

APPAREO SOFTWARE INC.
BALANCE SHEET
As At February 28,2001
(Unaudited-Prepared by Management)

	<u>February 28</u> 2001	<u>February 29</u> 2000
ASSETS		
Current:		
Cash	56,549	113,765
Short Term Deposit	1,513,373	-
Accounts Receivable	194,314	244,093
Other Receivables	272,367	12,840
Corporate tax recovery	9,398	-
Inventory	18,951	26,610
Prepaid Expenses	24,870	7,167
	<u>2,089,822</u>	<u>404,475</u>
Capital Assets, Net of Accumulated Amortization	423,397	249,128
Software Development Costs (note 3)	762,006	3,890
Deferred Amalgamation Costs	83,373	-
Goodwill, Net	26,229	38,335
	<u>\$ 3,384,827</u>	<u>\$ 695,828</u>
LIABILITIES		
Current:		
Bank Indebtedness (note 4)	-	-
Accounts Payable and Accrued Liabilities	118,681	94,317
Current Portion of Capital Lease	13,800	-
Current Portion of Long Term Debt	10,000	26,500
	<u>142,481</u>	<u>120,817</u>
Due to Shareholders	-	-
Capital Lease Obligations	22,525	-
Long Term Debts	119,364	162,949
	<u>284,370</u>	<u>283,766</u>
SHAREHOLDERS' EQUITY		
Share Capital	4,079,023	350,010
Retained Earnings (Deficits)	(978,566)	62,052
	<u>3,100,457</u>	<u>412,062</u>
	<u>\$ 3,384,827</u>	<u>\$ 695,828</u>

On Behalf of the Board:

" Stuart McNeill" Director " Gregg Metivier" Director