

WILLIAM BIGELSON, C.P.A. INC.  
AN ACCOUNTANCY CORPORATION  
9010 CORBIN AVE. SUITE 10  
NORTHRIDGE CALIFORNIA 91324

UNITED SAFETY ALLIANCE INC  
9010 CORBIN AVE. SUITE 10  
NORTHRIDGE, CA 91324

WE HAVE COMPILED THE ACCOMPANYING STATEMENT OF ASSETS AND LIABILITIES OF UNITED SAFETY ALLIANCE INC (A CORPORATION) AS OF MAY 31, 2003, AND THE RELATED STATEMENT OF REVENUE AND EXPENSES - CASH BASIS FOR THE TWELVE MONTHS THEN ENDED, IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES ISSUED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS.

A COMPILATION IS LIMITED TO PRESENTING IN THE FORM OF FINANCIAL STATEMENTS INFORMATION THAT IS THE REPRESENTATION OF MANAGEMENT. WE HAVE NOT AUDITED OR REVIEWED THE ACCOMPANYING FINANCIAL STATEMENTS AND, ACCORDINGLY, DO NOT EXPRESS AN OPINION OR ANY OTHER FORM OF ASSURANCE ON THEM.

MANAGEMENT HAS ELECTED TO OMIT SUBSTANTIALLY ALL OF THE DISCLOSURES ORDINARILY INCLUDED IN THE FINANCIAL STATEMENTS. IF THE OMITTED DISCLOSURES WERE INCLUDED IN FINANCIAL STATEMENTS, THEY MIGHT INFLUENCE THE USER'S CONCLUSIONS ABOUT THE COMPANY'S FINANCIAL POSITION AND RESULTS OF OPERATIONS. ACCORDINGLY, THESE FINANCIAL STATEMENTS ARE NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH MATTERS.

WILLIAM BIGELSON, C.P.A.

JULY 15, 2003

UNITED SAFETY ALLIANCE INC  
BALANCE SHEET  
MAY 31, 2003

ASSETS

CURRENT ASSETS		
CASH CHECKING	\$	126.95
CASH IN BANK		12,812.92
CASH SAVINGS		<u>52,170.84</u>
TOTAL CURRENT ASSETS		\$ 65,110.71
FIXED ASSETS		<u>                    </u>
TOTAL FIXED ASSETS		.00
OTHER ASSETS		<u>                    </u>
TOTAL OTHER ASSETS		<u>.00</u>
TOTAL ASSETS		<u><u>\$ 65,110.71</u></u>

SEE ACCOUNTANT'S COMPILATION REPORT

UNITED SAFETY ALLIANCE INC  
BALANCE SHEET  
MAY 31, 2003

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
TOTAL CURRENT LIAB.		<u>\$ .00</u>
LONG TERM LIABILITIES		
NOTES PAYABLE OFFICER	<u>\$ 6,709.48</u>	
TOTAL LONG TERM LIAB.		<u>6,709.48</u>
TOTAL LIABILITIES		6,709.48
STOCKHOLDER'S EQUITY		
RETAINED EARNINGS	55,873.25	
NET INCOME (LOSS)	<u>2,527.98</u>	
TOT STOCKHOLDER'S EQUITY		<u>58,401.23</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY		<u>\$ 65,110.71</u>

SEE ACCOUNTANT'S COMPILATION REPORT

UNITED SAFETY ALLIANCE INC  
STATEMENT OF INCOME AND EXPENSE  
TWELVE MONTHS ENDED MAY 31, 2003

	TWELVE MONTHS YEAR TO DATE	
INCOME		
INCOME	\$ 104,710.94	99.5%
INTEREST INCOME	547.55	.5
TOTAL INCOME	105,258.49	100.0%
 COST OF GOODS SOLD		
GROSS PROFIT	105,258.49	100.0
 OPERATING EXPENSES		
ACCOUNTING & LEGAL	550.00	.5
ADVERTISING	106.34	.1
AUTO	352.40	.3
BANK CHARGES	163.25	.2
DUES & SUBSCRIPTIONS	166.27	.2
INSURANCE	11,279.37	10.7
INTEREST	1,118.28	1.1
OUTSIDE SERVICES	45,895.63	43.6
PAYROLL	20,000.00	19.0
PAYROLL TAXES	1,614.00	1.5
POSTAGE	402.88	.4
REPAIR & MAINTENANCE	375.00	.4
SHOW EXPENSE	13,837.45	13.1
SUPPLIES	698.20	.7
SUPPLIES (OFFICE)	2,722.49	2.6
TAX & LICENSE	966.00	.9
TELEPHONE	2,327.55	2.2
UTILITIES	155.40	.1
TOTAL EXPENSES	102,730.51	97.6
 NET INCOME (LOSS)	\$ 2,527.98	2.4%

SEE ACCOUNTANT'S COMPILATION REPORT