

WESTSPHERE ASSET CORPORATION, INC.  
CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2008

	<i>Page</i>
Unaudited Consolidated Financial Statements:	
Consolidated Balance Sheet	F-2
Consolidated Statements of Operations	F-3 to F-5
Consolidated Statements of Cash Flows	F-6
Notes to Consolidated Financial Statements	F-7

**WESTSPHERE ASSET CORPORATION, INC.**  
**Consolidated Balance Sheets**

<b>ASSETS</b>	June 30, 2008 <u>(Unaudited)</u>	December 31, 2007 <u>(Note 1)</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 252,078	\$ 211,710
Accounts receivable net of allowance for doubtful accounts of \$85,012 and \$75,976, respectively	439,207	483,934
Accounts receivable – related parties	17,190	39,656
Inventory	284,120	264,027
Prepaid expense and deposit	64,640	62,839
Total current assets	<u>1,057,235</u>	<u>1,062,166</u>
Property and equipment, net of depreciation	313,057	377,986
Note receivable	17,659	11,502
Intellectual property	60,637	39,228
Deferred tax benefits	<u>54,257</u>	<u>55,866</u>
Total assets	<u>\$ 1,502,845</u>	<u>\$ 1,546,748</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 634,652	\$ 504,886
Current portion of loans	113,034	113,034
Accounts payable, related parties	307,528	178,350
Current loan payable, related parties	—	—
Total current liabilities	<u>1,055,214</u>	<u>796,270</u>
Shareholder loans	259,687	264,310
Loans payable, less current portion	<u>269,094</u>	<u>324,633</u>
Total liabilities	<u>1,583,995</u>	<u>1,385,213</u>
<b>STOCKHOLDERS' DEFICIT (EQUITY)</b>		
Preferred stock – authorized 75,000,000 shares, no par value, 1,416,143 shares issued and outstanding at June 30, 2008 and December 31, 2007	1,400,719	1,400,719
Common stock - authorized 75,000,000 shares, no par value; 592,785 shares issued and outstanding at June 30, 2008 and 592,785 at December 31, 2007	558,960	558,960
Accumulated other comprehensive income	147,847	151,657
Accumulated deficit	<u>(2,188,676)</u>	<u>(1,949,801)</u>
Total stockholders' equity	<u>( 81,150)</u>	<u>161,535</u>
Total liabilities and stockholders' equity	<u>\$ 1,502,845</u>	<u>1,546,748</u>

The accompanying notes are an integral part of these statements

**WESTSPHERE ASSET CORPORATION, INC.**  
**Consolidated Statements of Operations**  
**For the Six Months Ended June 30,**  
**(Unaudited)**

	2008	2007
Revenue -		
Equipment and supplies	\$ 57,570	\$ 178,854
Residual and interchange income	1,926,300	1,946,093
Other	35,242	37,895
Total revenue	2,019,112	2,162,842
Cost of sales -		
Equipment and supplies	68,042	143,103
Residual and interchange costs	1,158,561	1,155,897
Commissions	8,310	186
Other	71,166	63,170
Total cost of sales	1,306,079	1,362,356
Gross profit	713,033	800,486
Operating expenses -		
Depreciation and amortization	52,828	65,491
Consulting fees	86,148	85,863
Legal and accounting fees	3,813	98,126
Salaries and benefits	454,761	371,594
Travel, delivery and vehicle expenses	54,511	79,602
Other	245,816	202,626
Total operating expenses	897,877	903,302
(-Loss-) from operations	(184,844)	(102,816)
Other income (expense) -		
Interest income	1,623	8,535
Interest expense	(55,654)	(22,943)
Net (-loss-) before income taxes	(238,875)	(117,224)
Provision for income taxes	—	—
Net (-loss-)	\$ (238,875)	\$ (117,224)
Basic and diluted net (-loss-) per common share	\$ (.40)	\$ (.20)
Weighted average number of shares outstanding	592,785	579,091
Other comprehensive income (loss) -		
Net (-loss-)	\$ (238,875)	\$ (117,224)
Foreign currency translation adjustment	( 3,810)	35,124
Total comprehensive (-loss-)	\$ (242,685)	\$ ( 82,100)

The accompanying notes are an integral part of these statements

**WESTSPHERE ASSET CORPORATION, INC.**  
**Consolidated Statements of Operations**  
**For the Three Months Ended June 30,**  
**(Unaudited)**

	2008	2007
Revenue -		
Equipment and supplies	\$ 32,576	\$ 88,397
Residual and interchange income	982,611	1,021,346
Other	20,353	23,155
Total revenue	1,035,540	1,132,898
Cost of sales -		
Equipment and supplies	40,519	73,168
Residual and interchange costs	605,120	604,645
Commissions	2,969	130
Other	32,399	28,669
Total cost of sales	681,007	706,612
Gross profit	354,533	426,286
Operating expenses -		
Depreciation and amortization	25,116	29,712
Consulting fees	42,966	44,692
Legal and accounting fees	3,607	86,627
Salaries and benefits	217,935	189,432
Travel, delivery and vehicle expenses	23,876	45,453
Other	130,786	97,522
Total operating expenses	444,286	493,438
(-Loss-) from operations	(89,753)	(67,152)
Other income (expense) -		
Interest income	672	4,464
Interest expense	(32,120)	(10,435)
Net (-loss-) before income taxes	(121,201)	(73,123)
Provision for income taxes	—	—
Net (-loss-)	\$ (121,201)	\$ (73,123)
Basic and diluted net (-loss-) per common share	\$ (.20)	\$ (.12)
Weighted average number of shares outstanding	592,785	592,785
Other comprehensive income (loss) -		
Net (-loss-)	\$ (121,201)	\$ (73,123)
Foreign currency translation adjustment	557	31,449
Total comprehensive (-loss-)	\$ (120,644)	\$ (41,674)

The accompanying notes are an integral part of these statements

**WESTSPHERE ASSET CORPORATION, INC.**  
**Consolidated Statements of Changes in Stockholders' (Deficit) Equity**  
**(Unaudited)**

	<u>Preferred Stock</u>		<u>Common Stock</u>		Foreign Currency Translation Adjustment	Accumulated (Deficit)	Total
	Shares	Amount	Shares	Amount			
Balance, December 31, 2007	1,416,143	\$ 1,400,719	592,785	\$ 558,960	\$ 151,657	\$ (1,949,801)	\$ 161,535
Net loss	—	—	—	—	(3,810)	(238,875)	(242,685)
Balance, June 30, 2008	1,416,143	\$ 1,400,719	592,785	\$ 558,960	\$ 147,847	\$ (2,188,676)	\$ (81,150)

The accompanying notes are an integral part of these statements

**WESTSPHERE ASSET CORPORATION, INC.**  
**Consolidated Statements of Cash Flows**  
**For the Six Months Ended June 30,**  
**(Unaudited)**

	2008	2007
Cash flows from operating activities:		
Net (loss) from operations	\$ (238,875)	\$ (117,224)
Reconciling adjustments -		
Depreciation and amortization	52,828	65,491
Other non-cash transactions	—	45,714
Changes in operating assets and liabilities		
Accounts receivable	67,193	(38,118)
Inventory	(20,093)	(36,846)
Prepaid expenses and other	(1,801)	(11,748)
Accounts payable and accrued liabilities	258,944	6,299
Net cash provided by (used in) operations	118,196	(86,432)
Cash flows from investing activities:		
Purchase of equipment	(50,358)	(176,884)
Disposal of equipment	30,806	35,034
Collections of loans receivable	5,078	64,972
Net cash (used in) investing activities	(14,474)	( 76,878)
Cash flows from financing activities:		
Exercise of options	—	7,017
Repayments of loans	(60,162)	(25,858)
Net cash (used in) financing activities	(60,162)	(18,841)
Foreign currency translation adjustment	( 3,192)	34,743
Net change in cash and cash equivalents	40,368	(147,408)
Cash at beginning of period	211,710	413,398
Cash at end of period	\$ 252,078	\$ 265,990
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid for interest	\$ 17,926	\$ 8,490
Cash paid for income taxes	\$ —	\$ —

The accompanying notes are an integral part of these statements

**WESTSPHERE ASSET CORPORATION, INC.**  
**Notes to the Consolidated Financial Statements**  
**June 30, 2008 and 2007**  
**(Unaudited)**

***Note 1 – Basis of Presentation and Nature of Operations***

The accompanying consolidated balance sheet as of December 31, 2007 has been derived from audited financial statements and the accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and the interim reporting requirements of Regulation S-X. The accompanying consolidated financial statements included herein have been prepared by Westsphere Asset Corporation, Inc. (the “Company”) without audit, pursuant to the rules and regulations of the Securities and Exchange Commission for reporting on Form 10-Q. In management's opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation have been included. Certain information and footnote disclosure normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted as allowed by such rules and regulations, and Westsphere Asset Corporation, Inc. believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the December 31, 2007 audited financial statements and the accompanying notes thereto contained in the Annual Report on Form 10-KSB filed with the Securities and Exchange Commission. While management believes the procedures followed in preparing these financial statements are reasonable, the accuracy of the amounts are in some respects dependent upon the facts that will exist, and procedures that will be accomplished by Westsphere Asset Corporation, Inc. later in the year. The results of operations for the interim periods are not necessarily indicative of the results of operations for the full year. In management’s opinion all adjustments necessary for a fair presentation of the Company’s financial statements are reflected in the interim periods included.

The Company’s primary business is the sale and operation of cash vending (ATM) and point of sale (POS) machines in Canada.

There is no provision for dividends for the quarter to which this quarterly report relates.

***Note 2 – Recent Accounting Pronouncements***

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("SFAS No. 159"). SFAS No. 159 permits entities to choose to measure, on an item-by-item basis, specified financial instruments and certain other items at fair value. Unrealized gains and losses on items for which the fair value option has been elected are required to be reported in earnings at each reporting date. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007, the provisions of which are required to be applied prospectively. The Company believes that SFAS 159 should not have a material impact on the consolidated financial position or results of operations.

In December 2007, the FASB issued SFAS No. 141 (Revised 2007), "Business Combinations" ("SFAS No. 141R"). SFAS No. 141R will change the accounting for business combinations. Under SFAS No. 141R, an acquiring entity will be required to recognize all the assets acquired and liabilities assumed in a transaction at the acquisition-date fair value with limited exceptions. SFAS No. 141R will change the accounting

**WESTSPHERE ASSET CORPORATION, INC.**  
**Notes to the Consolidated Financial Statements**  
**June 30, 2008 and 2007**  
**(Unaudited)**

treatment and disclosure for certain specific items in a business combination. SFAS No. 141R applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Accordingly, any business combinations the Company engages in will be recorded and disclosed following existing GAAP until January 1, 2009. The Company expects SFAS No. 141R will have an impact on accounting for business combinations once adopted but the effect is dependent upon acquisitions at that time. The Company is still assessing the impact of this pronouncement.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements--An Amendment of ARB No. 51, or SFAS No. 160" ("SFAS No. 160"). SFAS No. 160 establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS No. 160 is effective for fiscal years beginning on or after December 15, 2008. The Company believes that SFAS 160 should not have a material impact on the consolidated financial position or results of operations.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities" ("SFAS No. 161"). SFAS 161 requires companies with derivative instruments to disclose information that should enable financial-statement users to understand how and why a company uses derivative instruments, how derivative instruments and related hedged items are accounted for under FASB Statement No. 133 "Accounting for Derivative Instruments and Hedging Activities" and how derivative instruments and related hedged items affect a company's financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The adoption of this statement is not expected to have a material effect on the Company's future financial position or results of operations.

**Note 3 – Inventory**

Inventory consists primarily of cash vending and POS machines, which are valued at the lesser of cost (on a first-in, first-out method) or net realizable value.

**Note 4 – Related Party**

The following table summarizes the Company's accounts receivable - related party transactions as at June 30, 2008:

<b>Revenue</b>	<b>Amount</b>
Sales of ATM to: Director's 100% owned company	\$ 9,461
Sales of ATM parts and accessories to: Directors' 100% owned company	4,981

**WESTSPHERE ASSET CORPORATION, INC.**  
**Notes to the Consolidated Financial Statements**  
**June 30, 2008 and 2007**  
**(Unaudited)**

<b>Shareholder loan from:</b>	
49% shareholder's of Personal Financial Solution	2,748
<i>The shareholder loan is payable on demand.</i>	
Total	\$17,190

The following table summarizes the Company's accounts payable - related party transactions as at June 30, 2008:

<b>Payable to:</b>	<b>Amount</b>
A loan advanced from Company's subsidiary Vencash President for working capital.	\$ 4,370
Officers' and Directors' bonuses payable carried forward from year 2002	66,380
Deposits advanced from Westsphere's President to support the switch development project	102,912
A loan advanced from Westsphere's President for working capital.	51,028
A deposit from Westsphere's vice president to purchase ATMs.	9,157
A deposit from Westsphere's vice president to purchase cash for ATMs.	29,670
A loan advance from Westsphere's vice president bearing interest at 12% per annum, blended monthly payment of interest only for working capital.	44,011
Total	\$307,528