

OXFORD INVESTMENT HOLDINGS INC.
(Formerly Oxford Software Developers, Inc.)
CONSOLIDATED BALANCE SHEETS

	December 31, 2004	December 31, 2003	December 31, 2002
ASSETS			
CURRENT ASSETS			
Cash	\$ 28,553	\$ 11,745	\$ 637
Accounts receivable	159,179	1,306	15,793
GST Receivable	-	2,415	-
Inventory	80,941	43,977	-
Loan receivable, related party	-	-	867
Prepaid expenses	17,422	88,073	30,949
Total Current Assets	<u>286,095</u>	<u>147,516</u>	<u>48,246</u>
PROPERTY, PLANT AND EQUIPMENT			
Office equipment	24,363	24,216	18,615
Accumulated depreciation	(19,689)	(15,696)	(10,692)
Hardware, net of amortization	795	-	-
Software, net of amortization	1,319	1,273	952
Total Property, Plant and Equipment	<u>6,788</u>	<u>9,793</u>	<u>8,875</u>
TOTAL ASSETS	<u>\$ 292,883</u>	<u>\$ 157,309</u>	<u>\$ 57,121</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)			
CURRENT LIABILITIES			
Accounts payable	\$ 532,250	\$ 512,915	\$ 289,191
Accrued liabilities	7,070	1,931	-
Payroll liabilities	171,308	47,625	47,813
Checks written in excess of bank funds	8,600	-	8,478
Deferred revenue	-	462	3,130
Note payable	-	19,318	15,860
Loans payable, related party	540,923	544,447	415,894
Total Current Liabilities	<u>1,260,151</u>	<u>1,126,698</u>	<u>780,366</u>
COMMITMENTS AND CONTINGENCIES			
	-	-	-
STOCKHOLDERS' EQUITY (DEFICIT)			
Common stock, no par value; unlimited shares authorized, 21,509,350, 20,566,600 and 19,770,100 shares issued and outstanding, respectively	2,805,652	2,581,164	2,321,614
Accumulated deficit	(3,438,087)	(3,298,719)	(2,967,592)
Accumulated other comprehensive loss	(334,833)	(251,834)	(77,267)
Total Stockholders' Equity (Deficit)	<u>(967,268)</u>	<u>(969,389)</u>	<u>(723,245)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 292,883</u>	<u>\$ 157,309</u>	<u>\$ 57,121</u>

The accompanying notes are an integral part of these financial statements.

OXFORD INVESTMENT HOLDINGS INC.
(Formerly Oxford Software Developers, Inc
CONSOLIDATED STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE INCOME (LOSS)

	Years Ended December 31,		
	2004	2003	2002
REVENUES			
Revenues			
Licenses	\$ -	\$ 96,600	\$ 177,551
Services	395,933	284,023	120,999
Products	296,136	58,534	-
Total Revenues	<u>692,069</u>	<u>439,157</u>	<u>298,550</u>
COST OF REVENUES			
Licenses	9,549	70,976	42,077
Services	204,559	209,345	28,675
Products	136,143	41,067	-
Total Cost of Revenues	<u>350,251</u>	<u>321,388</u>	<u>70,752</u>
GROSS PROFIT	<u>341,818</u>	<u>117,769</u>	<u>227,798</u>
SELLING EXPENSES			
Advertising and marketing	43,958	49,614	16,642
Commissions and subcontracts	34,252	-	-
Consulting	33,579	7,115	9,765
Communications	12,545	14,399	16,111
Travel	16,742	4,044	4,245
Total Selling Expenses	<u>141,076</u>	<u>75,172</u>	<u>46,763</u>
GENERAL AND ADMINISTRATIVE EXPENSES			
Bad debt	1,166	-	40,033
Consulting	161,190	119,946	152,413
Depreciation	3,465	2,504	5,945
Rent	46,128	38,086	15,217
Legal fees	57,810	34,728	159,066
Payroll	33,757	74,854	131,276
Taxes	424	5,053	36,716
Other administrative	1,345	39,166	21,143
Professional expense	35,850	39,178	32,677
Total General and Administrative Expenses	<u>341,135</u>	<u>353,515</u>	<u>594,486</u>
LOSS FROM OPERATIONS	(140,393)	(310,918)	(413,451)
OTHER INCOME (EXPENSES)			
Interest expense	(16,303)	(20,209)	(5,433)
Loss on impairment of software	-	-	(409,886)
Debt forgiveness	17,328	-	79,974
Total Other Income (Expenses)	<u>1,025</u>	<u>(20,209)</u>	<u>(335,345)</u>
LOSS BEFORE INCOME TAXES	(139,368)	(331,127)	(748,796)
PROVISION FOR INCOME TAXES	<u>-</u>	<u>-</u>	<u>-</u>
NET LOSS	(139,368)	(331,127)	(748,796)
OTHER COMPREHENSIVE GAIN (LOSS)			
Foreign currency translation gain (loss)	<u>(82,999)</u>	<u>(174,567)</u>	<u>3,078</u>
COMPREHENSIVE LOSS	<u>\$ (222,367)</u>	<u>\$ (505,694)</u>	<u>\$ (745,718)</u>
BASIC AND DILUTED NET LOSS			
PER COMMON SHARE	<u>\$ (0.01)</u>	<u>\$ (0.02)</u>	<u>\$ (0.04)</u>
WEIGHTED AVERAGE NUMBER OF BASIC AND			
DILUTED COMMON SHARES OUTSTANDING	<u>20,958,721</u>	<u>20,018,107</u>	<u>19,756,999</u>

The accompanying notes are an integral part of these financial statements.

OXFORD INVESTMENT HOLDINGS INC.
(Formerly Oxford Software Developers, Inc.)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

	Common Stock		Subscriptions Receivable	Accumulated Other	Accumulated (Deficit)	Total
	Number of Shares	Amount		Comprehensive Income/Loss		
Balance, January 1, 2002	19,753,100	2,304,614	(7,759)	(80,345)	(2,218,796)	(2,286)
Stock issued for \$1.00 per share	17,000	17,000	-	-	-	17,000
Payment of subscriptions receivable	-	-	7,759	-	-	7,759
Other comprehensive income	-	-	-	3,078	-	3,078
Net loss for the year ending December 31, 2002	-	-	-	-	(748,796)	(748,796)
Balance, December 31, 2002	19,770,100	2,321,614	-	(77,267)	(2,967,592)	(723,245)
Stock issued for approximately \$0.77 per share, net of expenses of \$355,905	796,500	259,550	-	-	-	259,550
Other comprehensive loss	-	-	-	(174,567)	-	(174,567)
Net loss for the year ending December 31, 2003	-	-	-	-	(331,127)	(331,127)
Balance, December 31, 2003	20,566,600	2,581,164	-	(251,834)	(3,298,719)	(969,389)
Stock issued for approximately \$0.47 per share, less expenses of \$220,927	952,750	232,791	-	-	-	232,791
Shares cancelled	(10,000)	(8,303)	-	-	-	(8,303)
Other comprehensive loss	-	-	-	(82,999)	-	(82,999)
Net loss for the year ending December 31, 2004	-	-	-	-	(139,368)	(139,368)
Balance, December 31, 2004	21,509,350	\$ 2,805,652	\$ -	\$ (334,833)	\$ (3,438,087)	\$ (967,268)

The accompanying notes are an integral part of these financial statements.

OXFORD INVESTMENT HOLDINGS INC.
(Formerly Oxford Software Developers, Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2004	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (139,368)	\$ (331,127)	\$ (748,796)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation and amortization expense	3,465	2,504	5,945
Loss on impairment of software	-	-	409,886
Debt forgiveness	(17,328)	-	(79,974)
Change in assets and liabilities:			
Accounts receivable	(157,873)	14,487	53,111
GST receivable	2,415	(2,415)	-
Related party loan	-	867	1,868
Prepaid expenses	70,651	(57,124)	4,783
Inventory	(36,964)	(43,977)	-
Accounts payable	19,335	223,724	140,754
Payroll liabilities	123,683	(188)	47,813
Accrued expenses	5,139	1,931	-
Notes payable	-	3,458	142
Payable to related party	-	191,897	37,952
Deferred revenue	(462)	(2,668)	(10,182)
Customer deposits	-	-	(53,760)
Net cash used by operating activities	<u>(127,307)</u>	<u>1,369</u>	<u>(190,458)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of equipment	-	(1,542)	(3,617)
Purchase of software	-	(142)	-
Net cash used by investing activities	<u>-</u>	<u>(1,684)</u>	<u>(3,617)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of loan	(1,990)	-	-
Checks written in excess of bank funds	8,600	(8,478)	4,805
Proceeds from sales of common stock	232,791	259,550	17,000
Shares cancelled	(8,308)	-	-
Proceeds from stock subscriptions	-	-	7,759
Proceeds from related party loans	-	-	198,524
Payments on related party loans	(3,522)	(63,345)	(34,983)
Net cash provided by financing activities	<u>227,571</u>	<u>187,727</u>	<u>193,105</u>
Net decrease in cash and cash equivalents	100,264	187,412	(970)
Foreign currency translation gain (loss)	(83,456)	(176,304)	1,099
Cash and cash equivalents beginning of period	<u>11,745</u>	<u>637</u>	<u>508</u>
Cash and cash equivalents at end of period	<u>\$ 28,553</u>	<u>\$ 11,745</u>	<u>\$ 637</u>
SUPPLEMENTAL CASH FLOW DISCLOSURES:			
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Interest paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.