ACCESSTEL INC /UT/
Form 8-K/A
December 30, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 13, 2004

Commission File Number: 000-24459

ACCESSTEL, INC.
(Exact name of registrant)

Utah	59-2159271
(State of incorporation)	(I.R.S. Employer Identification No.)

66 Clinton Road, Fairfield, NJ 07004
(Address of principal executive offices and zip code)

(973) 882-8861
(Registrant's telephone number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

{ } Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

{ } Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)

{ } Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))

{ } Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))

Item 2.01. Completion of Acquisition or Disposition of Assets.

On October 13, 2004, Accesstel, Inc. ("we" or the "Company") completed the acquisition of Global Invest Holdings, Inc., a New Jersey corporation. In connection with the acquisition of Global Invest from its six stockholders, we issued them an aggregate of 25,000,000 shares of our common stock.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired

ASIATIC INDUSTRIES, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2003

ASIATIC INDUSTRIES, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2003

CONTENTS

ROBERT G. JEFFREY

CERTIFIED PUBLIC ACCOUNTANT
61 BERDAN AVENUE
WAYNE, NEW JERSEY 07470

LICENSED TO PRACTICE
IN NEW YORK AND NEW JERSEY
MEMBER OF AICPA
PRIVATE COMPANIES PRACTICE SECTION
MEMBER CENTER FOR PUBLIC COMPANY AUDIT FIRMS
REGISTERED PUBLIC ACCOUNTING FIRM WITH
PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD

TEL: 973-628-0022
FAX: 973-696-9002
E-MAIL: rgjcpa@optonline.net

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of Global Invest Holdings, Inc.

I have audited the accompanying balance sheet of Asiatic Industries, LLC (a wholly owned subsidiary of Global Invest Holdings, Inc.) as of December 31, 2003, and the related statements of income and members' capital, and cash flows, for the years ended December 31, 2003 and 2002. These financial statements are the representation of the Company's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with the Standards of Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Asiatic Industries, LLC as of December 31, 2003, and the results of its operations and its cash flows for each of the two years ended December 31, 2003 and 2002 in conformity with U.S. generally accepted accounting principles.

Wayne, New Jersey /s/ Robert G. Jeffrey Certified Public Accountant
December 22, 2004

ASIATIC INDUSTRIES, LLC
BALANCE SHEET
DECEMBER 31, 2003

ASSETS

Current Assets:	
Cash	$ 32,475
Accounts receivable, net of allowance for doubtful accounts	1,322,784
Inventories	1,151,726
Miscellaneous receivables	39,468
Prepaid expense	2,500
Total current assets	2,548,953
Other Assets:	
Deposit on investment	50,000
Security deposits	5,640
Total other assets	55,640
TOTAL ASSETS	$2,604,593

LIABILITIES AND MEMBERS' CAPITAL

Current Liabilities:	
Accounts payable	$ 832,186
Notes payable under bank lines of credit	764,255
Notes payable - related parties	187,320
Accrued payroll and expenses	2,555
Payroll taxes payable	1,682
Total current liabilities	1,787,998
Members' Capital	816,595
TOTAL LIABILITIES AND PARTNERS' CAPITAL	$2,604,593

See accompanying notes and accountant's audit report.

ASIATIC INDUSTRIES, LLC
STATEMENT OF INCOME AND MEMBERS' CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	2003	2002
NET SALES	$ 5,825,476	$ 4,425,358
COST OF GOODS SOLD	5,039,199	3,757,644

GROSS PROFIT ON SALES	786,277	667,714
OPERATING EXPENSES:	559,527	366,258
OPERATING INCOME	226,750	301,456
OTHER INCOME AND EXPENSE:		
Interest expense	(37,910)	(30,409)
NET INCOME FOR PERIOD	188,840	271,047
MEMBERS' CAPITAL, JANUARY 1, 2003	714,436	-
MEMBERS' CONTRIBUTIONS - CASH	-	40,900
- OTHER	-	484,760
DISTRIBUTIONS TO MEMBERS	(86,681)	(82,271)
MEMBERS' CAPITAL, DECEMBER 31, 2003	$ 816,595	$ 714,436

See accompanying notes and accountant's audit report.

ASIATIC INDUSTRIES, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 188,840	$ 271,047
Changes in assets and liabilities:		
Increase in inventories	(514,874)	(20,021)
Increase in accounts receivable	(196,902)	(515,553)
Increase (decrease) in payroll taxes payable	594	(372)
Decrease (increase) in prepaid expenses	(1,699)	612
Increase (decrease) in accounts payable	299,913	32,253
Increase in accrued expenses	2,555	-
Decrease (increase) miscellaneous receivables	(36,314)	2,234
Decrease in security deposits	-	911
Decrease in amount due from employees	-	347
Net cash consumed by operating activities	(257,887)	(228,542)

CASH FLOWS FROM INVESTING ACTIVITIES:		
Deposit for potential acquisition	(50,000)	-
Net cash consumed by investing activities	(50,000)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings under lines of credit	373,055	169,564
Increase in borrowing from Members	39,831	114,506
Distributions to Members	(86,681)	(82,271)
Cash received upon formation of Company	-	40,900
Net cash provided by financing activities	326,205	242,699
Increase in cash and cash equivalents	18,318	14,157
Cash balance, January 1, 2003	14,157	-
Cash balance, December 31, 2003	$ 32,475	$ 14,157

See accompanying notes and accountant's audit report.

ASIATIC INDUSTRIES, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Asiatic Industries, LLC (the Company) was organized in the State of New Jersey during January 2002 to continue the business formerly conducted by a partnership named Asiatic Industries. All of the assets of the partnership were contributed by the Partners as their investment capital and the Company assumed all of the liabilities of the partnership. In addition, a member which had not been a partner in the partnership contributed as its capital contribution forgiveness of a significant liability of the partnership.

The Company markets and sells apparel to a broad group of retailers and wholesalers in the United States, with a concentration in the Northeast. Its principle products are women's hosiery, socks, and underwear. The Company obtains most of its hosiery, which is its principle product, from a factory located in Lebanon, and most of its socks and underwear from a second factory in Lebanon. All purchases are made in United States dollars. Management does not consider this concentration to be a significant risk.

Cash

For purposes of the Statement of Cash Flows, the Company considers all short-term debt securities purchased with maturity of three months or less to be cash equivalents.

Inventories

Inventories consist principally of finished product held for sale to customers. Inventories are valued at the lower of cost (determined on a weighted average basis) or market.

Income Taxes

There is no provision made for Federal or state income taxes because the income or loss, of the Company will be reported on the individual tax returns of the Members. Profits and losses are allocated in accordance with each member's respective percentage interest in the Partnership.

Fair Value of Financial Instruments

The carrying amounts of Company financial instruments, which include cash equivalents, accounts receivable, accounts payable, accrued liabilities, and notes payable, approximate their fair values at December 31, 2003.

ASIATIC INDUSTRIES, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

Revenue Recognition

Revenue is realized from product sales. Recognition occurs upon shipment to customers.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising Costs

The Company expenses advertising costs when an advertisement occurs. Advertising costs were $350 during the twelve months ended December 31, 2003 and $20 during 2002.

Segment Reporting

Management treats the operations of the Company as one segment.

2. NOTES PAYABLE

Banks:

The Company has revolving lines of credit with five banks. It can borrow up to $786,000 under its lines of credit at interest rates between the prime rate charged by the banks and 7.9%. As of December 31, 2003, outstanding balances on these lines totaled $764,255. Borrowings under one line with a balance at December 31, 2003 of $500,000 are collateralized by all Company inventories and 80% of accounts receivable under 90 days old. Borrowings under the other lines are unsecured.

Related Parties:

The Company is also obligated for advances made by two Members totaling $187,320. Of this total, $32,984 is non-interest bearing. The remaining $154,336 bears interest at 12%.

3. RENTALS UNDER OPERATING LEASES

The Company conducts its operations from leased facilities in New Jersey under a non-cancelable operating lease, which expires in June 2005.

The following is a schedule of future minimum rental payments required under the above operating leases as of December 31, 2002.

Year ending December 31,	Amount
2004	$34,800
2005	14,500
	$49,300

Rent expense amounted to $34,800 in 2003 and $34,400 in 2002.

4. SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION

There were no noncash investing or financing activities during the year ended December 31, 2003. Cash paid for interest was $38,390 during 2003 and $30,416 during 2002; there was a $900 cash payment of income taxes during 2003 and none paid during 2002. None of the interest paid was capitalized.

The Company was formed during January 2002 to takeover a business formerly conducted by a partnership. The assets of the partnership were transferred to the Company as capital contributions and the Company assumed all of the liabilities of the partnership. The net amount of noncash capital contributed was $484,760. A summary of the operating results of the predecessor (unaudited) are as follows:

	2001	2000
Net sales	$2,258,367	$1,444,897
Net income (loss)	30,786	(18,834)

5. RELATED PARTY TRANSACTIONS

One of the Members of the Company is the general manager of two vendors, which supply the Company with its principal products. During the years ended December 31, 2003 and 2002, the Company purchased $3,028,144 and $3,051,245, respectively, of product from one of their suppliers and during 2003 $968,155 from the other; there were no purchases during 2002 from the second supplier. The balance due these suppliers at December 31, 2003 was $592,432.
The Company is obligated to two Members for advances made by them (see Note 2).

-7-

ASIATIC INDUSTRIES, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

6. EXPENSES

Expenses reported on the statement of operations for the years 2003 and 2002 are detailed below:

Delivery	$147,587	$ 69,383
Guaranteed payments to members	91,500	75,000
Office salaries	55,153	17,741
Other expenses	265,287	204,134
Total expenses	$559,527	$366,258

7. SUBSEQUENT EVENTS

In January 2004, the members of the Company contributed 100% of their ownership interests to Global Invest Holdings, Inc. (Global Invest) in return for capital stock of Global Invest. The equity interests of two other companies, Textile Industries, S.A.L., and Authentic Garment Industries, S.A.L., companies incorporated in Beirut, Lebanon which are the principle suppliers of products to the Company, were also contributed to Global Invest in return for capital stock of Global Invest. Global Invest there after has operated as a holding company owning all the equity interests of its three subsidiaries.

In April 2004, the Company entered into an agreement with a factoring company under which 85% of eligible accounts receivable are transferred on a continuing basis to the factor. Fees for this service are 1% of the accounts receivable transferred plus interest at prime plus 1% on accounts transferred to the factor. Any accounts which become 90 days past due are returned to the Company. The factor has obtained a lien to secure its advances against all Company accounts receivable and inventories. At December 22, 2004, the balance outstanding under this arrangement was $2,300,000. Part of the proceeds of the advances from the factor were used to repay $500,000 of the balances due on the bank lines of credit.

On October 13, 2004, Global Invest sold all of its assets, which included 100% of the equity ownership of the Company, to Accesstel, Inc. (Accesstel), an inactive publicly traded company. In return, Global Invest received 25,000,000 shares of the outstanding common stock of Accesstel. Since Global Invest thereby acquired a majority interest in Accesstel, this transaction was accounted for as a reverse merger, with Global Invest being treated as the accounting acquirer.

8. RECENT ACCOUNTING PRONOUNCEMENTS

The Company does not anticipate the adoption of recently issued accounting pronouncements to have a significant effect on the Company's results of operation, financial position, or cash flows.

AUTHENTIC GARMENT INDUSTRIES S.A.L.
Beirut, Lebanon

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

December 31, 2003 and 2002

AUTHENTIC GARMENT INDUSTRIES S.A.L.
Beirut, Lebanon

FINANCIAL STATEMENTS
December 31, 2003 and 2002

CONTENTS

W BERCER BUREAU D'ETUDES ET DE RECHERCHES COMPTABLES D'EXPERTISES ET DE REVISIONS

INDEPENDENT AUDITORS' REPORT

The Shareholders
Authentic Garment Industries, S.A.L.
Beirut, Lebanon

We have audited the accompanying balance sheets of Authentic Garment Industries, S.A.L. ("the Company") as of December 31, 2003 and 2002 and the related statements of income and comprehensive income, changes in shareholders' equity and cash flows for the year ended December 31, 2003 and the period from June 6, 2002 (date of incorporation) to December 31, 2002. These financial statements from page 2 to page 13 are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2003 and 2002, and the results of its operations, changes in shareholders' equity and cash flows for the year ended December 31, 2003 and the period from June 6, 2002 (date of incorporation) to December 31, 2002 in conformity with accounting principles generally accepted in the United States of America.

/s/ W. Bercer

April 26, 2004
Beirut, Lebanon

1.

AUTHENTIC GARMENT INDUSTRIES S.A.L.
BALANCE SHEETS
December 31, 2003 and 2002

	US $ 2003	US $ 2002
ASSETS		
Cash and due from banks	$ 6,645	$ 24,736
Accounts receivable	1,524,633	385,739
Due from shareholders	17,804	22,032
Inventories	490,301	12,000
Total current assets	2,039,383	444,507
Machinery and equipment, net	276,333	106,549
Prepayments and other assets	26,861	11,606
Total assets	$ 2,342,577	$ 562,662
LIABILITIES AND SHAREHOLDERS' EQUITY		
Due to banks	$ 348,869	$-
Accounts payable and other liabilities	661,107	98,517
Due to shareholders	361,986	304,376
Total current liabilities	1,371,962	402,893

Long-term debt	958,642	215,486
Total liabilities	2,330,604	618,379
Share capital (Note 13)	19,899	3,316
Accumulated deficit	(7,926)	(59,033)
Total shareholders' equity	11,973	(55,717)
Total liabilities and shareholders' equity	$ 2,342,577	$ 562,662

AUTHENTIC GARMENT INDUSTRIES S.A.L.
STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
Year ended December 31, 2003 and the period from June 6, 2002 (date of incorporation) to December 31, 2002

	2003
Sales	$ 2,094,66
Cost of goods sold	1,637,51
Gross profit	457,15
Selling, general and administrative expenses	300,42
Income (loss) from continuing operations before interest, other (charges) income, and income taxes	156,73
Interest expense	47,90
Other net charges/income	39,45
Income (loss) from continuing operations before income taxes	69,37
Income taxes	18,26

Net income (loss) and comprehensive income (loss)	$	51,10
		==========
Weighted average number of shares outstanding		2,16
Basic earnings (loss) per share	$	23.5

(Continued)

3.

AUTHENTIC GARMENT INDUSTRIES S.A.L.
STATEMENTS OF SHAREHOLDERS' EQUITY
Year ended December 31, 2003 and the period from June 6, 2002 (date of incorporation) to December 31, 2002

	Shares	Share Capital US $	Legal Reserve US $	Accumulat Deficit US $
Balance at June 6, 2002 (date of incorporation)	500	$3,316	$-	
Net loss		-	-	(59
December 31, 2002		3,316	-	(59
Net income			-	5
Increase in share capital on April 17, 2003	2,500	16,583	-	
Balance at December 31, 2003	3,000	$19,899	$-	$(7
		=======	==	===

(Continued)

4.

AUTHENTIC GARMENT INDUSTRIES S.A.L.
STATEMENTS OF CASH FLOWS
Year ended December 31, 2003 and the period from June 6, 2002 (date of incorporation) to December 31, 2002

2003

Cash flows from operating activities:	
Net income (loss)	$ 51,10
Adjustments to reconcile to net cash provided by operating activities	
Depreciation	22,67
Increase in receivables	(1,138,89
Increase in inventories	(478,30
Increase in prepayments and other assets	(15,25
Increase in accounts payable and other liabilities	544,79
Increase in accrued interest payable	17,79
Net cash used in operating activities	(996,07
Cash flows from investing activities:	
Purchase of machinery and equipment	(192,46
Net cash used in investing activities	(192,46
Cash flow from financing activities:	
Proceeds from shareholder loan	800,00
Proceeds from due to banks	348,86
Proceeds from subordinated loan (Kafalat)	
Payment of long-term debt	(56,84
Proceeds from shareholders	57,61
Decrease (increase) in due from shareholders	20,81
Proceeds from issuance of share capital	
Net cash from financing activities	1,170,44
Net change in cash, cash equivalents and due to banks	(18,09
Cash and cash equivalents, beginning of year	24,73
Cash and cash equivalents and (due to banks), end of year	6,64
Supplemental cash flow information:	
Interest paid	$ 65,69
Income taxes paid	$
Supplemental noncash disclosures:	
Increase of share capital (Note 4 and 13)	$ 16,58

(Continued)

AUTHENTIC GARMENT INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

NOTE 1 - NATURE OF OPERATIONS

Nature of Operations: Authentic Garment Industries, S.A.L. "the Company" was registered at the Beirut Registry under the number 1000073 on June 6, 2002 as a limited liability company (S.A.R.L.). On April 17, 2003, the Company was converted legally into a corporation (S.A.L.); refer to Note 13.

The Company is a manufacturer, purchasing cotton garment used primarily for underwear production for almost entirely selling to the United States of America market. The Company utilizes labor and production in Lebanon to achieve significant cost reductions for sale in the United States.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Use of estimates: To prepare financial statements in conformity with generally accepted accounting principles in the United States of America, management makes estimates and assumptions based on available information. These estimates and assumptions affect the amounts reported in the financial statements and the disclosures provided, and actual results could differ. Significant areas requiring the use of estimates include depreciation of equipment and furniture.

b) Cash equivalents: Cash and cash equivalents includes cash and term deposits with maturities of ninety days or less when acquired.

c) Inventories: Inventories consist primarily of raw materials and are stated at the lower of cost or net realizable value (or market). Cost is determined using the average costing method.

d) Machinery and equipment: Machinery and equipment are stated at cost less accumulated depreciation. Depreciation is computed over the asset useful lives using the straight line method. The Company uses the following useful lives for the following categories of fixed assets:

Industrial machines	13 years
Vehicles	7 years
Furniture and fixtures	7 years
Office equipment	7 years

Industrial machinery and other long-term assets are reviewed for impairment. If impaired, the assets are recorded at discounted amounts. There is no impairment in value of these assets as of December 31, 2003 and 2002.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Staff end-of-service indemnity: The provision for staff end-of-service indemnity is set up in accordance with the applicable labor law and social security regulations in Lebanon.

Computation of indemnity is based on the latest average monthly remunerations and the number of years of service of each employee.

Accrued staff end-of service indemnity also includes an accrual for contingent extraordinary termination notice pay in an amount equivalent to about four months' salaries.

AUTHENTIC GARMENT INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

f) Revenue recognition: All income and expenses are accounted for on the accrual basis. Prepaid expenses incurred during the year and relating to the following years are recorded under prepayments and other assets. The Company also provides for any accrued expenses relating to the current period. The Company recognizes revenue when realized or realizable and earned, which is when the following criteria are met: persuasive evidence of an arrangement exists; delivery has occurred; the sales price is fixed and determinable; and collectibility is reasonably assured.

g) Provisions: Provisions are recognized for present obligations resulting from past events that are probable to result in an outflow of economic benefits that can be reasonably estimated.

h) Statutory reserve: In accordance with the requirements of the Lebanese Code of Commerce, the Company is required to transfer 10% from its annual net profit to a statutory reserve account until the amount of the reserve equals one third of the Company's capital. This reserve is not available for distribution. There are no statutory reserves as of December 31, 2003 and 2002 as the Company has accumulated deficits.

i) Foreign currency translation: Foreign currencies transactions are translated into U.S. dollars at the rate of exchange (published by the Central Bank of Lebanon) at the time of the transaction. Assets and liabilities expressed in foreign currencies are translated into the U.S. dollars at the prevailing exchange rates (published by the Central Bank of Lebanon) at the end of the financial year; except for fixed assets. Differences on exchange are included in the income statements.

j) Financial instruments: The financial instruments stated in the Company's financial statements include cash and cash equivalents, due to and from banks, bank loans, accounts payable and accrued liabilities, and income and other taxes payable. The carrying amounts of most of these instruments approximate fair value due to their short-term or demand nature and/or variable interest rates affecting these instruments which adjust based in changes with major market indices; such as LIBOR.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Loss contingencies: Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. Management does not believe there now are such matters that will have a material effect on the financial statements.

l) Income taxes: In accordance with the provision of income tax law in Lebanon, the Company shall be subject to an income tax rate of 15% on its taxable income and a rate of 10% on any dividend distributions to shareholders.

m) Earnings (loss) per share: Basic earnings per share is net income (loss) divided by the weighted average number of shares outstanding during the period. There are no dilution effects from potential additional issuance shares.

n) Comprehensive Income: Comprehensive income consists of net income and other comprehensive income.

(Continued)

AUTHENTIC GARMENT INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

NOTE 3 - CASH AND DUE FROM BANKS

Cash and due from banks at year-end were as follows:

	US $ 2003	2002
Cash on-hand	$ 242	$ (1,213)
Banque du Liban (Central Bank of Lebanon)	6,227	2,712
Credit Bank:		
LBP	176	139
US $	-	23,098
	$ 6,645	$ 24,736

NOTE 4 - DUE FROM SHAREHOLDERS

Due from shareholders consist of $17,804 and $22,032 as of December 31, 2003 and 2002, respectively. During June of 2003, the Company increased its capital from LBP 5,000,000 ($3,317) to LBP 30,000,000 ($19,899) in order to convert the Company from a limited liability (S.A.R.L.) to a corporation (S.A.L.), as per minimum capital requirements for S.A.R.L. and S.A.L. companies in Lebanon. The increase of LBP 25,000,000 ($16,583) was recorded as due from shareholders by the Company, as the shareholders did not inject cash at the time of the increase.

NOTE 5 - ACCOUNTS RECEIVABLE

Accounts receivable at year-end were as follows:

	US $ 2003	2002
Ordinary clients	$1,426,545	$ 375,700

Loans to personnel	449	6,317
Deductible value added tax	91,196	-
Other	6,443	3,722
	$1,524,633	$ 385,739

Ordinary clients accounts receivable consist of only two clients of the Company located in Latin America and the United States of America, which are ALL TEX and Asiatic Industries, respectively. Asiatic Industries is a related party of the Company and the balance of accounts receivable as of December 31, 2003 and 2002 were $300,000 and $375,700, respectively.

Since most of the Company's sales are to related parties and there are no delinquent payments, based on terms of payment, the Company did not take a provision for bad debts during 2003 and 2002.

NOTE 6 - INVENTORIES

Year-end inventories were as follows:

	US $	
	2003	2002
Raw materials	$474,825	$ 12,000
Finished goods	15,476	-
	$490,301	$ 12,000

AUTHENTIC GARMENT INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

NOTE 7 - MACHINERY AND EQUIPMENT

Machinery and equipment at year-end was as follows:

	US $	
	2003	2002
Industrial machines	$ 229,018	$ 99,091
Vehicles	18,046	-
Furniture, fixtures and office equipment	56,100	11,610
	303,164	110,701
Less: Accumulated depreciation	(26,831)	(4,152)
	$ 276,333	$ 106,549

Depreciation expense was $22,679 and $4,152 for 2003 and 2002, respectively. Rent expense was $13,300 and $1,950 for 2003 and 2002, respectively.

The Company leases premise for the use of its operations. Rent commitments under noncancelable operating leases were as follows as of December 31, 2003, before considering renewal options that generally are present.

	US $
2004	$13,000
2005	9,500
2006	8,000
	$30,500

NOTE 8 - PREPAYMENTS AND OTHER ASSETS

Year-end prepayments and other assets were as follows:

	US $ 2003	2002
Prepaid rent	$24,100	$11,606
Other	2,761	-
	$26,861	$11,606

The Company prepaid its rent through 2006 as of December 31, 2003.

NOTE 9 - DUE TO BANKS

Due to banks consisted of a revolving line-of-credit with Credit Bank in the amount of $348,869 as of December 31, 2003. Interest is paid monthly at a variable rate of 10%. Maturity is on demand and in agreement with the Bank as specified in the line-of-credit agreement. Each year the Bank would evaluate the credit position of the Company and accordingly would ask for a pay down on the principle balance, if deemed necessary.

NOTE 10 - ACCOUNTS PAYABLE AND OTHER LIABILITIES

Year-end accounts payable and other liabilities were as follows:

	US $ 2003	2002
Accounts payable	$169,295	$ 55,961
Accrued payroll, income and payroll taxes	106,304	18,809
Other payables	356,669	22,887
Accrued interest payable	17,796	-
Obligations under National Security Services Fund	11,043	860
	$661,107	$ 98,517

Other payables consisted of mainly $309,449 which is payment due to Textile Industries, S.A.L. which is a related party as of December 31, 2003.

NOTE 11 - LONG-TERM DEBT

Long-term debt and related maturities and interest rates were as follows as of December 31, 2003 and 2002:

	US $ 2003	2002
Subordinated loan (Kafalat)	$158,642	$215,486
Shareholder loans	800,000	-
	$958,642	$215,486

The subordinated debt from Kafalat is dated June 30, 2003, bears a variable interest rate attached to LIBOR of 6.83% and is due in September 2008.

Three loans (executed by one loan agreement) were extended from one of the shareholders of the Company, Mr. Arthur Nazarian for a total of $800,000 during 2003. The first loan for $250,000

NOTE 11 - LONG TERM DEBT (Continued)

is dated January 18, 2003, bears an interest rate of 2.5% and is due upon request by Mr. Nazarian. While, the first loan is due upon request, the shareholder stipulated that this loan will be paid in the future when the Company has excess retained earnings and cash. The second loan for $350,000 is dated January 18, 2003, bears an interest rate of 2.5% and is due on January 18, 2007. The third loan is for $200,000 is dated January 18, 2003, bears an interest rate of 4.5% and is due on January 18, 2007. The agreement has a step up clause related to the interest rate charged on the first two loans. The interest rate can be increased after the first two years of these loans; however, not to exceed 4.5%. The loans agreement states that during 2003 the existing shareholders will give up 40% of the outstanding shares to Mr. Nazarian and his two sons for making the loans. In fact during April of 2003, Mr. Nazarian was admitted as a 36% shareholder of the Company and 4% for his two sons, respectively. There are no annual principal payments due before maturity.

Maturities over the next five years are as follows:

	US $
2007	$800,000
2008	158,642
	$958,642

NOTE 12 - DUE TO SHAREHOLDERS

Due to shareholders were as follows:

	US $ 2003	2002
Edy Sayad	$361,553	$266,598
Ralph Sayad	433	37,778
	$361,986	$304,376

The above amounts consist of a cash infusion by two shareholders to support working capital needs of the Company. The shareholders stipulated that these amounts are long-term, considering that payment will be requested from the Company when the Company accumulates excess retained earnings and cash.

NOTE 13 - SHARE CAPITAL

The Company was incorporated as a limited liability company (S.A.R.L.) on June 6, 2002 with a share capital of LBP 5,000,000 ($3,316). During 2003, a new shareholder was admitted, and on April 17, 2003 a capital increase of LBP 25,000,000 ($16,583) was made to convert the legal structure of Authentic Garment Industries from a limited liability to a corporation (S.A.L.). Thus making the Company's share capital LBP 30,000,000 ($19,899) distributed over 3,000 shares.

Common shares, $6.63 par value, 3,000 authorized and issued.

NOTE 14 - RELATED PARTY TRANSACTIONS

a) As indicated in Note 4, the Company's due from shareholders or directors consisted of $17,804 and $22,032 as of December 31, 2003 and 2002, respectively.

b) The Company has receivables from another related party in the United States of America which is Asiatic Industries (refer to Note 5).

c) The Company has payables in the amount of $309,449 as of December 31, 2003 due to Textile Industries, S.A.L. which is a related party (refer to Note 10).

d) A shareholder extended several loans to the Company executed by one loan agreement for the total amount of $800,000 (refer to Note 11).

e) Two shareholders have supported the working capital needs of the Company as indicated in Note 12.

NOTE 15 - RISK AND UNCERTAINTIES

Dependence on key customers: The Company is dependent on two customers for its sales. Almost all the Company's sales are to two main companies (ALL TEX and Asiatic Industries) outside of Lebanon (refer to Note 5). There are no assurances that ALL TEX will continue to buy from the Company, thus significantly affecting future sales which during 2003 comprised almost half of total sales.

TEXTILE INDUSTRIES S.A.L.
Beirut, Lebanon

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

December 31, 2003 and 2002

TEXTILE INDUSTRIES S.A.L.
BEIRUT - LEBANON.

FINANCIAL STATEMENTS
December 31, 2003 and 2002

CONTENTS

W BERCER

BUREAU D'ETUDES ET DE RECHERCHES COMPTABLES D'EXPERTISES ET DE REVISIONS

INDEPENDENT AUDITORS' REPORT

The Shareholders

Textile Industries, S.A.L.
Beirut, Lebanon

We have audited the accompanying balance sheets of Textile Industries, S.A.L. ("the Company") as of December 31, 2003 and 2002 and the related statements of income and comprehensive income, changes in shareholders' equity and cash flows for the years then ended. These financial statements from page 2 to page 13 are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2003 and 2002, and the results of its operations, changes in shareholders' equity and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ W. Bercer

April 26, 2004
Beirut, Lebanon

TEXTILES INDUSTRIES S.A.L.
BALANCE SHEETS
December 31, 2003 and 2002

	US $ 2003	
ASSETS		
Cash and due from banks	$ 1,658	$
Accounts receivable	608,271	
Due from shareholders and related parties	311,453	
Inventories	2,113,009	

Total current assets	3,034,391	
Machinery and equipment, net	786,010	
Prepayments and other assets	34,328	
Total assets	$ 3,854,729	$
LIABILITIES AND SHAREHOLDERS' EQUITY		
Due to banks	$ 1,890,477	$
Accounts payable and other liabilities	1,111,722	
Due to shareholders and related parties	84,112	
Total current liabilities	3,086,311	
Long-term borrowings	403,750	
Total liabilities	3,490,061	
Share capital		
Common shares, $99.5 par value; 1,000 shares authorized and issued	99,536	
Retained earnings	265,132	
Total shareholders' equity	364,668	
Total liabilities and shareholders' equity	$ 3,854,729	$

See accompanying notes to financial statements.

2.

TEXTILES INDUSTRIES S.A.L.
STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
Years ended December 31, 2003 and 2002

	U.S.$	
	2003	
Sales	$ 3,173,623	$
Cost of sales	1,427,390	

Gross profit	1,746,233	
Selling, general and administrative expenses	1,385,277	
Income from continuing operations before interest, other (charges) income, and income taxes	360,956	
Interest expense	187,560	
Other net charges/income	(13,419)	
Income from continuing operations before income taxes	186,815	
Income taxes	--	
Net income and comprehensive income	$ 186,815	$
Weighted average number of shares outstanding	1,000	
Basic earnings per share	$ 186.82	$

See accompanying notes to financial statements.

3.

TEXTILE INDUSTRIES S.A.L.
STATEMENTS OF SHAREHOLDERS' EQUITY
Years ended December 31, 2003 and 2002

	Shares	Share Capital US $	Legal Reserve US $	Accumulat Deficit US $
Balance at January 1, 2002	1,000	$99,536	$-	$(161,
Net loss		-	-	23
December at 31, 2002		99,536	-	7
Net income			-	18

Balance at December 31, 2003	1,000	$99,536	$-	$26
		=======	===	===

See accompanying notes to financial statements.

4.

TEXTILE INDUSTRIES S.A.L.
STATEMENTS OF CASH FLOWS
Years ended December 31, 2003 and 2002

	2003	US $
Cash flows from operating activities:		
Net income	$ 186,815	$
Adjustments to reconcile to net cash provided by operating activities		
Depreciation	87,311	
Decrease (increase) in receivables	362,548	
Increase in inventories	(698,543)	
Increase in prepayments and other assets	(23,726)	
Increase in accounts payable and other liabilities	424,547	
Net cash from (used in) operating activities	338,952	
Cash flows from investing activities:		
Purchase of machinery and equipment	(163,664)	
Net cash used in investing activities	(163,664)	
Cash flow from financing activities:		
Payment of long-term debt	(49,374)	
Net change in due to banks	156,975	
Net change in due to/from shareholders	(281,819)	
Net cash used in financing activities	(174,218)	

Net change in cash and cash equivalents	1,070	
Cash and cash equivalents, beginning of year	588	
Cash and cash equivalents end of year	$ 1,658	$
Supplemental cash flow information:		
Interest paid	$ 24,754	$
Income taxes paid	$ -	$

See accompanying notes to financial statements.

5.

TEXTILE INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

NOTE 1 - NATURE OF OPERATIONS

Nature of Operations: Textile Industries S.A.L. "the Company" was registered at the Beirut Registry under the number 68250 on September 27, 2000.

The Company is a manufacturer of female hosiery with production in Lebanon and sales primarily in the United States of America. The Company utilizes labor and production in Lebanon to achieve significant cost reductions for sale in the United States.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

o) Use of estimates: To prepare financial statements in conformity with generally accepted accounting principles in the United States of America, management makes estimates and assumptions based on available information. These estimates and assumptions affect the amounts reported in the financial statements and the disclosures provided, and actual results could differ. Significant areas requiring the use of estimates include depreciation of equipment and furniture.

p) Cash equivalents: Cash and cash equivalents includes cash and term deposits with maturities of ninety days or less when acquired.

q) Inventories: Inventories consist primarily of raw materials and are stated at the lower of cost or net realizable value (or market). Cost is determined using the average costing method.

r) Machinery and equipment: Machinery and equipment are stated at cost less accumulated depreciation. Depreciation is computed over the asset useful lives using the straight line method. The Company uses the following useful lives for the following categories of fixed assets:

Industrial machines	13 years
Vehicles	7 years
Furniture and fixtures	7 years
Office equipment	7 years

Industrial machinery and other long-term assets are reviewed for impairment. If impaired, the assets are recorded at discounted amounts. There is no impairment in value of these assets as of December 31, 2003 and 2002.

s) Staff end-of-service indemnity: The provision for staff end-of-service indemnity is set up in accordance with the applicable labor law and social security regulations in Lebanon.

Computation of indemnity is based on the latest average monthly remunerations and the number of years of service of each employee.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued staff end-of service indemnity also includes an accrual for contingent extraordinary termination notice pay in an amount equivalent to about four months' salaries.

t) Revenue recognition: All income and expenses are accounted for on the accrual basis. Prepaid expenses incurred during the year and relating to the following years are recorded under prepayments and other assets. The Company also provides for any accrued expenses relating to the current period. The Company recognizes revenue when realized or realizable and earned, which is when the following criteria are met: persuasive evidence of an arrangement exists; delivery has occurred; the sales price is fixed and determinable; and collectibility is reasonably assured.

---

u) Provisions: Provisions are recognized for present obligations resulting from past events that are probable to result in an outflow of economic benefits that can be reasonably estimated.

v) Statutory reserve: In accordance with the requirements of the Lebanese Code of Commerce, the Company is required to transfer 10% from its annual net profit to a statutory reserve account until the amount of the reserve equals one third of the Company's capital. This reserve is allocated in the following year upon approval by the general assembly of the shareholders, pending there are no accumulated deficits.

w) Foreign currency translation: Foreign currencies transactions are translated into U.S. dollars at the rate of exchange (published by the Central Bank of Lebanon) at the time of the transaction. Assets and liabilities expressed in foreign currencies are translated into the U.S. dollars at the prevailing exchange rates (published by the Central Bank of Lebanon) at the end of the financial year; except for fixed assets. Differences on exchange are included in the income statements.

x) Financial instruments: The financial instruments stated in the Company's financial statements include cash and cash equivalents, due to and from banks, bank loans, accounts payable and accrued liabilities, and income and other taxes payable. The carrying amounts of most of these instruments approximate fair value due to their short-term or demand nature and/or variable interest rates affecting these instruments which adjust based in changes with major market indices; such as LIBOR.

y) Loss contingencies: Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. Management does not believe there now are such matters that will have a material effect on the financial statements.

z) Income taxes: In accordance with the provision of income tax law in Lebanon, the Company shall be subject to an income tax rate of 15% on its taxable income and a rate of 10% on any

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

dividend distributions to shareholders. Net operating losses can be used in future years (3 years carry forward) to offset net operating income for tax purposes.

aa) Earnings per share: Basic earnings per share is net income (loss) divided by the weighted average number of shares outstanding during the period. There are no dilution effects from potential additional issuance shares.

bb) Comprehensive Income: Comprehensive income consists of net income and other comprehensive income.

NOTE 3 - CASH AND DUE FROM BANKS

Cash and due from banks at year-end were as follows:

	U.S.$	
	2003	
Cash on-hand	$ -	$
Bank of Beirut	663	
Bank of Beirut - cash collateral	995	
Credit Bank	--	
	$ 1,658	$

TEXTILE INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

NOTE 4 - ACCOUNTS RECEIVABLE, NET

Accounts receivable at year-end were as follows:

		U.S.$
	2003	
Ordinary clients	$ 458,759	$
loans to personnel	1,375	
Deductible value added tax	93,254	
Other	54,883	
	$ 608,271	$

Asiatic Industries is a related party of the Company and the balance of accounts receivable as of December 31, 2003 and 2002 were $292,432 and $783,506, respectively.

Since most of the Company's sales are to Asiatic Industries and there are no delinquent payments, based on terms of payment, the Company did not take a provision for bad debts during 2003 and 2002.

NOTE 5 - INVENTORIES

Year-end inventories were as follows:

		U.S.$
	2003	
Raw materials	$ 792,670	
Work in process	1,026,316	
Spare parts	97,500	
Finished goods	196,523	
	$ 2,113,009	

TEXTILE INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

NOTE 6 - PREPAYMENTS AND OTHER ASSETS

Year-end prepayments and other assets were as follows:

	U.S.$ 2003
Prepaid expenses	$ 1,521
Other	32,807
	$ 34,328

NOTE 7 - MACHINERY AND EQUIPMENT

Machinery and equipment at year-end were as follows:

	U.S.$ 2003
Industrial machines	$ 901,205
Vehicles	8,240
Furniture, fixtures and office equipment	104,028
Less: Accumulated depreciation	(227,463)
	$ 786,010

Depreciation expense was $87,311 and $ 84,730, for 2003 and 2002, respectively. Rent expense was $63,393 and $52,400 for 2003 and 2002, respectively.

The Company leases premise for the use of its operations. Rent commitments under noncancelable operating leases were as follows as of December 31, 2003, before considering renewal options that generally are present.

U.S.$

2004	$44,000
2005	44,000
2006	22,000
	$110,000

TEXTILE INDUSTRIES S.A.L.
NOTES TO FINANCIAL STATEMENTS
December 31, 2003 and 2002

NOTE 9 - DUE TO BANKS

Due to banks were as follow as of December 31, 2003:

	U.S.$
	2003
Banque Saradar (9.00% revolving line-of-credit)	$301,149
ABN Amro Bank	-
Lebanese Canadian Bank (10.50% revolving line-of-credit)	118,173
Credit Bank (8.14% revolving line-of-credit)	98,292
Bank of Beirut (9.00% revolving line-of-credit)	318,152
Byblos Bank (5.50% in US $ and 10.50% in LBP revolving line-of-credit)	828,875
Byblos Bank (5.50% letters of credit)	225,836
	$1,890,477

To capture the credit rating of Lebanon, banks would charge a higher interest rate on loans denominated in the local currency versus those made in the US $.

Maturity is on demand and in agreement with the banks as specified in the line-of-credit agreement. Each year the bank(s) would evaluate the credit position of the Company and accordingly would ask for a pay down on the principle balance, if deemed necessary.

NOTE 10 - ACCOUNTS PAYABLE AND OTHER LIABILITIES

Year-end accounts payable and other liabilities were as follows:

	2003	U.S.$
Accounts payable	$ 973,878	$
Accrued payroll	85,746	
Accrued interest payable	31,034	
Obligations under National Security Services Fund	18,973	
Other accrued expenses	2,091	
	$ 1,111,722	$

NOTE 11 - DUE TO SHAREHOLDERS AND RELATED PARTIES

Due to shareholders were as follows at December 31, 2003:

	2003 U.S.$
MFZ Holding	$ 1,300
Ralph Sayad	44,377
Global Invest, S.A.L. Holding	38,435
	$ 84,112

The above amounts consist of a cash infusion by three shareholders to support working capital needs of the Company. The shareholders stipulated that these amounts are long-term, considering that payment will be requested from the Company when the Company accumulates excess retained earnings and cash.

NOTE 12 - LONG-TERM DEBT

Long-term debts were as follows at year-end:

	U.S.$ 2003
Credit Bank	$ 403,750
	$ 403,750

The above loan was made during 2001 at a face value of $500,000, bears an interest rate of around 7.00% and is due on September 30, 2008. All of the principal payments on this loan are due in 2008.

NOTE 13 - SHARE CAPITAL

The Company was incorporated as a corporation (S.A.L.) on September 27, 2000 with a share capital of LBP 150,000,000 ($99,536) distributed over 1,000 shares. Global Invest, S.A.L. Holding is the largest single shareholder with a total capital ownership of 99.7%.

Common shares, $99.5 par value, 1,000 authorized and issued.

NOTE 14 - RELATED PARTY TRANSACTIONS

f) As indicated in Note 4, accounts receivable from Asiatic Industries consisted of $292,432 and $783,506 as of December 31, 2003 and 2002, respectively.

g) The Company has receivables from shareholders in the amount of $311,453 and $19,525 as of December 31, 2003 and 2002, respectively. As indicated in Note 11, due to shareholders represents amounts in support of the Company's working capital in the amount of $84,112 and $74,003 as of December 31, 2003 and 2002, respectively.

NOTE 15 - RISK AND UNCERTAINTIES

Dependence on key customers: The Company is dependent on one main customer for its sales. Almost 95% of the Company's sales are to Asiatic Industries outside of Lebanon (refer to Note 14). This dependence could result in a significant loss of sales to the Company should Asiatic Industries terminate any of its arrangements with Textile Industries S.A.L.

(b) Pro Forma Financial Information

ACCESSTEL, INC.
PROFORMA CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

On October 13, 2004, Accesstel, Inc. (the Company) acquired all of the capital stock of Global Invest Holdings, Inc. (Global Invest) in return for 25,000,000 shares of its common stock, which represented 73% of the number of shares of the Company outstanding after this transaction. The acquisition will be accounted for as a reverse merger with the Company being treated as the acquired company and Global Invest being treated as the acquirer. After the completion of the merger, historic financial and other information of Global Invest will be presented in all public filings. Under the accounting for a reverse merger, the liabilities of the Company will be recorded on the books of the continuing company at their market value which approximates net realizable value, and the stockholder's equity accounts of Global Invest will be reorganized to reflect the shares issued in this transaction.

Global Invest is a New Jersey corporation organized November 19, 2003. In January 2004, it acquired the ownership interests of three operating companies: Asiatic Industries, LLC, a New Jersey limited liability company which markets ladies hosiery, underwear, and socks; and two Lebanese companies which manufacture the products sold by Asiatic Industries, LLC. Prior to 2004, the three companies had diverse ownership.

The accompanying condensed financial statements illustrate the effect of the acquisition (proforma) on the financial position of the Company and the results of its operations. The condensed balance sheet as of September 30, 2004, is based on the historical balance sheets of Global Invest and the assets and liabilities of the Company as of that date and assumes the acquisition took place on that date. The condensed statements of income for the year ended December 31, 2003, and for the nine month period ended September 30, 2004, are based on the historical statements of income of the Company and Global Invest for those periods and assume the acquisition took place on January 1, 2003.

The proforma condensed financial statements may not be indicative of the actual results of the acquisition. In particular, the proforma condensed financial statements are based on management's current estimate of the allocation of the purchase price; the actual allocation may differ.

The accompanying proforma financial statements should be read in conjunction with the historical financial statements of the Company and of Global Invest.

A number of relatively small judgments were entered against the Company in the year 2000, which total approximately $700,000. A former executive of the Company has indemnified the Company for these liabilities and pledged 200,000 shares of Company common stock to secure this indemnification. The indemnification calls for release of the stock on October 12, 2005.

1.

ACCESSTEL, INC.
PROFORMA CONDENSED STATEMENTS OF INCOME (Unaudited)
YEAR ENDED DECEMBER 31, 2003

	Accesstel Inc.	Asiatic Industries LLC	Textile Industries S.A.L.	Authentic Garment Industries, S.A.L.
Sales	$ -	$5,825,476	$3,173,623	$2,094,669
Cost of Goods Sold	-	5,039,199	1,427,390	1,637,510
Gross Profit	-	786,277	1,746,233	457,159
Operating Expenses	908,492	559,527	1,385,277	300,427
Operating Income	(908,492)	226,750	360,956	156,732
Other Income and Expense:				
Interest expense	(2,493)	(37,910)	(187,560)	(47,901)
Other income (expense)	(900,000)	-	13,419	(39,457)
Income Before Income Taxes	(1,810,985)	188,840	186,815	69,374
Income Taxes	-	-	-	18,267
Net Income	$(1,810,985)	$ 188,840	$ 186,815	$ 51,107
Earnings Per Share				
Weighted Average Number of Shares Outstanding				

2.

ACCESSTEL, INC.
PROFORMA CONDENSED STATEMENTS OF INCOME (Unaudited)
YEAR ENDED DECEMBER 31, 2003

	Accesstel Inc.	Asiatic Industries LLC	Textile Industries S.A.L.	Authentic Garment Industries, S.A.L.
Sales	$ -	$ 5,825,476	$ 3,173,623	$ 2,094,669
Cost of Goods Sold	-	5,039,199	1,427,390	1,637,510
Gross Profit	-	786,277	1,746,233	457,159
Operating Expenses	908,492	559,527	1,385,277	300,427
Operating Income	(908,492)	226,750	360,956	156,732
Other Income and Expense:				
Interest expense	(2,493)	(37,910)	(187,560)	(47,901)
Other income (expense)	(900,000)	-	13,419	(39,457)
Income Before Income Taxes	(1,810,985)	188,840	186,815	69,374
Income Taxes	-	-	-	18,267
Net Income	$ (1,810,985)	$ 188,840	$ 186,815	$ 51,107
Earnings Per Share				
Weighted Average Number of Shares Outstanding				

3.

ACCESSTEL, INC.
PRO FORMA CONDENSED BALANCE SHEETS (UNAUDITED)
SEPTEMBER 30, 2004

	Accesstel, Inc.	Global Invest Holdings, Inc.	Adj
ASSETS			
Cash	$ -	$ 28,572	
Accounts receivable, net of bad debt provision	-	3,894,712	
Inventory	-	3,053,912	
Prepaid expenses and other assets	-	55,382	
Total current assets	-	7,032,578	
Fixed assets, net	-	1,194,426	
Total Assets	$ -	$ 8,227,004	$
LIABILITIES AND STOCKHOLDERS' EQUITY			
Accounts payable and accrued expenses	$ 34,393	672,561	$ (3
Due to shareholders	52,063	372,305	(5
Short term bank debt		4,435,609	
Total current liabilities	86,456	5,480,475	(8
Long term bank debt	-	1,295,115	
Stockholders' equity:			
Common stock: authorized shares of $.001 par value; 34,236,340 shares issued and outstanding	9,236	119,435	2
			(11
Additional paid in capital	3,818,460	816,595	(2
			11
			(3,91
			8
Retained earnings (deficit)	(3,914,152)	515,384	3,91
Total stockholders' equity (deficit)	(86,456)	1,451,414	8
Total Liabilities and Stockholders' Equity	$ -	$ 8,227,004	$

ACCESSTEL, INC.
NOTES TO PROFORMA CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

Adjustments to condensed proforma statements of income for the year ended December 31, 2003:

(1) Elimination of intercompany sales.

(2) Conversion of related party debt to equity, coincident with the acquisition.

(3) Elimination of selling, general and administrative expenses from Accesstel, Inc. which would not be required subsequent to the merger with Global Invest Holdings, Inc. The estimated portion of selling, general and administrative expenses expected to be incurred are professional fees relating to the Company being a public filer.

(4) Elimination of the interest expense on related party debt which was converted to equity coincident with the merger.

(5) Issuance of 25,000,000 shares of $.001 par value in exchange for the outstanding common stock of Global Invest Holdings, Inc.

(6) Elimination of common stock of Global Invest Holding, Inc.

(7) Elimination of retained deficit of Accesstel, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ACCESSTEL, INC.

Dated: December 30, 2004

By: /s/ Ralph Sayad

Ralph Sayad
Chief Executive Officer