



**FAB-FORM INDUSTRIES LTD.**

(Formerly Fastfoot Industries Ltd.)

**CONSOLIDATED FINANCIAL STATEMENTS**

**30 SEPTEMBER 2002 and 2001**

UNAUDITED, PREPARED BY MANAGEMENT

**Consolidated Balance Sheets**

For the Third Quarter

Canadian Funds

Unaudited, prepared by Management

<b>ASSETS</b>	<b>30/09/02</b>	<b>30/09/01</b>	<b>31/12/01</b>
<b>Current</b>			
Cash and short-term deposits	-	-	-
GST receivable	<b>2,534</b>	<b>1,752</b>	1,560
Accounts receivable	<b>30,750</b>	<b>19,207</b>	4,901
Prepaid expenses and advances	<b>11,987</b>	<b>9,695</b>	4,053
Inventory	<b>23,303</b>	<b>19,487</b>	10,660
	<b>68,574</b>	<b>50,141</b>	21,174
<b>Reclamation Deposit Receivable</b>	-	-	-
<b>Capital Assets (Note 5)</b>	<b>48,279</b>	<b>40,864</b>	37,351
<b>Deferred Development Costs (Note 6)</b>	<b>236,417</b>	<b>238,432</b>	236,152
<b>Patents (Note 7)</b>	<b>101,732</b>	<b>93,889</b>	98,935
<b>Trademarks (Note 8)</b>	<b>12,377</b>	<b>11,375</b>	11,767
	<b>467,379</b>	<b>434,701</b>	405,379
<b>LIABILITIES</b>			
<b>Current</b>			
Bank overdraft (Note 9)	<b>1,534</b>	<b>5,088</b>	7,805
Accounts payable and accrued liabilities	<b>182,084</b>	<b>222,946</b>	201,212
Accounts payable - related (Notes 14b and 18)	<b>33,880</b>	<b>61,653</b>	127,932
Loans from related parties (Notes 10 and 18)	<b>19,153</b>	<b>15,440</b>	16,749
Current portion of long-term debt (Note 10)	<b>7,560</b>	<b>7,440</b>	7,469
	<b>244,212</b>	<b>312,567</b>	361,167
<b>Long-Term Debt (Note 10)</b>	<b>3,908</b>	<b>11,462</b>	9,587
<b>Obligation to Issue Shares (Note 16)</b>	<b>63,500</b>	<b>87,300</b>	63,500
<b>SHAREHOLDERS' EQUITY</b>			
<b>Share Capital (Note 11)</b>	<b>613,674</b>	<b>440,682</b>	440,682
<b>Deficit - Statement 2</b>	<b>(457,915)</b>	<b>(417,310)</b>	-469,557
	<b>155,759</b>	<b>23,372</b>	-28,875
	<b>467,379</b>	<b>434,701</b>	405,379

ON BEHALF OF THE BOARD:

**"Richard Fearn"**

\_\_\_\_\_, Director

**"Herb Bentz"**

\_\_\_\_\_, Director

- See Accompanying Notes -

**Consolidated Earnings****For the Third Quarter**

Canadian Funds

Unaudited, prepared by Management

	<b>THIRD QUARTER</b>		<b>NINE MONTHS</b>	
	<b>2002</b>	2001	<b>2002</b>	2001
<b>Sales</b>	<b>77,372</b>	41,656	<b>218,395</b>	166,253
<b>Cost of Sales</b>	<b>31,245</b>	24,066	<b>99,602</b>	91,581
<b>Gross Profit</b>	<b>46,126</b>	17,590	<b>118,793</b>	74,672
(Percent Gross Profit)	60%	42%	54%	45%
<b>Expenses</b>				
Administrative expenses	<b>3,759</b>	4,866	<b>9,399</b>	12,033
Amortization and depreciation	<b>7,147</b>	6,021	<b>20,354</b>	17,852
Bank charges and interest	<b>1,349</b>	(150)	<b>3,914</b>	2,050
Foreign exchange loss (gain)	<b>(1,003)</b>	(1,160)	<b>(438)</b>	494
Investor relations	-	61	<b>1,210</b>	5,450
Management fees	<b>11,000</b>	18,000	<b>28,000</b>	18,000
Marketing and advertising	<b>6,017</b>	2,810	<b>7,572</b>	27,117
Occupancy	<b>2,509</b>	2,435	<b>7,619</b>	7,585
Patent maintenance	<b>1,257</b>	(2,314)	<b>2,259</b>	(1,924)
Production	<b>647</b>	46	<b>2,930</b>	256
Professional fees	<b>4,220</b>	7,668	<b>12,228</b>	22,993
Public company expenses	<b>1,099</b>	1,587	<b>8,808</b>	8,600
Telecommunications	<b>1,005</b>	590	<b>2,918</b>	2,440
Wages and benefits	<b>344</b>	(10,823)	<b>1,619</b>	8,318
	<b>39,349</b>	29,637	<b>108,394</b>	131,264
<b>Profit (Loss) Before Other Items</b>	<b>6,777</b>	<b>(12,047)</b>	<b>10,399</b>	<b>(56,592)</b>
<b>Other Items</b>				
Grant income (TAP)	-	-	-	9,736
Tax refund	-	-	<b>711</b>	-
Recovery of bad debt	-	-	<b>521</b>	-
Gain (loss) on sale of capital asset	-	-	-	-
<b>Net Income (Loss) for the Period</b>	<b>6,777</b>	(12,047)	<b>11,632</b>	(46,856)
Deficit - Beginning of Period	<b>(464,692)</b>	(405,263)	<b>(469,547)</b>	(370,454)
<b>Deficit - End of Period</b>	<b>(457,915)</b>	(417,310)	<b>(457,915)</b>	(417,310)
<b>Common shares outstanding</b>				
Basic	6,318,124	5,357,066	5,837,595	5,357,067
Diluted	6,433,124	5,764,566	5,952,595	5,825,400
<b>Earnings per share (loss)</b>				
Basic	0.001	(0.002)	0.002	(0.009)
Diluted	0.001	(0.002)	0.002	(0.008)

- See Accompanying Notes -

**Consolidated Statement of Cash Flow****For the Third Quarter**

Canadian Funds

Unaudited, prepared by Management

<b>Cash Resources Provided By (Used In)</b>	<b>THIRD QUARTER</b>		<b>NINE MONTHS</b>	
	<b>2002</b>	2001	<b>2002</b>	2001
<b>Operating Activities</b>				
Cash receipts from customers	<b>72,740</b>	42,952	<b>193,779</b>	172,403
Direct costs	<b>(39,025)</b>	(21,535)	<b>(112,245)</b>	(69,414)
Cash paid to suppliers and employees	<b>(33,441)</b>	(14,743)	<b>(37,044)</b>	(88,625)
	<b>274</b>	6,674	<b>44,490</b>	14,364
<b>Investing Activities</b>				
Purchases of capital assets	<b>(5,769)</b>	0	<b>(19,948)</b>	(70)
Purchases of R&D	<b>(2,889)</b>	(8,740)	<b>(10,076)</b>	(51,632)
Purchases of Patents	<b>(0)</b>	(5,510)	<b>(3,594)</b>	(12,132)
Purchases of Trademarks	<b>(0)</b>	(193)	<b>(1,337)</b>	(2,007)
	<b>(8,658)</b>	(14,443)	<b>(34,955)</b>	(65,841)
<b>Financing Activities</b>				
Long term debt	<b>(1,932)</b>	(1,836)	<b>(5,679)</b>	(5,585)
Reclamation deposit	<b>0</b>	10,000	<b>0</b>	10,000
Grant from Government	<b>0</b>	0	<b>0</b>	9,736
Obligation to issue shares	<b>0</b>	0	<b>0</b>	23,800
Loans from Related Parties	<b>14,153</b>	0	<b>2,404</b>	15,440
	<b>12,222</b>	8,164	<b>(3,275)</b>	53,391
<b>Net Increase (Decrease) in Cash</b>	<b>3,838</b>	395	<b>6,260</b>	1,914
Cash position, opening	<b>(5,383)</b>	(5,483)	<b>(7,805)</b>	(7,002)
<b>Cash position, ending</b>	<b>(1,545)</b>	(5,088)	<b>(1,545)</b>	(5,088)

- See Accompanying Notes -

## **Notes to Consolidated Financial Statements**

**30<sup>th</sup> September 2002 and 2001**

*Canadian Funds*

*Unaudited, prepared by Management*

### **1. Continued Operations**

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The company is meeting its current obligations through product sales.

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### **2. Incorporation and Nature of Business**

Fab-Form Industries Ltd. (the "company" or "Fab-Form") was incorporated 13 June 1995 under the Company Act of British Columbia as 498620 B.C. Ltd. On 11 October 1995 the company changed its name to Capital Gold Corporation. On 16 November 1995 the company changed its name to First Gold Corporation. On 25 October 1999 the company changed its name to Fastfoot Industries Ltd. On 14 December 2001 the company changed its name to Fab-Form Industries Ltd.

Initially, the company was involved in exploration and development of mineral properties. On 28 October 1999 the company acquired 100% of the issued and outstanding shares of Maxito Industries Ltd. ("Maxito"). Maxito develops proprietary technology to construct concrete footings, foundations, and walls for residential and commercial building structures. Maxito's wholly owned subsidiary, Fastfoot Industries (1986) Ltd. ("Fastfoot (1986)") is the operating company for the technology.

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### **3. Significant Accounting Policies**

#### **a) Basis of Consolidation**

These consolidated financial statements include the accounts of the company, its wholly owned subsidiary Maxito, and the wholly owned subsidiary of Maxito, Fastfoot (1986). Maxito was incorporated under the Company Act of British Columbia on 28 May 1990. Fastfoot (1986) was incorporated under the Company Act of British Columbia on 18 November 1986.

#### **b) Inventory**

Inventory is valued at the lower of cost or net realizable value. Cost is determined on the first-in, first-out basis.

#### **c) Amortization**

The company provides for amortization of capital assets on the following basis:

- Manufacturing equipment - 20% declining balance method
- Office furniture and equipment - 20% declining balance method
- Computer equipment - 30% declining balance method
- Vehicle - 30% declining balance method
- Software - 100% declining balance method

One-half of the above rate is taken in the year of acquisition.

#### **d) Research and Development Costs**

New product development costs are deferred to future periods when the product or process is clearly defined, the costs can be identified, the technical feasibility has been established, management intends to market the product or process, a market exists for the product or process, and adequate resources exist to complete the project. The company provides for amortization using the reversed sum-of-the-years'-digits method, over the estimated useful life of the product or process from the date of completion. Research, as well as development costs that do not meet the preceding criteria are expensed in the period incurred. Research and development investment tax credits and government grants are applied against the deferred costs or expense, as applicable, in the period in which the investment tax credits and government grants are received.

## **Notes to Consolidated Financial Statements**

**30<sup>th</sup> September 2002 and 2001**

*Canadian Funds*

*Unaudited, prepared by Management*

### **3. Significant Accounting Policies (continued)**

Deferred development costs consist of:

- i) direct costs of materials and services consumed during the development stage,
- ii) salaries, wages and benefits of personnel directly engaged in the development activities,
- iii) a reasonable portion of overhead costs,
- iv) amortization of capital assets used in the development activities.

#### **e) Patents**

Patent costs are recorded at cost and are being amortized on a straight-line basis over 17 years, commencing in the year in which the patent certificate is received.

#### **f) Trademarks**

Trademarks are recorded at cost and are being amortized on a straight-line basis over 10 years, commencing in the year in which the trademark certificate is received.

#### **g) Foreign Currency Translation**

The company's foreign denominated transactions have been translated into Canadian dollars as follows:

- Monetary assets and liabilities at year-end rates,
- All other assets and liabilities at historical rates, and
- Revenue and expense and exploration and development items at the average rate of exchange prevailing during the year.

Exchange gains and losses arising from these transactions are reflected in income or expense in the year.

#### **h) Income Taxes**

Income taxes are accounted for using the asset and liability method. Future taxes are recognized for the tax consequences of "temporary differences" by applying enacted or substantively enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and tax basis of existing assets and liabilities. The effect on deferred taxes for a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. In addition, the method requires the recognition of future tax benefits to the extent that realization of such benefits is more likely than not.

#### **i) Share Capital**

- i) The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the company. No compensation expense is recognized for stock options.
- ii) Share capital issued for non-monetary consideration is recorded at an amount based on fair market value reduced by an estimate of transaction costs normally incurred when issuing shares for cash, as determined by the board of directors of the company.

#### **j) Revenue Recognition**

Revenue is recorded and related costs are recognized on the income statement at the time the product is shipped or the service is provided.

## Notes to Consolidated Financial Statements

30<sup>th</sup> September 2002 and 2001

Canadian Funds

Unaudited, prepared by Management

### 3. Significant Accounting Policies (continued)

#### k) Earnings per Share

Earnings per share amounts have been calculated and presented in accordance with the new recommendations of the Canadian Institute of Chartered Accountants.

Basic earnings per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share by application of the treasury stock method.

Fully diluted loss per share is not presented because it is anti-dilutive.

#### l) Management's 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 assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

### 4. Fair Value of Financial Instruments

The company's financial instruments consist of GST receivable, accounts receivable, bank overdraft, accounts payable, amounts due to related parties, loans from related parties and long-term debt. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation. A significant portion of the company's sales is made in U.S. funds. Consequently, the company has significant exposure to the foreign currency fluctuation risk.

### 5. Capital Assets

	<b>2002</b>			<b>2001</b>
	<i>Cost</i>	<i>Accum. Amort.</i>	<b>Net Book Value</b>	<i>Net Book Value</i>
Manufacturing Equipment	42,451	(15,419)	<b>27,032</b>	12,479
Office furniture	6,273	(4,867)	<b>1,405</b>	4,302
Computers	26,198	(19,909)	<b>6,290</b>	15,161
Vehicle	29,391	(15,839)	<b>13,552</b>	21,235
Software	1,678	(1,678)	<b>0</b>	(35)
<b>Total</b>	<b>105,991</b>	<b>(57,712)</b>	<b>48,279</b>	<b>53,142</b>

**Notes to Consolidated Financial Statements**

**30<sup>th</sup> September 2002 and 2001**

Canadian Funds

Unaudited, prepared by Management

**6. Deferred Development Costs**

	<i>Fastfoot® Technology (i)</i>	<i>Fabwall™ Technology (ii)</i>	<i>Total</i>
Balance - 31 December 2001	101,618	134,534	236,152
Costs incurred	10,243	10,923	21,166
Government grant (iii)	-	(11,089)	(11,089)
Amortization	(6,467)	-	(6,467)
<b>Balance - 30 September 2002</b>	<b>105,394</b>	<b>134,368</b>	<b>239,762</b>

- (i) The company amortizes the Fastfoot® technology using a reversed sum-of-the-years'-digits method over seven years commencing in fiscal 2000.
- (ii) No amortization of Fabwall™ has been recorded as the project is still under development. No material revenue has resulted from Fabwall™ technology.
- (iii) During the current year, the company received a non-refundable grant of \$11,089 from the provincial government to support development of Fabwall™ technology.

b) Details of the accumulated deferred costs and amortization are as follows:

	<i>Fastfoot®</i>	<i>Fabwall™</i>	<b><i>Total 2002</i></b>
Prototype Development	7,902.66	20,872.33	<b>28,774.99</b>
Design	40,974.69	24,020.61	<b>64,995.30</b>
Testing	-	17,090.08	<b>17,090.08</b>
Consulting	58,510.11	33,898.80	<b>92,408.91</b>
Overhead costs	25,125.50	20,339.15	<b>34,660.00</b>
Wages	24,354.00	10,306.00	<b>45,464.65</b>
Government grant	(20,825.00)	-	<b>(20,825.00)</b>
SR&D ITC refund	(1,673.72)	(1,673.73)	<b>(3,347.45)</b>
	<b>134,368.24</b>	<b>124,853.24</b>	<b>259,221.48</b>

**7. Patents**

The company's proprietary technology is protected by a number of currently held and pending patents. Pending patents are for (1) Reusable Building Foundation Form and Method and (2) Fabric Wall Form and Method. Details are as follows:

	<i>Building Foundation and Floor Assembly</i>	<i>Concrete Foundation and Wall Form Apparatus</i>	<i>Reusable Building Foundation Form and Method</i>	<i>Fabric Wall Form and Method</i>	<i>Total</i>
Balance - 31 December 2001	\$ 5,225	\$ 5,321	\$ 76,861	\$ 11,528	\$ 98,935
Costs incurred in 2002	-	-	\$ 190	\$ 3,404	\$ 3,594
Amortization	\$ 489	\$ 307	\$ -	\$ -	\$ 796
<b>Balance - 30 September 2002</b>	<b>\$ 4,736</b>	<b>\$ 5,014</b>	<b>\$ 77,051</b>	<b>\$ 14,932</b>	<b>\$ 101,733</b>

The details of the accumulated patent costs and amortization are as follows:

	<b><i>2002</i></b>	<i>2001</i>
Legal cost	<b>139,720</b>	130,814.53
Accumulated amortization	<b>(37,723)</b>	36,926.01
	<b>101,997</b>	93,888.52

**Notes to Consolidated Financial Statements**

**30<sup>th</sup> September 2002 and 2001**

*Canadian Funds*

*Unaudited, prepared by Management*

**8. Trademarks**

The company has three registered trademark (Fastfoot®, Fastfabric® and Fastbag®).

	<i>Fastfoot®</i>	<i>Fastfabric®</i>	<i>Fastbag®</i>	<i>Total</i>
Balance - 31 December 2001	5,052	3,883	2,832	12,927
Costs incurred	-	-	1,336	1,336
Amortization	(435)	(291)	-	(1886)
<b>Balance – 30 September 2002</b>	<b>4617</b>	<b>3,591</b>	<b>4,168</b>	<b>12,377</b>

The details of the accumulated cost and amortization are as follows:

	<i>2002</i>	<i>2001</i>
Legal cost	<b>14,264</b>	12,390
Accumulated amortization	<b>(1,886)</b>	(1,015)
	<b>12,377</b>	11,375

**9. Bank Overdraft**

The company has a bank overdraft position to a maximum of \$10,000 with an interest rate of prime plus 5% per annum, secured by a general security agreement.

**10. Loans from Related Parties**

Loans from related parties are due on demand and bear interest at prime plus 1% compounded monthly. Details are as follows:

Due to a director and officer of the company	\$5,000
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**11. Long-Term Debt**

Details are as follows:

	<i>2002</i>	<i>2001</i>
General Motors Acceptance Corporation of Canada, vehicle loan bearing interest at 1.9% per annum, repayable in blended monthly principal and interest payments of \$644, maturing 6 March 2004, secured by vehicle	<b>11,468</b>	18,902
Less: Current portion	<b>(7,560)</b>	(7,440)
	<b>3,908</b>	11,462

Principal repayments required in the next three years are as follows:

<i>Date</i>	<i>Amount</i>
2002	1,929
2003	7,612
2004	1,927
	<b>11,468</b>

**12. Obligation to Issue Shares / Contingent Liability**

During the 2000 fiscal year, a former director and officer of the parent company ("the plaintiff") initiated legal action against the company. The plaintiff alleges that during the 2000 fiscal year he made \$64,500 in loans to the company, and that the company owes him this money plus accrued interest. The company's current management believes that only \$63,500 was advanced to the company and that these funds were advanced for the exercise of warrants. No further legal action has been undertaken by the plaintiff or the company since fiscal 2000. The outcome of the dispute is still unknown.

## Notes to Consolidated Financial Statements

30<sup>th</sup> September 2002 and 2001

Canadian Funds

Unaudited, prepared by Management

### 13. Share Capital

#### a) Basis of Presentation

These consolidated financial statements are prepared using reverse takeover accounting, under which the capital structure of the consolidated entity is that of the legal parent (the company), but the dollar amount at the date of the reverse takeover of the issued share capital is that of the legal subsidiary (Maxito).

#### b) Details of Share Capital

- i) Authorized share capital: 100,000,000 common shares without par value and 100,000,000 class A preferred shares without par value
- ii) The share capital of the company, is as follows:

	<i>Common shares</i>	<i>Amount</i>
Issued and outstanding:		
Balance - 31 December 1999	15,971,200	401,182
Exercise of warrants	100,000	39,500
Balance - 31 December 2000 and 14 December 2001 - pre-consolidated	16,071,200	440,682
Balance - 14 December 2001 and 31 December 2001 - post-consolidated	5,357,066	440,682
Debt settlement – April 2 <sup>nd</sup> , 2002	961,058	172,992
<b>Balance – September 30, 2002</b>	<b>6,318,124</b>	<b>613,674</b>

As at 30 September 2002, 56.0% (2001 – 55.6%) of the issued and outstanding voting common shares of the company were owned by a director and officer of the company and a relative of the director and officer.

#### c) Escrow Shares

As at 30 September 2002, 3,419,307 (2000 - 3,419,307) shares were held in escrow to be released with the consent of the governing regulatory bodies. One escrow share will be released for every \$1.014 of cumulative positive cash flow before tax.

#### d) Options and Warrants

Details of stock options outstanding at 30 September 2002 are as follows:

	<i>Number</i>	<i>Price per Share</i>	<i>Expiry Date</i>
Options	115,000	\$ 0.45	1 November 2003

There were no warrants outstanding at 31 September 2002.

### 14. Related Party Transactions

The following accounts were affected by related party transactions during the first three quarters of 2002 and 2001.

<i>Category</i>	<i>Description</i>	<i>Year</i>	<i>Director &amp; Officer</i>	<i>Relative of a Director &amp; Officer</i>	<i>Director</i>	<i>Former Director</i>
Asset	Deferred Development Costs	2002	\$ 5,153	\$ 5,153	-	-
		2001	\$ 7,500	-	-	-
Asset	Capital Asset	2002	\$ 6,080	\$ 6,080	-	-
		2001	\$ -	-	-	-
Liability	Amounts Due to Related Parties incurred in the ordinary course of business	2002	\$ 16,940	\$ 16,940	\$ 5,000	\$ 14,153
		2001	\$ 20,890	\$ 24,446	\$ 27,000	\$ 14,153
Expenses	Management Fees	2002	\$ 17,000	\$ 17,000	-	-
		2001	\$ 7,500	\$ 1,500	-	-

**Notes to Consolidated Financial Statements**

**30<sup>th</sup> September 2002 and 2001**

*Canadian Funds*

*Unaudited, prepared by Management*

**15. Income Taxes**

The company and its subsidiaries have incurred non-capital losses for tax purposes of approximately \$479,000 which may be carried forward and used to reduce taxable income of future years. These losses expire as follows:

<i>Year</i>	<i>Amount</i>
2005	4,000
2006	244,000
2007	155,000
2008	76,000
	<u>479,000</u>

The company's subsidiary has incurred scientific research and experimental development expenditures for tax purposes of approximately \$180,000. They may be carried forward indefinitely and used to reduce taxable income of future years.

The company's subsidiary has accumulated investments tax credits of approximately \$29,000 with respect to its scientific research and experimental development expenditures. These tax credits may be carried forward indefinitely and used to reduce taxes payable in future years.

The potential future tax benefits of these losses, expenditures and tax credits have not been recognized in these financial statements.

**16. Economic Dependence**

In 2002, **47.9%** (2001 - 24%) of the company's sales were made to one customer.

**17. Segmented Information**

Details are as follows:

<b>30 September 2002</b>	<b>Canada</b>	<b>U.S.</b>	<b>Total</b>
<b>Gross revenue</b>	<b>30,642</b>	<b>187,752</b>	<b>218,394</b>
<b>Gross revenue %</b>	<b>14%</b>	<b>86%</b>	<b>100%</b>
<b>Total assets</b>	<b>467,379</b>	<b>-</b>	<b>437,379</b>
<b>Capital expenditures</b>	<b>100%</b>	<b>0%</b>	<b>100%</b>

30 September 2001	<i>Canada</i>	<i>U.S.</i>	<i>Total</i>
Gross revenue	17,421	148,832	166,253
Gross revenue %	10.5%	89.5%	100.0%
Total assets	100.0%	0.0%	100.0%
Capital expenditures	100.0%	0.0%	100.0%

**18. Subsequent Events**

None.

**19. Comparative Figures**

Certain of the comparative figures have been reclassified to conform with the current year's presentation.