATED AMORTIZATION	<u>(9,380.00)</u>
<b>Total Other Assets</b>	<b>\$ <u>527.00</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$ 331,712.86</u></b>

**LIABILITIES & EQUITY**

<b>Current Liabilities</b>	
LOAN FROM JYOTI RAJU	\$ 20,000.00
LOAN FROM RAJU MANTHENA	3,000.00
MILLENIUUM STRATEGIC GROUP INC	1,000,000.00
PAYROLL TAX LIABILITIES	<u>74.40</u>
<b>Total Current Liabilities</b>	<b>\$ <u>1,023,074.40</u></b>
<b>Total Liabilities</b>	<b>\$ <u>1,023,074.40</u></b>
<b>Equity</b>	
CAPITAL STOCK	\$ 251,523.66
RETAINED EARNINGS	(932,465.00)
NET INCOME/(LOSS)	<u>(10,420.20)</u>
<b>Total Equity</b>	<b>\$ <u>(691,361.54)</u></b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>\$ 331,712.86</u></b>