

CENTRAL KANSAS FARMERS ASSOCIATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET
NOVEMBER 30, 2008

ASSETS

Current Assets	\$ 1,477,216
Cash and cash equivalents	4,306,262
Accounts receivable	2,735,357
Inventories	236,008
Prepaid expenses and other current assets	68,444
Deferred tax asset	8,823,287
Total Current Assets	<u>2,661,427</u>
Investments	7,001,526
Property, Plant and Equipment	151,980
Goodwill and Other Assets	<u>\$ 18,638,220</u>
Total Assets	

LIABILITIES AND PATRONS' EQUITIES

Current Liabilities	\$ 452,789
Notes payable	1,368,877
Customer credits	1,431,219
Accounts payable	144,690
Accrued and withheld taxes	489,767
Accrued expenses	3,938,630
Accrued patronage refund	7,825,972
Total Current Liabilities	<u>91,341</u>
Deferred Tax Liability, Noncurrent	
Patrons' Equities	
Preferred stock, class A, 5% cumulative, \$100 par value, 500 shares authorized, 100 shares issued and outstanding	10,000
Preferred stock, class B, 6% non cumulative, \$10 par value, 5,000 shares authorized, 3,528 shares issued and outstanding	35,280
Common stock, voting, \$1 par value, 5,000 shares authorized, 998 shares issued and outstanding	998
Allocated Equities	7,592,752
Unallocated Equities	2,354,175
Retained Earnings	727,702
Total Patrons' Equities	<u>10,720,907</u>
Total Liabilities & Patrons' Equities	<u>\$ 18,638,220</u>

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

**BOISE PRODUCTS, LLC
BALANCE SHEETS
AT SEPTEMBER 30, 2008 AND 2007**

ASSETS

	2008	2007
Current Assets		
Cash in Bank	\$ 1,102,806	\$ 2,102,778
Accounts Receivable, Net	19,204,162	11,383,227
Other Receivables	236	300
Inventory	1,552,701	770,047
Prepaid Expenses	462,861	77,715
Futures Account	22,021	21,109
Notes Receivable—Related Parties	<u>1,327,386</u>	<u>44,439</u>
Total Current Assets	\$23,672,173	\$14,399,615
Fixed Assets		
Owned		
Equipment	223,428	189,623
Leasehold Improvements	<u>27,791</u>	<u>27,791</u>
Totals	251,219	217,414
Less Accumulated Depreciation	<u>120,846</u>	<u>91,090</u>
Total Owned	130,373	126,324
Leased		
Leased Equipment	12,165	12,165
Less Accumulated Depreciation	<u>9,800</u>	<u>5,745</u>
Total Leased	<u>2,365</u>	<u>6,420</u>
Total Fixed Assets	132,738	132,744
Other Assets		
Note Receivable—Related Party	700,920	575,000
Covenant Not to Compete	749,618	749,618
Goodwill	932,804	932,804
Loan Fee		41,988
Totals	<u>2,383,342</u>	<u>2,299,410</u>
Less Accumulated Amortization	<u>410,228</u>	<u>358,513</u>
Total Other Assets	1,973,114	1,940,897
Totals	<u>\$25,778,025</u>	<u>\$16,473,256</u>

See Notes to Financial Statements

**BOISE PRODUCTS, LLC
BALANCE SHEETS
AT SEPTEMBER 30, 2008 AND 2007**

LIABILITIES AND EQUITY

	2008	2007
Current Liabilities		
Line of Credit	\$ 7,053,907	\$ 3,291,558
Accounts Payable	13,929,332	8,091,553
Customer Deposits	100,000	680,909
Accrued Payroll Taxes Payable	11,843	8,782
Accrued Wages Payable	440,080	448,776
Accrued Retirement Plan Payable	149,627	127,123
Other Accrued Expenses	50,715	47,556
Current Portion of Long-Term Debt	<u>136,100</u>	<u>132,450</u>
Total Current Liabilities	\$21,871,604	\$12,828,707
Long-Term Debt		
Contract Payable	379,780	508,004
Capital Lease Obligation	<u>2,692</u>	<u>6,921</u>
Totals	382,472	514,925
Less Current Portion of Long-Term Debt	<u>136,100</u>	<u>132,450</u>
Total Long-Term Debt	246,372	382,475
Members' Equity	<u>3,660,049</u>	<u>3,262,074</u>
Totals	<u>\$25,778,025</u>	<u>\$16,473,256</u>

See Notes to Financial Statements

**Ivan Witt Flooring
BALANCE SHEETS
December 31, 2008**

ASSETS

Current Assets

Cash (including certificates of deposit maturing currently)	\$ 965,898
Contract Receivables	1,700,642
Costs and Estimated Earnings in Excess of Billings on Uncompleted Contracts	262,646
Inventory	397,277
Employee Advances	4,437
Prepaid Expenses	296,470
Total Current Assets	<u>3,627,370</u>

Property and Equipment

Trucks and Automobiles	852,730
Office Equipment	506,318
Machinery and Equipment	1,181,604
Furniture and Fixtures	376,909
Leasehold Improvements	278,160
	<u>3,195,721</u>
Less: Accumulated Depreciation and Amortization	<u>(2,242,563)</u>
Total Property and Equipment	<u>953,158</u>

Other Assets

Facility Deposits	45,283
Intangible Assets (Net of accumulated amortization of \$8,927)	2,723
Total Other Assets	<u>48,006</u>

TOTAL ASSETS \$ 4,628,534

See accompanying notes and accountant's report.

**Ivan Witt Flooring
BALANCE SHEETS
December 31, 2008**

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities	
Accounts Payable—Trade	\$ 641,787
Lines of Credit	2,774,664
Billings in Excess of Costs and Estimated Earnings on Uncompleted Contracts	156,975
Accrued Liabilities	
Accrued Interest	13,359
Accrued Payroll	51,112
Accrued Vacation	39,536
Excise Tax	6,829
Investment in Workers Safe, LLC	1,227
Current Portion of Notes Payable	13,037
Total Current Liabilities	<u>3,698,526</u>
Long-Term Liabilities	
Notes Payable (Net of Current Portion of \$13,037)	<u>23,271</u>
Total Long-Term Liabilities	<u>23,271</u>
Total Liabilities	<u>3,721,797</u>
Stockholder's Equity	
Common Stock, no par value, 100,000 Shares Authorized, 10,000 Shares Issued and Outstanding	10,000
Retained Earnings	896,737
Total Stockholder's Equity	<u>906,737</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 4,628,534</u>

See accompanying notes and accountant's report.

J.T. WEBB BUILDING AND DEVELOPMENT, INC.
BALANCE SHEETS

	October 31,	
	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 9,716	\$ 9,845
Cash—bond escrow account	495,357	
Accounts receivable	1,158,982	1,418,901
Costs and estimated earnings in excess of billings on uncompleted contracts	711,051	2,029,463
Prepaid insurance	19,873	21,061
Inventory:		
Spec homes	418,183	660,169
Land—developed	299,901	253,500
Land—undeveloped	<u>1,250,092</u>	<u>1,317,430</u>
TOTAL CURRENT ASSETS	4,363,155	5,710,369
PROPERTY AND EQUIPMENT		
Buildings and improvements	143,018	143,018
Furniture, fixtures, and office equipment	119,167	119,167
Vehicles	302,811	302,811
Machinery and equipment	<u>451,461</u>	<u>431,907</u>
Total property and equipment	1,016,457	996,903
Less: accumulated depreciation	<u>(669,120)</u>	<u>(565,640)</u>
NET PROPERTY AND EQUIPMENT	347,337	431,263
OTHER ASSETS		
IRC Section 7519 deposit	40,651	
Advances—related partnerships	1,111,976	1,061,857
Advances—related party	7,212	7,032
Deposits	<u> </u>	<u>1,000</u>
TOTAL OTHER ASSETS	<u>1,159,839</u>	<u>1,069,889</u>
TOTAL ASSETS	<u>\$ 5,870,331</u>	<u>\$ 7,211,521</u>

See Accountants' Review Report and Notes to Financial Statements

	October 31,	
	<u>2008</u>	<u>2007</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 745,144	\$ 2,596,003
Billings in excess of costs and estimated earnings on uncompleted contracts	224,100	235,217
Short term notes payable	1,888,361	1,610,631
Customer deposits	43,474	37,737
Accrued interest payable		22,501
Accrued wages/withholding	10,775	45,611
Other current liabilities	7,500	8,638
Current portion of long term debt	<u>281,612</u>	<u>385,990</u>
TOTAL CURRENT LIABILITIES	3,200,966	4,942,328
LONG TERM LIABILITIES		
Long term debt less current portion	368,348	300,781
Loans from shareholder	<u>655,000</u>	<u>530,000</u>
TOTAL LONG TERM LIABILITIES	<u>1,023,348</u>	<u>830,781</u>
TOTAL LIABILITIES	4,224,314	5,773,109
SHAREHOLDER'S EQUITY		
Common stock—par value \$1 per share: 10,000 shares authorized; 1,000 shares issued and outstanding	1,000	1,000
Additional paid in capital	54,261	54,261
Retained earnings	<u>1,590,756</u>	<u>1,383,151</u>
TOTAL SHAREHOLDER'S EQUITY	<u>1,646,017</u>	<u>1,438,412</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u>\$ 5,870,331</u>	<u>\$ 7,211,521</u>

POTT'S CONSTRUCTION, LP
BALANCE SHEETS
December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
<i>Current assets</i>		
Cash and cash equivalents	\$ 2,736,279	\$ 7,890,984
Short-term investments	7,999,856	—
Contract receivables	11,519,035	11,319,018
Prepaid expenses	37,145	37,578
Deposits	2,350	—
Costs and estimated earnings in excess of billings on uncompleted contracts	—	10,825
Accounts receivable—partner	130,000	—
Accounts receivable—related party	90,931	164,700
Accrued interest receivable—related party	9,534	—
Total current assets	<u>22,525,130</u>	<u>19,423,105</u>
<i>Property, plant and equipment</i>		
Property and equipment, at cost	288,029	262,510
Accumulated depreciation	<u>(146,051)</u>	<u>(167,150)</u>
Net property and equipment	<u>141,978</u>	<u>95,360</u>
<i>Other assets</i>		
Note receivable—related party	<u>200,000</u>	<u>100,000</u>
Total other assets	<u>200,000</u>	<u>100,000</u>
Total assets	<u>\$ 22,867,108</u>	<u>\$ 19,618,465</u>

See accompanying notes and accountants' report.

POTT'S CONSTRUCTION, LP
BALANCE SHEETS
December 31, 2008 and 2007
(Continued)

	<u>2008</u>	<u>2007</u>
<u>LIABILITIES AND PARTNERS' CAPITAL</u>		
<i>Current liabilities</i>		
Current portion of long-term debt	\$ 27,940	\$ 44,539
Accounts and subcontracts payable	10,822,348	11,068,044
Billings in excess of costs and estimated earnings on uncompleted contracts	3,552,525	2,319,571
Insurance payable	136,462	124,740
Payroll taxes withheld and accrued	2,810	2,861
Due to related party	—	16,267
Other accrued liabilities	<u>330</u>	<u>284</u>
 Total current liabilities	 <u>14,542,415</u>	 <u>13,576,306</u>
<i>Long term liabilities</i>		
Long-term debt, net of current portion	<u>56,741</u>	<u>11,841</u>
 Total liabilities	 <u>14,599,156</u>	 <u>13,588,147</u>
<i>Partners' capital</i>		
Partners' capital	<u>8,267,952</u>	<u>6,030,318</u>
 Total partners' capital	 <u>8,267,952</u>	 <u>6,030,318</u>
 Total liabilities and partners' capital	 <u>\$ 22,867,108</u>	 <u>\$ 19,618,465</u>

See accompanying notes and accountants' report.

**BARNES PAVING, INC.
AND RELATED ENTITY
COMPARATIVE COMBINED BALANCE SHEET**

ASSETS

	December 31,	
	<u>2008</u>	<u>2007</u>
Current Assets		
Cash and cash equivalents	\$ 279,212	\$ 231,172
Contracts receivable	272,431	199,885
Prepaid expenses	8,880	5,880
Refundable Federal income tax	<u>7,275</u>	<u>11,075</u>
Total Current Assets	<u>567,798</u>	<u>448,012</u>
Property and Equipment		
Machinery and equipment	897,164	888,877
Computer equipment	2,849	2,849
Furniture and fixtures	8,186	8,186
Vehicles and delivery equipment	<u>844,180</u>	<u>844,180</u>
	1,752,379	1,744,092
Less: Accumulated depreciation	<u>1,164,953</u>	<u>1,008,544</u>
	<u>587,426</u>	<u>735,548</u>
Total Assets	<u>\$ 1,155,224</u>	<u>\$ 1,183,560</u>

LIABILITIES AND OWNER'S EQUITY

	December 31,	
	2008	2007
Current Liabilities		
Accounts payable	\$ 4,096	\$ 59,584
Accrued expenses	9,160	9,160
Deferred tax liability	45,500	22,200
Current portion of long-term debt	—	12,873
Total Current Liabilities	<u>58,756</u>	<u>103,817</u>
Long-Term Debt, Net of Current Portion	<u>5,471</u>	<u>51,494</u>
Deferred Income Taxes Payable	<u>26,400</u>	<u>30,900</u>
Total Liabilities	<u>90,627</u>	<u>186,211</u>
Owner's Equity	<u>1,064,597</u>	<u>997,349</u>
Total Liabilities and Owner's Equity	<u>\$ 1,155,224</u>	<u>\$ 1,183,560</u>

See accompanying notes and
accountants' compilation report

Rains Wiring, Inc.
Balance Sheet
March 31, 2008

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 256,316
Certificate of deposit	7,400
Accounts receivable, trade (includes retention of \$76,390)	308,990
Accounts receivable—related parties	40
Inventory	12,221
Costs and estimated earnings in excess of billings on uncompleted contracts	<u>73,178</u>

Total Current Assets 658,145

EQUIPMENT:

Vehicles	262,810
Other equipment	<u>30,142</u>
	292,952

Less allowance for depreciation (289,885)

Total Equipment 3,067

\$ 661,212

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:

Accounts payable	\$ 97,532
Payroll, state and local taxes payable	32,414
Federal income taxes payable	980
Union benefits payable	26,459
Retirement plan payable	58,043
Loans from stockholders	<u>241,759</u>

Total Current Liabilities	457,187
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STOCKHOLDERS' EQUITY:

Common stock—par value \$100 per share, authorized 500 shares, issued and outstanding 27.96 shares	5,592
Retained earnings	<u>198,433</u>

Total Stockholders' Equity	<u>204,025</u>
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\$ 661,212

See accompanying accountants' review report
See note to financial statements

Rimbey Fabrication, Inc.
BALANCE SHEETS
September 30, 2008 and 2007

ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT ASSETS:		
Cash	\$ 937,620	\$ 12,509
Contract receivables, including retention	1,971,233	1,508,854
Inventory	219,423	191,018
Prepays	25,410	19,262
Costs and estimated earnings in excess of billings on uncompleted contracts	25,568	177,906
Total current assets	<u>3,179,254</u>	<u>1,909,549</u>
PROPERTY AND EQUIPMENT:		
Land	8,370	8,370
Buildings and improvements	981,403	866,399
Furniture, fixtures and office equipment	428,888	421,732
Equipment	887,072	906,536
Vehicles and airplane	1,333,204	1,241,651
	<u>3,638,937</u>	<u>3,444,688</u>
Less: Accumulated depreciation	2,374,183	2,161,811
Net property and equipment	<u>1,264,754</u>	<u>1,282,877</u>
OTHER ASSETS:		
Cash value of life insurance	160,299	162,465
Other	22,370	17,219
Total other assets	<u>182,669</u>	<u>179,684</u>
Total Assets	<u>\$ 4,626,677</u>	<u>\$ 3,372,110</u>

See accompanying notes and accountants' report.

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2008</u>	<u>2007</u>
CURRENT LIABILITIES:		
Advances under revolving secured credit agreements	\$ 300,000	\$ —
Current maturities of long-term debt	200,815	165,870
Accounts payable—trade	824,195	401,810
Accrued expenses and payroll liabilities	228,859	313,536
Income taxes payable	154,641	149,880
Billings on uncompleted contracts in excess of costs and estimated earnings	168,820	178,857
Total current liabilities	<u>1,877,330</u>	<u>1,209,953</u>
LONG-TERM LIABILITIES:		
Long-term debt, less current maturities	1,069,432	829,869
Deferred compensation	155,997	98,244
Deferred income taxes	45,701	19,593
Total long-term liabilities	<u>1,271,130</u>	<u>947,706</u>
STOCKHOLDERS' EQUITY:		
Common stock, no par value; authorized 100,000 shares; issued and outstanding 28,556 shares	45,500	45,500
Retained earnings	1,432,717	1,168,951
Total stockholders' equity	<u>1,478,217</u>	<u>1,214,451</u>
Total Liabilities and Stockholders' Equity	<u>\$ 4,626,677</u>	<u>\$ 3,372,110</u>

MORGAN CONTRACTORS, LLC
STATEMENTS OF ASSETS, LIABILITIES, AND MEMBERS' EQUITY—INCOME TAX BASIS

	December 31,	
	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 3,067	\$ 10,504
Interest Reserve	11,375	0
Construction in progress	699,679	1,159,744
Refundable city income tax	2,311	0
Other current assets	<u>1,627</u>	<u>0</u>
TOTAL CURRENT ASSETS/TOTAL ASSETS	<u>\$ 718,059</u>	<u>\$ 1,170,248</u>
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 0	\$ 18,085
State and local taxes payable	0	4,840
Customer deposits on sales	40,000	15,000
Line of credit	188,284	0
Construction loan payable	<u>188,036</u>	<u>928,995</u>
TOTAL CURRENT LIABILITIES/TOTAL LIABILITIES	416,320	966,920
MEMBERS' EQUITY	<u>301,739</u>	<u>203,328</u>
	<u>\$ 718,059</u>	<u>\$ 1,170,248</u>

See accountants' compilation report and notes to financial statements

LOUIS INDUSTRIES, INC and SUBSIDIARY
Consolidated Balance Sheets
October 31, 2008 and 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Current Assets		
Cash	\$ 943,359	\$ 670,042
Certificate of deposit	230,000	230,000
Accounts receivable	6,002,595	3,830,300
Inventories	14,054,467	13,227,833
Total Current Assets	<u>21,230,421</u>	<u>17,958,175</u>
Property and Equipment, at Cost		
Property and equipment	5,190,135	4,203,748
Less accumulated depreciation	<u>(2,089,411)</u>	<u>(1,961,741)</u>
Net Property and Equipment	3,100,724	2,242,007
Other Assets		
Goodwill	363,825	363,825
Other assets	<u>306,221</u>	<u>249,361</u>
Total Other Assets	670,046	613,186
Total Assets	<u>\$ 25,001,191</u>	<u>\$ 20,813,368</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Line of credit	\$ 12,024,000	\$ 8,924,000
Notes payable	—	142,738
Accounts payable	3,865,063	1,760,901
Accrued expenses	<u>234,729</u>	<u>183,570</u>
Total Current Liabilities	16,123,792	11,011,209
Long-Term Debt	352,000	650,000
Stockholders' Equity		
Common stock, no par value; 2,000 shares authorized, 200 shares issued and outstanding	126,300	126,300
Paid in capital	10,484	10,484
Retained earnings	<u>8,388,615</u>	<u>9,015,375</u>
Total Stockholders' Equity	8,525,399	9,152,159
Total Liabilities and Stockholders' Equity	<u>\$ 25,001,191</u>	<u>\$ 20,813,368</u>

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

CalVino Winery, LLC

Balance Sheets
December 31, 2008 and 2007
See Accountants' Review Report

ASSETS	2008	2007
Current Assets		
Cash	\$ 887,156	\$ 125,212
Accounts receivable—wine sales	3,959,322	869,016
Accounts receivable—grape sales	—	2,566,759
Inventories	8,336,349	9,855,483
Deposits	2,741	5,297
	<u>13,185,568</u>	<u>13,421,767</u>
Property and Equipment , net of accumulated depreciation	<u>259,197</u>	<u>33,738</u>
Deposits	<u>1,000</u>	<u>1,000</u>
	<u>\$13,445,765</u>	<u>\$13,456,505</u>
 LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable	\$ 3,846,340	\$ 3,822,829
Accrued processing fees, affiliate	259,538	312,435
Other accrued liabilities	61,256	69,558
Lines of credit	3,999,999	981,596
Notes payable, related party	—	1,400,000
Current maturities of capital lease obligation	54,328	—
Interest payable, affiliate	98,960	—
Due to affiliate	12,502	4,637
	<u>8,332,923</u>	<u>6,591,055</u>
Note Payable, Affiliate	8,077,564	—
Capital Lease Obligation , less current maturities	117,102	—
Commitments and Contingencies		
Members' Equity (Deficit)	<u>(3,081,824)</u>	<u>6,865,450</u>
	<u>\$13,445,765</u>	<u>\$13,456,505</u>

See Notes To Financial Statements.

ABC, INC.
BALANCE SHEETS

	December 31,	
	2008	2007
ASSETS		
CURRENT ASSETS	\$ 564,611	\$ 59,656
Cash		
Accounts receivable, less allowance for doubtful accounts of \$30,000	1,029,347	1,858,264
Inventories	1,279,412	1,256,705
Other current assets	25,396	18,680
TOTAL CURRENT ASSETS	2,898,766	3,193,305
FURNITURE, EQUIPMENT AND VEHICLES, net	68,300	58,665
	\$ 2,967,066	\$ 3,251,970
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Note payable bank—secured	\$ 252,611	\$ 60,000
Notes payable—related parties	739,640	739,640
Accounts payable	50,058	30,128
Commissions payable	42,818	41,000
Accrued profit sharing	—	60,000
Customer deposits	91,116	134,517
TOTAL CURRENT LIABILITIES	1,176,243	1,065,285
STOCKHOLDERS' EQUITY		
Common Stock; no par value; authorized 1,000,000 shares; 12,000 shares issued and outstanding	75,000	75,000
Retained earnings	1,715,823	2,111,685
TOTAL STOCKHOLDERS' EQUITY	1,790,823	2,186,685
	\$ 2,967,066	\$ 3,251,970

See accountant's review report and notes to financial statements.

ROSS PETROLEUM, INC. and HINKLE-JONES G.P.
COMBINED BALANCE SHEETS
December 31, 2008 and 2007
 See Accountants' Report

ASSETS	2008	2007
Current Assets		
Cash	\$ 1,195,122	\$ 1,724,654
Trading securities	20,023,506	21,346,918
Accounts receivable	1,951,266	3,891,554
Federal excise tax receivable	18,043	21,444
Inventories	4,623,707	4,764,450
Notes receivable—short term	50,820	27,813
Prepaid expenses and deposits	554,373	1,031,465
Total current assets	28,416,837	32,808,298
Note receivable, officer-stockholder	7,634,854	6,792,439
Notes receivable	—	85,500
	7,634,854	6,877,939
Property and equipment, less accumulated depreciation	44,649,887	41,745,015
Intangible assets		
Goodwill	382,458	912,458
Covenant not to compete	1,735,167	1,949,333
	2,117,625	2,861,791
	\$ 82,819,203	\$ 84,293,043

See Notes to Financial Statements

**LIABILITIES AND STOCKHOLDERS' EQUITY AND
PARTNERS' CAPITAL**

	2008	2007
Current Liabilities		
Excess of outstanding checks over bank balance	\$ 1,040,803	\$ 584,047
Bank notes	2,062,814	3,250,000
Margin Payable	3,340,297	4,234,749
Current maturities of long-term debt	3,812,216	3,245,855
Accounts payable	4,681,594	7,842,214
Deferred revenue	732,718	—
Accrued salaries and wages	260,944	205,884
Accrued truck, mileage, fuel, sales and use taxes	1,032,898	1,099,245
Accrued interest payable	30,708	118,521
Accrued and withheld payroll taxes	20,555	29,527
Accrued income taxes payable	17,050	13,500
Total current liabilities	17,032,597	20,623,542
 Long-term debt, less current maturities	 25,815,626	 28,075,996
 Note payable, stockholders-officers and partner	 1,838,680	 1,863,142
 Stockholders' equity and partners' capital		
Common stock, \$100 par value; authorized 2,000 shares; issued and outstanding 800 shares	80,000	80,000
Additional paid-in capital	15,809	15,809
Retained earnings and partners' capital	38,036,491	33,634,554
	38,132,300	33,730,363
	\$ 82,819,203	\$ 84,293,043

See Notes to Financial Statements

Jenkins Distribution, Inc.
(A wholly owned subsidiary)
Balance Sheets
December 31,

<u>ASSETS</u>		
	<u>2008</u>	<u>2007*</u>
Current Assets		
Cash and cash equivalents	\$ 605,477	\$ 196,181
Accounts receivable		
Trade	6,136,749	4,925,249
Other	461,152	300,137
Inventories	9,663,785	11,907,675
Prepaid expenses and other current assets	19,071	25,462
Deferred income taxes	86,664	79,967
Total current assets	<u>16,963,036</u>	<u>17,411,230</u>
Property and equipment, net	58,724	76,222
Other assets	<u>33,004</u>	<u>32,632</u>
	<u>\$ 17,054,764</u>	<u>\$ 17,520,084</u>
<u>LIABILITIES AND STOCKHOLDER'S EQUITY</u>		
Current Liabilities		
Note payable—bank	\$ 2,000,000	\$ 2,000,000
Accounts payable—trade	138,086	286,566
—parent company	4,406,279	4,849,048
Accrued expenses and other current liabilities	97,716	26,766
Current portion of capital lease obligation	8,478	7,790
Total current liabilities	<u>6,650,559</u>	<u>7,170,170</u>
Deferred income taxes	11,897	4,050
Long-term debt		
Capital lease obligation	20,246	28,724
Due to parent company	2,009,581	1,931,125
Accounts payable—parent company, less current portion above	7,000,000	7,000,000
Total long-term debt	<u>9,029,827</u>	<u>8,959,849</u>
Total liabilities	<u>15,692,283</u>	<u>16,134,069</u>
STOCKHOLDER'S EQUITY		
Common stock, \$1 par value, 1,500,000 shares authorized, 100 shares issued and outstanding	100	100
Additional paid in capital	1,499,900	1,499,900
Accumulated deficit	(137,519)	(113,985)
Total stockholder's equity	<u>1,362,481</u>	<u>1,386,015</u>
	<u>\$ 17,054,764</u>	<u>\$ 17,520,084</u>

* Certain numbers have been reclassified for financial statement purposes

Attention is directed to independent auditors' report and notes to financial statements.

PARKER DISTRIBUTION, INC.

BALANCE SHEETS

	December 31	
	2008	2007
ASSETS		
CURRENT ASSETS		
Cash	\$ 52,281	\$ 31,594
Accounts receivable, net of allowance for doubtful accounts	535,272	487,060
Inventory	1,109,286	1,090,221
Prepaid expenses	4,769	6,773
TOTAL CURRENT ASSETS	1,701,608	1,615,648
PROPERTY AND EQUIPMENT		
Land and improvements	99,539	99,539
Buildings and improvements	463,611	456,088
Machinery and equipment	173,933	173,933
Vehicles	151,223	151,223
Furniture, fixtures, and office equipment	198,539	186,789
	1,086,845	1,067,572
Less accumulated depreciation	(811,618)	(771,171)
	275,227	296,401
OTHER ASSETS		
Cash value of life insurance	291,927	269,842
Intangible assets, net of amortization	47,714	17,699
Deposits	0	1,270
	339,641	288,811
	\$ 2,316,476	\$ 2,200,860
LIABILITIES & SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 337,178	\$ 350,184
Accrued and withheld expenses	99,454	50,999
Current maturities of long-term obligations	21,446	32,736
TOTAL CURRENT LIABILITIES	458,078	433,919
LONG TERM OBLIGATIONS, net of current portion	450,170	471,789
STOCKHOLDERS' EQUITY		
Common stock, no par value		
115,000 shares authorized and issued; 83,310 shares outstanding	1,000,000	1,000,000
Retained earnings	1,042,028	928,952
	2,042,028	1,928,952
Treasury stock—31,690 shares, at cost	(633,800)	(633,800)
	1,408,228	1,295,152
	\$ 2,316,476	\$ 2,200,860

See accountants' review report and notes to financial statements

PHOENIX INTERNATIONAL PRIVATE BANK

Balance Sheets

December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Assets		
Cash and cash equivalents	\$ 2,972,628	761,693
Investment securities available-for-sale at fair value (note 2)	9,091,409	3,891,755
Accrued interest receivable	184,947	102,736
Furniture and equipment, net (note 4)	177,805	216,228
Restricted cash and cash equivalents (note 1a)	950,000	301,213
Other assets (note 5)	56,139	82,800
	<u>\$ 13,432,928</u>	<u>5,356,425</u>
Liabilities and Stockholder's Equity		
Deposits (note 9):		
Interest-bearing demand deposits	\$ 5,904,429	80,126
Non-interest bearing	3,698,970	22,738
Total deposits	<u>9,603,399</u>	<u>102,864</u>
Due to related party (note 6)	59,262	134,263
Accrued expenses and other liabilities	9,500	14,985
Accrued interest payable	484	44
Total liabilities	<u>9,672,645</u>	<u>252,156</u>
Stockholder's equity:		
Common stock, \$1,000 par value; 5,109 shares authorized, issued and outstanding	5,109,000	5,109,000
Retained earnings	72,141	116,569
Accumulated other comprehensive loss (notes 1b and 2)	<u>(1,420,858)</u>	<u>(121,300)</u>
Total stockholder's equity	<u>\$ 3,760,283</u>	<u>5,104,269</u>
	<u>\$ 13,432,928</u>	<u>5,356,425</u>

See accompanying notes to financial statements.

OK PLAINS FEDERAL CREDIT UNION
STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
CASH AND CASH EQUIVALENTS	\$ 536,654	\$ 617,462
SECURITIES HELD-TO-MATURITY	—	550,000
LOANS TO MEMBERS		
Loans Receivable	6,544,302	6,554,818
Allowance for Loan Losses	<u>(58,791)</u>	<u>(59,490)</u>
	6,485,511	6,495,328
OTHER INVESTMENTS HELD-TO-MATURITY	12,919,000	10,721,000
OTHER ASSETS		
Accrued Investment Interest	57,583	56,027
Property and Equipment, net	152,142	89,893
NCUSIF Deposit	156,568	146,813
Restricted Cash	315,065	302,766
Prepaid Expenses	<u>49,856</u>	<u>27,239</u>
	<u>731,214</u>	<u>622,738</u>
TOTAL ASSETS	<u>\$ 20,672,379</u>	<u>\$ 19,006,528</u>
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Accounts Payable	\$ 37,625	\$ 24,441
Accrued Taxes and Expenses	13,109	20,031
Members' Share Accounts	18,009,187	16,410,949
Dividends Payable	<u>5,507</u>	<u>50,643</u>
Total Liabilities	18,065,428	16,506,064
MEMBERS' EQUITY		
Regular Reserve	391,284	391,284
Undivided Earnings	<u>2,215,667</u>	<u>2,109,180</u>
Total Members' Equity	<u>2,606,951</u>	<u>2,500,464</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 20,672,379</u>	<u>\$ 19,006,528</u>

See accompanying notes to the financial statements

BUSINESS LABELS ETC., INC.
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 2008

ASSETS

CURRENT ASSETS

Cash	\$ 27,018
Accounts receivable, net of allowance of \$6,801	320,738
Inventory	280,771
Prepaid expenses	12,033
Total Current Assets	<u>640,560</u>

FIXED ASSETS

Land and building	1,250,000
Machinery and equipment	921,866
Leasehold improvements	33,067
Office equipment	73,061
	<u>2,277,994</u>
Less: accumulated depreciation	521,138
Net Fixed Assets	<u>1,756,856</u>

OTHER ASSETS

Loan acquisition fees, net of amortization	45,624
Utility deposit	1,500
Total Other Assets	<u>47,124</u>

TOTAL ASSETS

\$ 2,444,540

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 354,663
Accrued wages	10,575
Other current liabilities	9,396
Line of credit	356,150
Current portion of long term debt	82,885
Current portion of capital lease obligations	51,077
Due to shareholders	<u>121,020</u>
Total Current Liabilities	985,766

CAPITAL LEASE OBLIGATIONS, net of current portion	188,408
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LONG TERM DEBT, net of current portion	<u>1,309,548</u>
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TOTAL LIABILITIES	2,483,722
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STOCKHOLDERS' EQUITY

Common stock—2,400 shares authorized, no par, issued and outstanding 2,400 shares	850
Retained earnings	(208,363)
Non-controlling interest	<u>168,331</u>
TOTAL STOCKHOLDERS' EQUITY	<u>(39,182)</u>

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 2,444,540</u>
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The accompanying notes and accountants' report are an integral part of these financial statements.

BRAZOS INJECTION MOLDING, INC.
BALANCE SHEETS

	December 31,	
	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 976	\$ 12,152
Accounts receivable—trade	6,238,762	7,023,281
Other receivables	11,188	174,892
Inventories	831,043	985,457
Refundable income taxes	0	7,562
Prepaid expenses	93,243	119,390
Deferred income tax benefit	<u>108,000</u>	<u>50,600</u>
TOTAL CURRENT ASSETS	7,283,212	8,373,334
FIXED ASSETS		
Machinery and equipment	18,240,764	13,360,905
Computer equipment	598,412	774,664
Office furniture and equipment	145,177	129,424
Leasehold improvements	582,825	569,961
Vehicles	<u>172,990</u>	<u>127,312</u>
	19,740,168	14,962,266
Less accumulated depreciation	<u>(10,030,173)</u>	<u>(8,999,328)</u>
	9,709,995	5,962,938
OTHER ASSETS		
Computer software, net of accumulated amortization	76,941	65,575
Goodwill	<u>958,844</u>	<u>958,844</u>
	1,035,785	1,024,419
TOTAL ASSETS	<u>\$18,028,992</u>	<u>\$15,360,691</u>

	December 31,	
	<u>2008</u>	<u>2007</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Checks in process	\$ 146,440	\$ 0
Line of credit	0	3,361,056
Accounts payable	1,218,566	2,031,654
Accrued expenses	498,430	342,338
Income taxes payable	5,387	0
Interest payable	3,495	18,020
Customer deposits	6,172	200,803
Current portion of long-term debt	<u>810,663</u>	<u>1,145,859</u>
TOTAL CURRENT LIABILITIES	2,689,153	7,099,730
Equipment purchase liability	1,351,527	0
Long-term debt, net of current portion	6,590,931	3,561,921
Derivative financial instruments	538,315	7,354
Deferred income tax liability	<u>1,709,500</u>	<u>969,700</u>
	<u>10,190,273</u>	<u>4,538,975</u>
TOTAL LIABILITIES	12,879,426	11,638,705
SHAREHOLDERS' EQUITY		
Common stock, no par value; 2,000 shares authorized, 1,750 shares issued and outstanding	1,042,780	1,042,780
Retained earnings	4,106,786	2,684,060
Accumulated other comprehensive loss	<u>0</u>	<u>(4,854)</u>
	<u>5,149,566</u>	<u>3,721,986</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$18,028,992</u>	<u>\$15,360,691</u>

See accountants' review report and notes to financial statements

Open Door, Inc.
BALANCE SHEETS
AT OCTOBER 31, 2008 AND 2007
See Accountant's Compilation Report

ASSETS

	2008	2007
Current Assets		
Cash in Bank	\$ 88,864	\$ 985
Accounts Receivable—Net	737,152	846,631
Inventory—Completed Doors	973,200	1,030,100
Inventory—Parts and Raw materials	1,791,111	1,119,191
Prepaid Expenses	197,016	128,885
Note Receivable—Other	534	11,871
Due From Officer	<u>127,827</u>	<u> </u>
Total Current Assets	\$ 3,915,704	\$ 3,137,663
Fixed Assets		
Owned		
Leasehold Improvements	1,095,822	818,203
Office Equipment	652,878	600,475
Manufacturing Equipment	1,203,804	1,118,476
Vehicles	<u>522,560</u>	<u>513,045</u>
Totals	3,475,064	3,050,199
Less Accumulated Depreciation	<u>2,031,329</u>	<u>1,790,401</u>
Total Owned	1,443,735	1,259,798
Leased		
Manufacturing Equipment	514,290	258,245
Less Accumulated Depreciation	<u>64,515</u>	<u>23,501</u>
Total Leased	<u>449,775</u>	<u>234,744</u>
Total Fixed Assets	1,893,510	1,494,542
Other Assets		
Patents	20,868	20,868
Note Receivable	7,995	7,995
Financing Costs	<u> </u>	<u>21,000</u>
Totals	28,863	49,863
Less Accumulated Amortization	<u>8,854</u>	<u>28,463</u>
Total Other Assets	<u>20,009</u>	<u>21,400</u>
Totals	<u>\$ 5,829,223</u>	<u>\$ 4,653,605</u>

See Notes to Financial Statements

Open Door, Inc.
BALANCE SHEETS
AT OCTOBER 31, 2008 AND 2007
See Accountant's Compilation Report

LIABILITIES AND EQUITY

	2008	2007
Current Liabilities		
Line of Credit—Liquid Bank Co.	\$ 1,670,000	\$ 420,000
Checks Issued in Excess of Balance		488,176
Accounts Payable	1,717,321	1,240,628
Customer Deposits	896,259	610,234
Payroll Taxes Withheld and Accrued	1,261	1,057
Other Accrued Expenses	159,532	113,908
Current Portion of Long-Term Debt	115,170	117,361
Current Portion of Capital Leases	<u>99,530</u>	<u>48,507</u>
Total Current Liabilities	\$ 4,659,073	\$ 3,039,871
Long-Term Debt		
Notes Payable	419,907	537,268
Capital Lease Obligations	<u>402,515</u>	<u>224,401</u>
Totals	822,422	761,669
Less Current Portion	<u>214,700</u>	<u>165,868</u>
Total Long-Term Debt	607,722	595,801
Stockholder's Equity		
Common Stock		
Authorized—100,000 Shares at No Par Value		
Issued and Outstanding—1,000 Shares		
at \$1 Stated Value	1,000	1,000
Retained Earnings		
Balances—October 31, 2007 and 2006	1,016,933	1,019,301
Net Income for the Years	597,512	1,488,446
Distributions to Owner	<u>(1,053,017)</u>	<u>(1,490,814)</u>
Balances—October 31, 2008 and 2007	<u>561,428</u>	<u>1,016,933</u>
Total Stockholder's Equity	<u>562,428</u>	<u>1,017,933</u>
Totals	<u>\$ 5,829,223</u>	<u>\$ 4,653,605</u>

See Notes to Financial Statements

Chem Products, Inc. and Subsidiaries

Consolidated Balance Sheets
September 30, 2008 and 2007
See Accountants' Review Report

ASSETS	<u>2008</u>	<u>2007</u>
Current Assets		
Cash and cash equivalents	\$ 5,048,666	\$ 3,515,030
Accounts receivable, net of allowance for doubtful accounts of \$465,360 and \$400,000 in 2008 and 2007	15,749,450	10,472,604
Inventories, net	8,566,870	6,171,872
Prepaid expenses and other assets	273,201	230,989
Prepaid federal tax deposit	611,317	301,988
Due from owners	646,358	—
Notes receivable, related party	—	606,753
	<u>30,895,862</u>	<u>21,299,236</u>
Property and Equipment, net of accumulated depreciation	<u>2,968,159</u>	<u>2,864,890</u>
Investments	<u>—</u>	<u>193,323</u>
	<u>\$ 33,864,021</u>	<u>\$ 24,357,449</u>

See Notes to Consolidated Financial Statements.

Chem Products, Inc. and Subsidiaries**Consolidated Balance Sheets—Continued**
September 30, 2008 and 2007
See Accountants' Review Report

LIABILITIES AND SHAREHOLDERS' EQUITY	<u>2008</u>	<u>2007</u>
Current Liabilities		
Accounts payable	\$ 7,436,112	\$ 4,722,396
Accrued expenses	2,270,704	1,484,618
Due to owners	391,946	327,908
Line of credit	2,500,000	1,806,567
Current maturities of related party notes payable	763,817	690,194
Current maturities of capital lease obligations	134,114	20,062
	<u>13,496,693</u>	<u>9,051,745</u>
Related Party Notes Payable , less current maturities	<u>370,958</u>	<u>1,450,859</u>
Capital Lease Obligations , less current maturities	<u>479,610</u>	<u>68,471</u>
Commitments and Contingencies		
Minority Interest in Consolidated Subsidiaries	<u>4,539,483</u>	<u>2,820,794</u>
Shareholders' Equity		
Common stock	100	100
Additional paid-in capital	439,608	439,608
Retained earnings	14,537,569	10,525,872
	<u>14,977,277</u>	<u>10,965,580</u>
	<u>\$ 33,864,021</u>	<u>\$ 24,357,449</u>

See Notes to Consolidated Financial Statements.

COMMERCIAL SYSTEMS, INC., AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2008 AND 2007

ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT ASSETS:		
Cash and cash equivalents (Note 1)	\$ 979,630	\$ 1,318,399
Accounts receivable, trade—net of allowance of \$66,400 and \$64,220 on December 31, 2008 and 2007, respectively (Note 1)	3,258,953	3,713,060
Inventories, net (Notes 1 & 3)	4,995,303	3,696,973
Prepaid expenses and other current assets	123,289	104,450
TOTAL CURRENT ASSETS	<u>9,357,175</u>	<u>8,832,882</u>
PROPERTY AND EQUIPMENT, NET (Notes 1 & 2)	3,819,401	3,561,414
OTHER ASSETS:		
Goodwill (Note 1)	22,883,623	22,883,623
Deposits and other long-term assets	91,262	106,315
TOTAL OTHER ASSETS	<u>22,974,885</u>	<u>22,989,938</u>
	<u>\$ 36,151,461</u>	<u>\$ 35,384,234</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Notes payable—current portion (Note 4)	\$ 10,200,000	\$ 3,879,168
Leases payable—current portion (Note 5)	96,414	135,336
Accounts payable, trade	2,573,468	1,734,946
Accrued expenses (Note 7)	1,220,238	1,707,535
Accrued income taxes	12,579	2,250
TOTAL CURRENT LIABILITIES	<u>14,102,699</u>	<u>7,459,235</u>
NOTES PAYABLE—less current portion above (Note 4)	19,516,001	25,816,001
LEASES PAYABLE—less current portion above (Note 5)	44,306	140,717
STOCKHOLDERS' EQUITY:		
Preferred stock, par value \$.01: 2,800 shares authorized, 1,000 and 1,300 shares issued and outstanding at December 31, 2008 and 2007, respectively (Note 14)	1,000,000	1,300,000
Common stock, par value \$.01: 106,000 shares authorized, 100,000 shares issued and outstanding (Note 14)	1,050	1,050
Retained earnings	1,487,405	667,231
TOTAL STOCKHOLDERS' EQUITY	<u>2,488,455</u>	<u>1,968,281</u>
	<u>\$ 36,151,461</u>	<u>\$ 35,384,234</u>

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

XYZ COMPANY
CONSOLIDATED BALANCE SHEETS

	April 30,	
	2008	2007
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,909,567	\$ 2,540,319
Marketable securities available for sale	10,480,664	8,716,208
Accounts receivable, less allowance for bad debts of \$30,000	1,569,507	2,213,302
Inventories	7,573,674	6,045,421
Current portion of federal tax deposit	186,661	—
Other current assets	24,717	19,584
TOTAL CURRENT ASSETS	21,744,790	19,534,834
EQUIPMENT AND LEASEHOLD IMPROVEMENTS, net	1,326,175	1,320,562
FEDERAL TAX DEPOSIT	452,923	639,584
TOTAL ASSETS	\$23,523,888	\$21,494,980
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Note payable—financial services organization	\$ 536,447	\$ 804,591
Note payable—bank	—	625,034
Accounts payable	1,210,079	513,398
Customer deposits	32,679	1,011,268
Accrued compensation and payroll taxes	916,387	725,090
Accrued profit sharing and 401(k) matching contribution	320,944	171,038
Dividends payable	1,389,752	459,949
TOTAL CURRENT LIABILITIES	4,406,288	4,310,368
LONG-TERM DEBT—RELATED PARTY	70,000	70,000
STOCKHOLDERS' EQUITY		
Common Stock—par value \$.10 per share; 250,000 shares authorized; shares issued and outstanding, 2008—120,533; 2007—120,379	12,053	12,038
Additional paid-in capital	335,081	314,678
Retained earnings	18,200,166	15,778,448
Accumulated other comprehensive income:		
Unrealized holding gain on marketable securities available for sale	500,300	1,009,448
TOTAL STOCKHOLDERS' EQUITY	19,047,600	17,114,612
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$23,523,888	\$21,494,980

See notes to financial statements.

**MALONES EQUIPMENT, INC.
COMPARATIVE BALANCE SHEET**

ASSETS

	December 31,	
	2008	2007
Current Assets		
Cash and cash equivalents	\$ 2,836,519	\$ 5,091,333
Short term investments	3,333,232	949,323
Accounts receivable:		
Trade, net	1,843,889	1,294,861
Interest	31,561	26,418
Employee	1,953	14,020
Other	16,542	32,818
Inventory	2,166,931	2,052,854
Prepaid expenses	55,745	82,472
	<u>10,286,372</u>	<u>9,544,099</u>
Property and Equipment, Net Of Accumulated Depreciation	<u>182,897</u>	<u>166,222</u>
Cash surrender value of officers' life insurance	<u>50,948</u>	<u>46,577</u>
Other Assets		
Deposits	67,654	56,075
Cash deposits	111,081	106,000
	<u>178,735</u>	<u>162,075</u>
Total Assets	<u>\$ 10,698,952</u>	<u>\$ 9,918,973</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

	December 31,	
	2008	2007
Current Liabilities		
Accounts payable:		
Trade	\$ 687,159	\$ 329,430
Employee withholding	1,695	29,360
Miscellaneous	103,450	115,252
Shareholders	146,132	16,541
Sales tax	9,092	6,189
Accrued expenses:		
Wages	575,307	640,845
Payroll taxes	32,044	34,763
Profit sharing	58,688	218,053
Franchise taxes	145,381	135,331
Sales commissions	90,000	117,000
Other advances from customers	<u>601,348</u>	<u>302,845</u>
Total Current Liabilities	<u>2,450,296</u>	<u>1,945,609</u>
Total Liabilities	<u>2,450,296</u>	<u>1,945,609</u>
Stockholders' Equity	<u>8,248,656</u>	<u>7,973,364</u>
Total Liabilities and Stockholders' Equity	<u>\$ 10,698,952</u>	<u>\$ 9,918,973</u>

See accompanying notes and
accountants' review report

Perkins Custom Craft, Inc.
BALANCE SHEETS

	June 30,	
	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 385,855	\$ 108,640
Accounts receivable—trade	739,203	930,214
Inventory	235,991	301,131
Employee loans receivable	500	9,650
Current portion of shareholder notes receivable	10,089	9,694
Prepaid expenses	0	2,174
Deferred income tax benefit	<u>5,200</u>	<u>6,500</u>
TOTAL CURRENT ASSETS	1,376,838	1,368,003
FIXED ASSETS		
Machinery and equipment	2,336,960	2,111,272
Office and computer equipment	46,150	46,150
Leasehold improvements	96,878	73,357
Vehicles	<u>209,930</u>	<u>159,867</u>
	2,689,918	2,390,646
Less accumulated depreciation	<u>(1,911,092)</u>	<u>(1,803,969)</u>
	778,826	586,677
OTHER ASSETS		
Shareholder notes receivable—net of current portion	150,269	160,358
Deposits	<u>1,000</u>	<u>1,000</u>
	<u>151,269</u>	<u>161,358</u>
	<u>\$ 2,306,933</u>	<u>\$ 2,116,038</u>

	June 30,	
	<u>2008</u>	<u>2007</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Checks in process	\$ 0	\$ 78,314
Lines of credit	0	201,963
Accounts payable—trade	180,718	126,185
Accrued and withheld taxes and expenses	159,845	128,713
Income taxes payable	61,512	62,972
Current portion of notes payable	<u>159,161</u>	<u>152,260</u>
TOTAL CURRENT LIABILITIES	561,236	750,407
LONG TERM LIABILITIES		
Notes payable, net of current portion	110,465	152,205
Deferred income tax liability	<u>132,500</u>	<u>80,000</u>
	<u>242,965</u>	<u>232,205</u>
TOTAL LIABILITIES	804,201	982,612
SHAREHOLDERS' EQUITY		
Common stock—no par value; 750 shares authorized, 140 shares issued, and 60 shares outstanding	42,000	42,000
Paid-in capital	43,160	43,160
Retained earnings	<u>2,127,572</u>	<u>1,758,266</u>
	2,212,732	1,843,426
Less treasury stock, 80 shares at cost	<u>(710,000)</u>	<u>(710,000)</u>
	<u>1,502,732</u>	<u>1,133,426</u>
	<u>\$ 2,306,933</u>	<u>\$ 2,116,038</u>

See accountants compilation and notes to financial statements

**PETERS CUSTOM METALS AND PLASTICS, INC.
BALANCE SHEETS**

	September 30,	
	<u>2008</u>	<u>2007</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 348,851	\$ 175,405
Accounts receivable—trade, net	1,561,801	1,326,290
Accounts receivable—employees	1,211	1,597
Inventory	<u>2,258,784</u>	<u>1,671,089</u>
Total Current Assets	<u>4,170,647</u>	<u>3,174,381</u>
Property and Equipment		
Machinery and equipment	1,161,400	1,052,419
Vehicles	105,607	82,258
Leasehold improvements	<u>44,829</u>	<u>37,097</u>
	<u>1,311,836</u>	<u>1,171,774</u>
Less: Accumulated Depreciation	<u>763,936</u>	<u>614,414</u>
Net Property, Plant & Equipment	<u>547,900</u>	<u>557,360</u>
Other Assets		
Deposit	<u>50</u>	<u>50</u>
Total Other Assets	<u>50</u>	<u>50</u>
Total Assets	<u>\$ 4,718,597</u>	<u>\$ 3,731,791</u>

See accompanying notes and accountant's report.

**PETERS CUSTOM METALS AND PLASTICS, INC.
BALANCE SHEETS**

	<u>September 30,</u>	
	<u>2008</u>	<u>2007</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current Liabilities		
Accounts payable—trade	\$ 1,884,935	\$ 1,379,809
Line of credit	156,000	150,843
Notes payable—current	85,371	91,418
Accrued expenses	<u>87,025</u>	<u>136,491</u>
Total Current Liabilities	<u>2,213,331</u>	<u>1,758,561</u>
Long-term Liabilities		
Notes payable—net of current portion	160,351	152,763
Deferred income taxes—noncurrent	<u>304,426</u>	<u>93,751</u>
Total Long—term Liabilities	<u>464,777</u>	<u>246,514</u>
Stockholder's Equity		
Common stock, \$1 par, 500 Shares authorized, issued & outstanding	500	500
Additional paid in capital	4,500	4,500
Retained earnings	<u>2,035,489</u>	<u>1,721,716</u>
Total Stockholder's Equity	<u>2,040,489</u>	<u>1,726,716</u>
 Total Liabilities and Stockholder's Equity	 <u>\$ 4,718,597</u>	 <u>\$ 3,731,791</u>

See accompanying notes and accountant's report.

JM FORGING, INC.

BALANCE SHEETS

	December 31	
	2008	2007
ASSETS		
CURRENT ASSETS		
Cash	\$ 29,718	\$ 24,273
Accounts receivable	1,267,093	601,565
Inventory	744,357	522,570
Refundable income taxes	600	600
Prepaid expenses	5,215	20,108
Deferred income taxes	19,400	23,500
TOTAL CURRENT ASSETS	<u>2,066,383</u>	<u>1,192,616</u>
PROPERTY AND EQUIPMENT		
Land and improvements	115,745	115,745
Buildings and improvements	1,131,517	1,122,603
Machinery and equipment	4,142,809	4,167,755
Vehicles	114,834	85,748
Furniture, fixtures, and office equipment	159,370	156,730
	<u>5,664,275</u>	<u>5,648,581</u>
Less accumulated depreciation	<u>(3,322,294)</u>	<u>(3,280,493)</u>
	2,341,981	2,368,088
Equipment in progress	126,520	0
	<u>2,468,501</u>	<u>2,368,088</u>
OTHER ASSETS		
Loan fees	0	7,039
Deposit	1,000	1,000
	<u>1,000</u>	<u>8,039</u>
	<u>\$ 4,535,884</u>	<u>\$ 3,568,743</u>

	December 31	
	2008	2007
LIABILITIES & STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Line of credit	\$ 50,000	\$ 600,000
Accounts payable	1,530,287	736,908
Accrued and withheld expenses	146,326	182,308
Current maturities of long-term bank obligations	130,503	148,205
Current maturities of related party notes	12,000	377,900
TOTAL CURRENT LIABILITIES	1,869,116	2,045,321
LONG-TERM OBLIGATIONS		
Long-term bank obligations, net of current portion	1,119,671	460,777
Related party notes, net of current portion	2,500	13,500
Subordinated related party notes	1,359,100	880,000
Derivative financial instruments	28,142	0
Deferred income taxes	149,000	149,300
	2,658,413	1,503,577
TOTAL LIABILITIES	4,527,529	3,548,898
STOCKHOLDERS' EQUITY		
Common stock, no par or stated value; 20,000 shares authorized, issued, and outstanding	814,450	814,450
Additional paid-in capital	900,000	900,000
Accumulated deficit	(1,706,095)	(1,694,605)
	8,355	19,845
	\$ 4,535,884	\$ 3,568,743

See accountants' review report and notes to financial statements

**COOL MEADOWS GOLF CLUB, INC.
COMPARATIVE BALANCE SHEET**

ASSETS

	December 31,	
	2008	2007
Current Assets		
Cash and cash equivalents	\$ 1,400	\$ 14,095
Accounts receivable	5,495	36,846
Note receivable—officer-current portion	19,256	—
Inventory	25,958	16,454
Prepaid expenses	20,904	26,130
	<u>73,013</u>	<u>93,525</u>
Property and Equipment		
Building and land improvements	543,769	543,769
Land	699,604	699,604
Machinery and equipment	246,195	230,195
Furniture and fixtures	4,476	4,476
	<u>1,494,044</u>	<u>1,478,044</u>
Less: Accumulated depreciation	602,482	559,598
	<u>891,562</u>	<u>918,446</u>
Note receivable—officer	<u>338,123</u>	<u>374,122</u>
Total Assets	<u>\$ 1,302,698</u>	<u>\$ 1,386,093</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

	December 31,	
	2008	2007
Current Liabilities		
Accounts payable	\$ 90,906	\$ 129,677
Accrued expenses	32,675	41,474
Other advances from customers	83,281	81,963
Current portion of long-term debt	<u>227,780</u>	<u>28,760</u>
Total Current Liabilities	<u>434,642</u>	<u>281,874</u>
Long-Term Debt (net of current portion)	<u>1,292,276</u>	<u>1,631,371</u>
Total Liabilities	<u>1,726,918</u>	<u>1,913,245</u>
Stockholders' Equity		
Common stock—voting	201,231	201,231
Retained earnings (deficit)	<u>(625,451)</u>	<u>(728,383)</u>
Total Stockholders' Equity	<u>(424,220)</u>	<u>(527,152)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 1,302,698</u>	<u>\$ 1,386,093</u>

See accompanying notes and
accountants' compilation report

CITYPARK TECHNOLOGIES, INC.
(A Development Stage Company)

Balance Sheets
December 31, 2008 and 2007

	12/31/08	12/31/07
Assets:		
Current assets:		
Cash	\$ 192,061	\$ 163,025
Accounts receivable	99	72,000
Inventory	20,050	64,813
Prepaid expenses and advances	58,527	39,881
Notes receivable and accrued interest	<u>28,756</u>	<u>43,746</u>
Total current assets	299,493	383,465
Other assets:		
Property and equipment, net	6,947	14,050
Refundable deposits	<u>2,482</u>	<u>2,811</u>
Total assets	<u>\$ 308,922</u>	<u>\$ 400,326</u>
Liabilities and stockholders' equity:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 71,526	\$ 77,948
Customer-related liabilities	99,358	85,294
Current portion of debt	<u>653</u>	<u>1,455</u>
Total current liabilities	171,537	164,697
Long-term debt, less current portion	<u>—</u>	<u>653</u>
Total liabilities	<u>171,537</u>	<u>165,350</u>
Commitments (see notes)		
Stockholders' equity:		
Capital investment	6,963,718	6,179,990
Deficit accumulated during development stage	<u>(6,826,333)</u>	<u>(5,945,014)</u>
Total stockholders' equity	<u>137,385</u>	<u>234,976</u>
Total liabilities and stockholders' equity	<u>\$ 308,922</u>	<u>\$ 400,326</u>

See accountants' compilation report and accompanying notes to financial statements.

Luxury Homeowners Association, Inc.
Balance Sheet (with Comparative Totals for 2007)

December 31,	2008			2007	
	Operating Fund	Replacement Fund	Tornado Fund	Total	Total
Assets					
Cash and cash equivalents	\$ 56,230	\$ 53,659	\$ 64,145	\$ 174,034	\$ 1,527,682
Certificate of Deposit	—	203,500	301,763	505,263	99,154
Assessments receivable, net	64,935	—	—	64,935	61,513
Prepaid expenses	71,190	—	12,248	83,438	94,177
Interfund balances	(95)	93	2	—	—
Property and equipment, net	5,606	—	—	5,606	8,374
Total assets	\$ 197,866	\$ 257,252	\$ 378,158	\$ 833,276	\$ 1,790,900
Liabilities and Fund Balance					
Liabilities					
Accounts payable	\$ 17,877	\$ 11,900	\$ 161,223	\$ 191,000	\$ 13,303
Payroll taxes payable	1,234	—	—	1,234	1,176
Prepaid assessments	15,320	—	—	15,320	4,731
Deferred revenue	—	—	216,935	216,935	1,326,756
Contingencies	—	—	—	—	—
Total liabilities	34,431	11,900	378,158	424,489	1,345,966
Fund balance	163,435	245,352	—	408,787	444,934
Total liabilities and fund balance	\$ 197,866	\$ 257,252	\$ 378,158	\$ 833,276	\$ 1,790,900

**ABC INVESTMENT, L.P.
BALANCE SHEET
December 31, 2008**

ASSETS

Assets	
Cash and cash equivalents	\$ 463,055
Interest receivable	60,988
Payment-in-kind interest receivable	960,803
Investments	19,950,000
Prepaid management fees	<u>241,465</u>
Total Assets	<u>\$ 21,676,311</u>

LIABILITIES AND PARTNERS' CAPITAL

Liabilities	
Line of credit	\$ 12,064,102
Accrued interest	9,685
Unearned loan closing fees	<u>242,302</u>
Total Liabilities	<u>12,316,089</u>
Partners' Capital	<u>9,360,222</u>
Total Liabilities & Partners' Capital	<u>\$ 21,676,311</u>

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

NEW MEXICO HEALTH PROFESSIONALS EDUCATION SERVICES, INC.**STATEMENT OF FINANCIAL POSITION
June 30, 2008****ASSETS****CURRENT ASSETS**

Cash and cash equivalents	\$ 88,308
Investments	117,672
Prepaid expenses	22,964
Accounts receivable—grants	<u>179,559</u>
Total Current Assets	<u>408,503</u>

PROPERTY AND EQUIPMENT

Leasehold improvements, furniture and equipment, net of accumulated depreciation of \$161,803	<u>125,345</u>
Total Property and Equipment	<u>125,345</u>

TOTAL ASSETS**\$ 533,848****LIABILITIES AND NET ASSETS****CURRENT LIABILITIES**

Accounts payable	\$ 30,184
Accrued wages	15,927
Accrued payroll taxes and deductions	2,248
Accrued vacation	6,757
Accrued pension	<u>1,274</u>
Total Current Liabilities	<u>56,390</u>

NET ASSETS

Unrestricted	461,319
Temporarily Restricted	<u>16,139</u>
Total Net Assets	<u>477,458</u>

TOTAL LIABILITIES AND NET ASSETS**\$ 533,848**

(See Independent Auditors' Report and Notes to Financial Statements)

BRONSON RICE PRODUCTS, INC.
BALANCE SHEET
DECEMBER 27, 2008

CURRENT ASSETS	
Cash	\$ 86,591
Accounts receivable	1,321,348
Inventory	2,556,021
Prepaid expenses	82,631
Total Current Assets	<u>4,046,591</u>
PROPERTY AND EQUIPMENT	
Property and equipment	4,241,843
Less: accumulated depreciation	<u>(1,377,942)</u>
Net Property and Equipment	<u>2,863,901</u>
OTHER ASSETS	
Other assets	<u>5,066</u>
TOTAL ASSETS	<u><u>\$ 6,915,558</u></u>
CURRENT LIABILITIES	
Bank overdraft	\$ 211,013
Lines of credit	892,406
Accounts payable	1,986,287
Accrued expenses	585,877
Accrued income taxes	20,040
Total Current Liabilities	<u>3,695,623</u>
LONG-TERM LIABILITIES	
Long-term debt	<u>2,702,263</u>
Total long-term liabilities	<u>2,702,263</u>
Total Liabilities	<u>6,397,886</u>
STOCKHOLDERS' EQUITY	
Common stock, par value \$1 per share; 1,000 shares authorized; 300 shares issued and outstanding	300
Paid in capital	150,000
Retained earnings	<u>367,372</u>
Total Stockholders' Equity	<u>517,672</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 6,915,558</u></u>

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

TCP, LLC
BALANCE SHEET
December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Current Assets		
Accounts Receivable	\$ 126,151	\$ 88,025
Inventory	103,895	—
Prepaid Insurance	<u>1,451</u>	<u>—</u>
Total Current Assets	<u>231,497</u>	<u>88,025</u>
Property and Equipment	71,600	61,560
Less Accumulated Depreciation	<u>(38,987)</u>	<u>(19,522)</u>
Net Property and Equipment	<u>32,613</u>	<u>42,038</u>
Software	3,735	—
Less Accumulated Amortization	<u>(747)</u>	<u>—</u>
Net Software	<u>2,988</u>	<u>—</u>
Total Assets	<u>\$ 267,098</u>	<u>\$ 130,063</u>
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
Current Liabilities		
Outstanding Checks in Excess of Cash Deposits	\$ 31,576	41,149
Accounts Payable	53,196	75,834
Accrued Expenses	53,640	13,740
Notes Payable	42	910
Member Notes Payable	<u>269,841</u>	<u>48,000</u>
Total Current Liabilities	408,295	179,633
Members' Equity (Deficit)	<u>(141,197)</u>	<u>(49,570)</u>
Total Liabilities and Members' Equity (Deficit)	<u>\$ 267,098</u>	<u>\$ 130,063</u>

See Accompanying Notes to the Financial Statements

MELLON AIRCRAFT, INC.

BALANCE SHEETS
January 31, 2008 and 2007

ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,549	\$ 130,085
Accounts receivable	334,540	252,459
Other receivables	15,138	5,042
Inventory	1,982,664	1,998,233
Deposit	500	500
Prepaid expenses	28,662	59,678
Current portion of notes receivable	<u>0</u>	<u>12,305</u>
Total Current Assets	<u>2,364,053</u>	<u>2,458,302</u>
PROPERTY AND EQUIPMENT		
Aircraft	3,139,059	3,139,059
Leasehold improvements	12,998	12,998
Furniture and equipment	89,090	89,090
Building and land	204,678	163,792
Auto equipment	<u>20,000</u>	<u>20,000</u>
	3,465,825	3,424,939
Accumulated depreciation	<u>(2,902,508)</u>	<u>(2,817,874)</u>
Net Property and Equipment	<u>563,317</u>	<u>607,065</u>
OTHER ASSETS		
Notes receivable	369,591	445,878
Investments	<u>725,666</u>	<u>759,555</u>
Total Other Assets	<u>1,095,257</u>	<u>1,205,433</u>
TOTAL ASSETS	<u>\$ 4,022,627</u>	<u>\$ 4,270,800</u>

See Accountants' Compilation Report and Accompanying Notes

LIABILITIES AND STOCKHOLDER'S EQUITY

	<u>2008</u>	<u>2007</u>
CURRENT LIABILITIES		
Short-term notes payable	\$ 1,010,000	\$ 1,300,000
Accrued and withheld payroll taxes	2,242	9,235
Accrued expenses	116,375	12,493
Current portion of long-term debt	<u>700,333</u>	<u>159,983</u>
Total Current Liabilities	<u>1,828,950</u>	<u>1,481,711</u>
LONG-TERM LIABILITIES		
Notes payable	988,816	1,722,476
Notes payable—officer	60,000	0
Deferred income taxes	<u>56,000</u>	<u>75,000</u>
Total Long-Term Liabilities	<u>1,104,816</u>	<u>1,797,476</u>
STOCKHOLDER'S EQUITY		
Common stock	25	25
Retained earnings	<u>1,088,836</u>	<u>991,588</u>
Total Stockholder's Equity	<u>1,088,861</u>	<u>991,613</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 4,022,627</u>	<u>\$ 4,270,800</u>

HOWARD REAL ESTATE, INC.
BALANCE SHEET
DECEMBER 31, 2008

ASSETS

	<u>2008</u>
CURRENT ASSETS	
Cash	\$ 596,790
Accounts receivable	10,394
Accounts receivable related companies	2,331
Prepaid franchise tax	—
TOTAL CURRENT ASSETS	<u>609,515</u>
LAND, BUILDINGS, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS (Pledged Note 6)	
Land	93,366
Buildings & improvements	8,620,306
Personal property	107,207
Auto	47,505
	<u>8,868,384</u>
Accumulated depreciation	(5,819,861)
	<u>3,048,523</u>
OTHER ASSETS	
Notes receivable related companies (Note 2)	1,092,134
Notes receivable shareholders (Note 4)	228,812
Lease commissions, net of amortization of \$24,837	23,372
Loan costs, net of amortization of \$23,902	18,049
Impaired loans related companies (Note 3)	9,521,340
Allowance for impaired loans (Note 3)	(6,403,058)
	<u>4,480,649</u>
	\$ 8,138,687

See accompanying notes and accountants' report.

HOWARD REAL ESTATE, INC.
BALANCE SHEET
DECEMBER 31, 2008

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2008</u>
CURRENT LIABILITIES	
Accounts payable—related company	\$ 101,117
Prepaid rents	29,543
Tenant security deposits	68,102
Current portion—long term debt (Note 6)	4,641,402
State income tax payable	9,792
	<hr/>
TOTAL CURRENT LIABILITIES	4,849,956
LONG TERM DEBT	
Notes payable (Note 6)	—
LOSSES IN EXCESS OF INVESTMENTS IN PARTNERSHIPS AND LLC'S (Note 5)	3,102,958
STOCKHOLDERS' EQUITY	
Common stock, 100,000 shares authorized, no par value, 10,400 shares issued and outstanding (1,000 shares voting, 9,400 non-voting)	311,000
Retained earnings (deficit)	(125,227)
	<hr/>
Stockholders' equity	185,773
	<hr/>
	\$ 8,138,687

See accompanying notes and accountants' report.

Portland Recycled Paper Products, Inc.
(An S Corporation)
Statement of Assets, Liabilities and Shareholder's Equity—Income Tax Basis
December 31, 2008

ASSETS	<u>12/31/08</u>
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 407,123
Marketable Securities, at cost	63,211
Accounts Receivable, trade	505,936
Contracts Receivable, current	38,954
Inventory	61,222
Prepaid Expenses and Other Assets	<u>48,107</u>
TOTAL CURRENT ASSETS	<u>1,124,553</u>
PROPERTY AND EQUIPMENT	
Vehicles, Equipment and Furnishings	4,616,552
Less: Accumulated Depreciation	<u>(3,578,588)</u>
	1,037,964
OTHER ASSETS	
Intangible Assets, net of accumulated amortization	31,451
Due from related entity	1,855
Contracts Receivable, long-term	<u>81,085</u>
TOTAL ASSETS	<u>\$ 2,276,908</u>
LIABILITIES AND SHAREHOLDER'S EQUITY	
CURRENT LIABILITIES	
Accounts Payable	\$ 479,093
Accrued Expenses	31,033
Current maturities of Long-Term Debt	<u>616,371</u>
TOTAL CURRENT LIABILITIES	<u>1,126,497</u>
LONG-TERM LIABILITIES	
Shareholder Note Payable	236,385
Long-Term Debt	<u>1,177,821</u>
TOTAL LONG-TERM LIABILITIES	<u>1,414,206</u>
TOTAL LIABILITIES	<u>2,540,703</u>
SHAREHOLDER'S EQUITY	
Common Stock (5,000 shares authorized, 1,509 issued and outstanding)	10,000
Retained Earnings	(70,891)
Treasury Stock	<u>(202,904)</u>
TOTAL SHAREHOLDER'S EQUITY	<u>(263,795)</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u>\$ 2,276,908</u>

See Accountant's Review Report and Notes to the Financial Statements

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COMMERCIAL TRANSPORT SALES, INC.
BALANCE SHEET
DECEMBER 31, 2008

ASSETS

CURRENT ASSETS

CASH	\$	1,227,169.62
ACCOUNTS RECEIVABLE		353,145.83
WARRANTIES RECEIVABLE		34,745.04
EMPLOYEE ADVANCES		17,848.18
INVENTORY		3,728,672.87
PREPAID EXPENSES		1,671.68
INCOME TAX REFUNDS RECEIVABLE		304.00
DEFERRED INCOME TAXES		<u>11,386.00</u>

TOTAL CURRENT ASSETS 5,374,943.22

PROPERTY & EQUIPMENT

FURNITURE & FIXTURES		85,383.00
SHOP MACHINERY & EQUIPMENT		125,125.30
COMPUTER EQUIPMENT		445,479.97
VEHICLES		203,214.73
PARTS EQUIPMENT		27,088.00
LEASEHOLD IMPROVEMENTS		66,736.25
ACCUMULATED DEPRECIATION		<u>(819,316.51)</u>

NET PROPERTY & EQUIPMENT 133,710.74

OTHER ASSETS

TRADE NAME & GOODWILL		435,000.00
ACCUMULATED AMORTIZATION		<u>(376,761.38)</u>

TOTAL OTHER ASSETS 58,238.62

TOTAL ASSETS 5,566,892.58

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT.

COMMERCIAL TRANSPORT SALES, INC.
BALANCE SHEET
DECEMBER 31, 2008

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 159,701.00	
LINES OF CREDIT	3,361,481.98	
CURRENT PORTION OF L/T NOTES	40,589.29	
ACCRUED EXPENSES	149,511.21	
CUSTOMER DEPOSITS	<u>8,550.00</u>	
TOTAL CURRENT LIABILITIES		3,719,833.48
LONG-TERM LIABILITIES		
DEFERRED INCOME TAXES	12,229.00	
NOTES PAYABLE	2,523,116.72	
CAPITAL LEASE OBLIGATIONS	15,901.13	
LESS: CURRENT MATURITIES	<u>(40,589.29)</u>	
TOTAL LONG-TERM LIABILITIES		<u>2,510,657.56</u>
TOTAL LIABILITIES		6,230,491.04
STOCKHOLDERS' EQUITY		
COMMON STOCK, NO PAR VALUE, 10,000 SHARES AUTHORIZED, 1,110 SHARES ISSUED AND OUTSTANDING	11,100.00	
RETAINED EARNINGS	<u>(674,698.46)</u>	
TOTAL STOCKHOLDERS' EQUITY		<u>(663,598.46)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u>\$ 5,566,892.58</u>

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT.

Texas Medical Products, Inc. and Subsidiaries

**Consolidated Balance Sheets
September 30, 2008 and 2007**

ASSETS	<u>2008</u>	<u>2007</u>
Current Assets		
Cash and cash equivalents	\$ 5,529,756	\$ 3,302,053
Trade accounts receivable, net of allowance for doubtful accounts of \$80,709 and \$76,617 at September 30, 2008 and 2007, respectively	4,198,328	4,358,961
Royalty settlement receivable	217,708	217,708
Related party receivable, Sun Vision, Inc.	419,242	—
Related party receivable, Tiera Properties, LLC, current portion	15,438	17,109
Other receivables	566	1,768
Inventories	3,325,828	5,471,700
Prepaid expenses	88,385	169,830
Deferred income taxes, current	700,454	858,151
	<u>14,495,705</u>	<u>14,397,280</u>
Property and Equipment , net of accumulated depreciation	<u>1,420,728</u>	<u>1,780,999</u>
Other Assets		
Intangible assets, net of accumulated amortization	1,449,999	1,360,782
Goodwill, net of accumulated amortization	753,592	753,592
Deferred income taxes, long-term	—	1,996,017
Deposits	91,768	129,528
Receivable, Tiera Properties, LLC, less current portion	156,255	170,409
	<u>2,451,614</u>	<u>4,410,328</u>
	<u>\$18,368,047</u>	<u>\$20,588,607</u>

See Notes to Consolidated Financial Statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	<u>2008</u>	<u>2007</u>
Current Liabilities		
Line of credit	\$ —	\$ 1,000,000
Current maturities of notes payable	134,756	191,798
Current maturities of notes payable, related party	—	634,862
Current maturities of capital lease obligations	74,335	70,980
Accounts payable	1,154,160	2,457,111
Payable, Sun Vision, Inc.	145,972	—
Accrued profit sharing	183,449	142,128
Accrued payroll and bonus	1,125,327	814,261
Accrued expenses, other	1,275,470	683,239
Income taxes payable	24,591	24,173
	<u>4,118,060</u>	<u>6,018,552</u>
Long-term Debt		
Notes payable, less current maturities	89,837	224,594
Notes payable, related party, less current maturities	—	109,000
Capital lease obligations, less current maturities	86,012	157,796
	<u>175,849</u>	<u>491,390</u>
Long-term Deferred Income Taxes		
	<u>140,007</u>	<u>—</u>
Commitments and Contingencies		
Shareholders' Equity		
Common stock, no par value, 1,000 shares authorized, 103.7993 shares issued and outstanding at September 30, 2008 and 2007	1,891	1,891
Additional paid-in capital	4,998,109	4,998,109
Retained earnings	8,934,131	9,078,665
	<u>13,934,131</u>	<u>14,078,665</u>
	<u>\$18,368,047</u>	<u>\$20,588,607</u>

PUEBLO TELEPHONY, INC.
CONSOLIDATED BALANCE SHEETS
October 31, 2008 and 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Current Assets:		
Cash	\$ 1,308,534	\$ 1,450,231
Accounts receivable:		
Trade	938,068	757,299
Employees	2,693	5,192
Refundable income taxes	6,921	187,647
Inventory	936,038	674,805
Deferred income taxes	97,559	88,496
Prepaid expenses	49,226	62,192
Notes receivable:		
Stockholders	<u>80,000</u>	<u>62,344</u>
Total current assets	<u>3,419,039</u>	<u>3,288,206</u>
Property and Equipment:		
Land	490,355	490,355
Buildings	1,763,707	1,763,707
Vehicles	518,932	499,063
Furniture and fixtures	<u>620,762</u>	<u>679,435</u>
	3,393,756	3,432,560
Less: accumulated depreciation	<u>1,612,844</u>	<u>1,656,541</u>
	<u>1,780,912</u>	<u>1,776,019</u>
Other Assets:		
Loan fees net of accumulated amortization		91
Refundable insurance premiums	<u>332,779</u>	<u>332,779</u>
	<u>332,779</u>	<u>332,870</u>
	<u>\$ 5,532,730</u>	<u>\$ 5,397,095</u>

See accompanying notes to consolidated financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2008</u>	<u>2007</u>
Current Liabilities:		
Current portion of long-term debt	\$ 131,872	\$ 99,972
Customer deposits	36,614	83,299
Accounts payable:		
Trade	297,604	113,053
Sales tax	31,536	17,124
Notes payable:		
Stockholder—current portion of long-term debt	175,000	175,000
Accrued expenses	1,085,621	1,030,084
Deferred revenue	<u>799,978</u>	<u>711,676</u>
Total current liabilities	<u>2,558,225</u>	<u>2,230,208</u>
Long-Term Liabilities:		
Notes payable:		
Bank	1,772,689	1,937,980
Stockholder	425,000	875,000
Deferred income taxes	<u>62,794</u>	<u>51,664</u>
	<u>2,260,483</u>	<u>2,864,644</u>
Stockholders' Equity:		
Controlling interest:		
Common stock \$1 par value; authorized 100,000 shares; issued and outstanding 5,000 shares	5,000	5,000
Additional paid-in capital	189,644	189,644
Retained earnings	902,323	590,890
Noncontrolling interest	<u>(382,945)</u>	<u>(483,291)</u>
	<u>714,022</u>	<u>302,243</u>
	<u>\$ 5,532,730</u>	<u>\$ 5,397,095</u>

See accompanying notes to consolidated financial statements.

**Werner and Peabody Architects, Inc.
Consolidated Balance Sheets
October 31, 2008 and 2007**

ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT ASSETS		
Cash and cash equivalents (Notes #2 and #3)	\$ 507,255	\$ 575,757
Accounts receivable—trade (less allowance for uncollectible accounts of \$135,196 in 2008 and \$65,921 in 2007) (Note #1)	3,345,590	4,815,470
Accounts receivable—stockholder (Note #4)	456,918	5,000
Employee advances	8,251	5,220
Note receivable—stockholder (Note #4)	55,125	52,500
Costs and estimated earnings in excess of billings (Note #1)	1,882,380	1,616,995
Prepaid expenses	50,230	48,483
Marketable securities (Available-for-sale securities) (Notes #1, #3, and #5)	<u>156,612</u>	<u>523,382</u>
TOTAL CURRENT ASSETS	<u>6,462,361</u>	<u>7,642,807</u>
FURNITURE, COMPUTERS, AND LEASEHOLD IMPROVEMENTS		
Furniture (less accumulated depreciation of \$70,732 in 2008 and \$59,270 in 2007)	88,497	25,214
Computers and software (less accumulated depreciation of \$401,476 in 2008 and \$323,975 in 2007)	201,635	273,458
Leasehold improvements (less accumulated amortization of \$635,105 in 2008 and \$566,574 in 2007)	<u>855,587</u>	<u>560,295</u>
NET FURNITURE, COMPUTERS, AND LEASEHOLD IMPROVEMENTS (Note #1)	<u>1,145,719</u>	<u>858,967</u>
OTHER ASSETS		
Deposits	50,212	35,678
Cash value of officers life insurance	<u>250,202</u>	<u>214,333</u>
TOTAL OTHER ASSETS	<u>300,414</u>	<u>250,011</u>
TOTAL ASSETS	<u>\$ 7,908,494</u>	<u>\$ 8,751,785</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2008</u>	<u>2007</u>
CURRENT LIABILITIES		
Bank overdraft	\$ 242,770	\$ 274,118
Consultants payable	828,260	1,803,342
Accounts payable	1,352	12,114
Bank—line of credit (Note #6)	2,124,289	975,000
Current portion of long-term debt (Note #7)	138,254	125,905
Liability to stockholders (Note #4)	168,325	120,495
Liability to former stockholder (Note #4)	11,961	28,328
Billings in excess of earned revenue (Note #1)	328,685	1,778,310
Deferred income taxes (Note #1)	944,641	659,848
Accrued profit sharing (Note #8)	200,000	546,650
Accrued expenses and taxes	70,420	417,422
Accrued vacation pay (Note #9)	247,000	211,743
Accrued bonus	873,360	347,500
Dividends payable	1,598	1,106
Total Current Liabilities	<u>6,180,915</u>	<u>7,301,881</u>
 Long Term Debt Less Current Portion (Note #7)	 266,683	 437,221
 Deferred Income Taxes (Note #1)	 <u>21,414</u>	 <u>5,625</u>
TOTAL LIABILITIES	<u>6,469,012</u>	<u>7,744,727</u>
STOCKHOLDERS' EQUITY		
Common Stock		
No par, 2,000 shares authorized in 2008 and 2007, 1,506 shares in 2008 and 1,106 shares in 2007 issued and outstanding. (Note #11)	1,506	1,106
Paid in capital (Note #11)	1,159,567	702,652
Retained earnings	299,802	235,303
Accumulated other comprehensive income (Note #1)	<u>(21,393)</u>	<u>67,997</u>
TOTAL STOCKHOLDERS' EQUITY	<u>1,439,482</u>	<u>1,007,058</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 7,908,494</u>	<u>\$ 8,751,785</u>

See accountant's report and accompanying notes

TWO GUYS MARINE SERVICES, LLC

BALANCE SHEETS
December 31, 2008 and 2007

ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT ASSETS:		
Cash	\$ 56,101	\$ 27,525
Accounts receivable	144,556	136,586
Prepaid expenses	65,690	87,955
Due from affiliate	<u>7,119</u>	<u>16,170</u>
Total current assets	<u>273,466</u>	<u>268,236</u>
PROPERTY AND EQUIPMENT—NET	<u>744,042</u>	<u>573,597</u>
OTHER ASSETS:		
Intangible assets, net	<u>1,263,604</u>	<u>1,278,104</u>
TOTAL ASSETS	<u>\$ 2,281,112</u>	<u>\$ 2,119,937</u>

See accompanying notes and accountants' review report.

TWO GUYS MARINE SERVICES, LLC
BALANCE SHEETS
 December 31, 2008 and 2007
LIABILITIES AND MEMBERS' EQUITY

	<u>2008</u>	<u>2007</u>
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 127,356	\$ 110,252
Accounts payable, trade	55,017	15,802
Accrued expenses	10,443	48,296
Unearned income	583,698	522,096
Security deposits	<u>750</u>	<u>750</u>
Total current liabilities	<u>777,264</u>	<u>697,196</u>
LONG-TERM LIABILITIES:		
Long-term debt, net of current maturities	<u>1,071,877</u>	<u>1,162,812</u>
Total long-term liabilities	<u>1,071,877</u>	<u>1,162,812</u>
OBLIGATIONS UNDER INTEREST RATE SWAP	<u>137,043</u>	<u>38,078</u>
MEMBERS' EQUITY	<u>294,928</u>	<u>221,851</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 2,281,112</u>	<u>\$ 2,119,937</u>

See accompanying notes and accountants' review report.

**RHODES INSURANCE, INC.
BALANCE SHEETS
December 31, 2008 and 2007**

ASSETS	<u>2008</u>	<u>2007</u>
Current Assets		
Cash	\$ 30,589	\$ 23,092
Accounts receivable	1,236	1,236
Notes receivable—shareholder	392,126	384,025
Prepaid insurance	10,384	9,585
Deferred income taxes—current	<u>12,702</u>	<u>—</u>
Total Current Assets	447,037	417,938
Non-current Assets		
Property and equipment, net	<u>199,877</u>	<u>286,574</u>
TOTAL ASSETS	<u>\$ 646,914</u>	<u>\$ 704,512</u>

See Accompanying Notes and Accountants' Report

RHODES INSURANCE, INC.
BALANCE SHEETS (CONTINUED)
December 31, 2008 and 2007

LIABILITIES & STOCKHOLDERS' EQUITY	<u>2008</u>	<u>2007</u>
Current Liabilities		
Current portion of long-term debt	\$ 74,955	\$ 25,694
Company accounts payable	9,845	24,470
Accounts payable, other	2,260	2,260
Employee pension withholding	10,786	7,763
Deferred income	40,757	37,253
Income taxes payable	<u>500</u>	<u>8,005</u>
Total Current Liabilities	139,103	105,445
Non-current Liabilities		
Long-term debt, less current portion	101,737	129,369
Other Liabilities		
Deferred income taxes—non-current	<u>17,944</u>	<u>—</u>
Total Liabilities	<u>258,784</u>	<u>234,814</u>
Stockholders' Equity		
Common stock, no par value, 126,000 shares authorized and issued for 2007 and 2008, 126,000 and 122,990 shares outstanding for 2007 and 2008, respectively	17,737	18,171
Additional paid-in capital	61,094	89,285
Retained earnings	470,610	513,520
Treasury stock	<u>(161,311)</u>	<u>(151,278)</u>
Total Stockholders' Equity	<u>388,130</u>	<u>469,698</u>
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	<u>\$ 646,914</u>	<u>\$ 704,512</u>

See Accompanying Notes and Accountants' Report

LANDSCAPE KING, INC.
BALANCE SHEET
(See Accountants' Review Report)
December 31,

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Current Assets		
Cash and cash equivalents	68,661	33,370
Accounts Receivable	471,041	394,203
Inventory	80,000	15,500
Prepaid City Income Tax	250	250
Employee Loan Receivable	6,792	0
Refundable Income Taxes	7,982	0
Total Current Assets	634,726	443,323
 Fixed Assets		
Office Equipment	1,241	1,241
Equipment	617,966	438,835
Vehicles	871,348	871,348
Total Fixed Assets	1,490,555	1,311,424
Less Accumulated Depreciation	1,114,554	998,593
Net Fixed Assets	376,001	312,831
 Other Assets		
Workers' Compensation Deposit	1,000	1,000
Total Assets	1,011,727	757,154

<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>	<u>2008</u>	<u>2007</u>
Current Liabilities		
Accounts Payable	224,031	125,193
Line-of-Credit—Westside Bank	110,125	0
Accrued Sales Tax	7,067	5,774
Accrued Taxes on Income	0	6,576
Current Portion of Long-Term Debt	<u>128,716</u>	<u>63,597</u>
Total Current Liabilities	469,939	201,140
Long-Term Debt		
Note Payable—Towne Bank	37,531	0
Note Payable—City Credit Union	51,442	0
Note Payable—JM Financing	17,578	78,124
Note Payable—Westside Bank	170,226	69,460
Note Payable—Stockholder	<u>165,121</u>	<u>165,121</u>
Total Long-Term Debt	441,898	312,705
Less Current Portion of Long-Term Debt	<u>128,716</u>	<u>63,597</u>
Net Long-Term Debt	313,182	249,108
Noncurrent Deferred Federal Income Tax	55,100	62,200
Stockholders' Equity		
Common Stock (750 no par shares authorized, 75 shares issued and outstanding with a stated value of \$10)	750	750
Retained Earnings	<u>172,756</u>	<u>243,956</u>
Total Stockholders' Equity	<u>173,506</u>	<u>244,706</u>
Total Liabilities and Stockholders' Equity	<u><u>1,011,727</u></u>	<u><u>757,154</u></u>

The notes to the financial statements are an integral part hereof.

RAND ARCHITECTS, INC.
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 2008

ASSETS

Current assets	
Cash	\$ 513,968
Accounts receivable, net	3,401,702
Prepaid expenses	213,724
Work-in-process	<u>208,104</u>
Total current assets	4,337,498
Property and equipment, net	1,407,765
Other assets	
Goodwill	614,769
Deposits and other, net	<u>50,121</u>
Total other assets	<u>664,890</u>
Total assets	<u>\$ 6,410,153</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities	
Current portion of long-term debt	\$ 386,400
Accounts payable	589,479
Consultants payable	1,428,302
Accrued expenses	376,186
Customer deposits	<u>203,248</u>
Total current liabilities	<u>2,983,615</u>
Long-term liabilities	
Long-term debt, net of current portion	822,019
Stock appreciation rights	<u>83,946</u>
Total long-term liabilities	<u>905,965</u>
Shareholders' equity	
Common stock, 500,000 shares authorized, 13,000 shares issued and outstanding	100
Additional paid-in capital	11,900
Treasury stock, 4,000 shares, at cost	(160,000)
Retained earnings	<u>2,668,573</u>
Total shareholders' equity	<u>2,520,573</u>
Total liabilities and shareholders' equity	<u>\$ 6,410,153</u>

See accompanying notes and accountants' review report.

TRM CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS:		
Cash (Note 1)	\$ 1,207,778	\$ 673,226
Restricted cash for debt service (Note 2)	289,456	382,298
Accounts receivable (Note 1)	226,316	206,723
Prepaid expense	7,325	12,232
Prepaid State excise tax (Note 7)	5,600	9,382
TOTAL CURRENT ASSETS	1,736,475	1,283,861
 PROPERTY AND EQUIPMENT, at cost (Note 1):		
Building and plant equipment	3,078,039	2,983,839
Land improvements	144,037	134,037
Leachate equipment	365,499	365,499
Electrical interconnection equipment	127,456	121,480
Computer equipment	29,379	29,379
Furniture and fixtures	10,247	10,247
	3,754,657	3,644,481
Less: accumulated depreciation	(1,052,726)	(811,805)
PROPERTY AND EQUIPMENT, NET	2,701,931	2,832,676
 OTHER ASSETS:		
Preconstruction and financing costs, net of accumulated amortization (Note 1)	532,405	510,133
TOTAL OTHER ASSETS	532,405	510,133
	\$ 4,970,811	\$ 4,626,670
 LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Term notes payable—current portion (Note 5)	\$ 345,451	\$ 487,782
Accounts payable	170,221	95,210
Accrued State excise tax (Note 7)	7,300	7,300
Accrued retirement expense	133,000	—
Accrued site lease fees (Note 9)	100,497	101,618
TOTAL CURRENT LIABILITIES	756,469	691,910
 LONG-TERM DEBT		
Term notes payable—net of current portion (Note 5)	2,356,748	2,702,199
 STOCKHOLDERS' EQUITY:		
Common stock, no par value: 200,000 shares authorized; 300 shares issued and outstanding (Note 6)	300	300
Retained earnings	1,857,294	1,232,261
TOTAL STOCKHOLDERS' EQUITY	1,857,594	1,232,561
	\$ 4,970,811	\$ 4,626,670

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

XYZ, P.C.

BALANCE SHEETS

December 31, 2008 and 2007

ASSETS	<u>2008</u>	<u>2007</u>
Current Assets:		
Cash	\$ 11,666	\$ 22,301
Accounts receivable—		
Trade	166,272	143,751
Rent	—	1,579
Advances due from employees	5,000	1,655
Prepaid expenses	<u>38,123</u>	<u>36,393</u>
Total current assets	<u>221,061</u>	<u>205,679</u>
Property and Equipment:		
Furniture and office equipment	266,547	247,880
Medical equipment	10,168	5,641
Leasehold improvements	<u>108,944</u>	<u>108,944</u>
	385,659	362,465
Less accumulated depreciation	<u>215,513</u>	<u>178,055</u>
Net property and equipment	<u>170,146</u>	<u>184,410</u>
	<u>\$ 391,207</u>	<u>\$ 390,089</u>

See accountants' compilation report and accompanying notes to financial statements.

LIABILITIES AND SHAREHOLDER'S EQUITY

	<u>2008</u>	<u>2007</u>
Current Liabilities:		
Demand note payable	\$ 175,000	\$ 135,000
Current maturities of long-term debt	—	19,669
Accounts payable, trade	34,811	12,236
Accrued expenses—		
Interest	379	111
Payroll and payroll taxes	12,369	57,967
Franchise tax payable	1,000	425
	<u>223,559</u>	<u>225,408</u>
Total current liabilities		
Shareholder's Equity:		
Common stock, no par value, authorized 200 shares, 100 shares issued and 50 shares outstanding	21,330	21,330
Retained earnings	161,318	158,351
	<u>182,648</u>	<u>179,681</u>
Cost of 50 shares of common stock in treasury	15,000	15,000
	<u>167,648</u>	<u>164,681</u>
Total shareholder's equity		
	<u>\$ 391,207</u>	<u>\$ 390,089</u>

MAGEE CLINICAL MANAGEMENT, INC.
CONSOLIDATED BALANCE SHEETS
June 30, 2008 and 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Current Assets:		
Cash	\$ 73,233	\$ 79,289
Accounts receivable:		
Trade	1,395,534	2,250,375
Related parties	8,831	15,919
Deferred income taxes	223,000	378,200
Prepaid expenses	<u>76,472</u>	<u>73,829</u>
Total current assets	<u>1,777,070</u>	<u>2,797,612</u>
Property and Equipment:		
Land	226,634	226,634
Buildings and improvements	2,710,261	2,746,384
Equipment	378,941	347,955
Vehicles	1,111,936	1,111,714
Furniture and fixtures	<u>180,715</u>	<u>167,484</u>
	4,608,487	4,600,171
Less: accumulated depreciation	<u>2,292,816</u>	<u>2,177,071</u>
	<u>2,315,671</u>	<u>2,423,100</u>
Other Assets:		
Accounts receivable	18,346	
Deferred income taxes	<u>46,700</u>	<u>45,200</u>
	<u>65,046</u>	<u>45,200</u>
	<u>\$ 4,157,787</u>	<u>\$ 5,265,912</u>

See accountants' review report.
See accompanying notes to consolidated financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2008</u>	<u>2007</u>
Current Liabilities:		
Line of credit	\$ 349,000	\$ 237,364
Current portion of long-term debt	275,940	18,150
Current portion of capital leases	7,053	562,510
Accounts payable:		
Trade	497,905	1,289,566
Related parties	1,284,908	333,706
Payroll withholding	301,216	1,086,212
Accrued expenses	1,086,212	1,278,566
Income taxes payable	839	87,427
Other	<u>62,915</u>	<u>23,562</u>
Total current liabilities	<u>3,865,988</u>	<u>5,330,851</u>
Long-Term Liabilities:		
Capital leases		6,834
Notes payable	<u>1,259,269</u>	<u>1,319,526</u>
	<u>1,259,269</u>	<u>1,326,360</u>
Stockholders' Equity:		
Common stock—\$1 par value; authorized 100,000 shares; issued and outstanding 607 shares	607	607
Accumulated deficit	<u>(968,077)</u>	<u>(1,391,906)</u>
	<u>(967,470)</u>	<u>(1,391,299)</u>
	<u>\$ 4,157,787</u>	<u>\$ 5,265,912</u>

See accountants' review report.
See accompanying notes to consolidated financial statements.

TEST PLUS, INC.
 CONSOLIDATED BALANCE SHEETS
 December 31, 2008 and 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Current Assets:		
Cash:		
Unrestricted	\$ 2,457,627	\$ 609,551
Restricted	139,398	81,391
Accounts receivable:		
Trade	1,169,103	1,285,973
Refundable income taxes		336,445
Deferred income taxes	22,252	25,095
Prepaid expenses	39,126	32,577
Deposits	<u>42,895</u>	<u>42,631</u>
Total current assets	<u>3,870,401</u>	<u>2,413,663</u>
Property and Equipment:		
Leasehold improvements	34,215	34,215
Computer equipment	395,956	339,555
Office equipment and furniture	<u>307,616</u>	<u>302,759</u>
	737,787	676,529
Less: accumulated depreciation	<u>480,336</u>	<u>384,622</u>
	<u>257,451</u>	<u>291,907</u>
Other Assets:		
Deposits	13,334	21,052
Deferred income taxes	<u>222,082</u>	<u>292,510</u>
	<u>235,416</u>	<u>313,562</u>
	<u>\$ 4,363,268</u>	<u>\$ 3,019,132</u>

See accompanying notes to consolidated financial statements.

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2008</u>	<u>2007</u>
Current Liabilities:		
Accounts payable:		
Trade	\$ 1,119,292	\$ 239,939
Accrued expenses	526,956	460,735
Deferred rent	22,386	34,112
Deferred revenue	<u>405,437</u>	<u>429,180</u>
Total current liabilities	<u>2,074,071</u>	<u>1,163,966</u>
Stockholders' Equity:		
Common stock—no par value; authorized 50,000,000 shares; issued and outstanding 8,349,880 shares		
Additional paid-in capital	646,727	646,727
Deferred compensation	(10,000)	(20,000)
Retained earnings	<u>1,652,470</u>	<u>1,228,439</u>
	<u>2,289,197</u>	<u>1,855,166</u>
	<u>\$ 4,363,268</u>	<u>\$ 3,019,132</u>

See accompanying notes to consolidated financial statements.

Lonestar Water Transport, Inc.

BALANCE SHEETS

December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Assets		
Current assets		
Cash and cash equivalents (Note 6)	\$ 3,327,906	\$ 3,275,945
Accounts receivable, with no allowance for doubtful accounts in 2008 or 2007 (Note 2)	4,364,287	4,473,513
Claims receivable	116,530	1,089
Notes receivable, related party (Note 5)	75,000	75,000
Prepaid expenses and other current assets	70,522	60,098
Total current assets	<u>\$ 7,954,245</u>	<u>\$ 7,885,645</u>
Property and equipment, net (Notes 2 and 3)	<u>\$ 497,403</u>	<u>\$ 913,605</u>
Other Assets		
Investments in affiliated companies (Notes 2 and 4)	\$ 40,023	\$ 67,426
Notes receivable, related party (Note 5)	930,000	901,000
Other assets	13,500	13,500
Total other assets	<u>\$ 983,523</u>	<u>\$ 981,926</u>
Total assets	<u>\$ 9,435,171</u>	<u>\$ 9,781,176</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Current maturities of notes payable (Note 7)	\$ 1,035,000	\$ 625,000
Accounts payable and accrued liabilities	4,551,507	4,361,125
Deferred revenue	622,611	309,455
Total current liabilities	<u>\$ 6,209,118</u>	<u>\$ 5,295,580</u>
Long-term liabilities		
Notes payable, related party (Note 7)	\$ 1,035,000	\$ 625,000
Less current maturities	<u>\$ (1,035,000)</u>	<u>\$ (625,000)</u>
Total long-term liabilities	<u>\$ —</u>	<u>\$ —</u>
Stockholders' equity		
Common stock, authorized 30,000 shares of \$1 par value; issued and outstanding 13,737 shares	\$ 13,737	\$ 13,737
Additional paid-in capital	554,485	554,485
Retained earnings	2,657,831	3,917,374
Total stockholders' equity	<u>\$ 3,226,053</u>	<u>\$ 4,485,596</u>
Total liabilities and stockholders' equity	<u>\$ 9,435,171</u>	<u>\$ 9,781,176</u>

See accompanying notes to financial statements and accountants' review report.

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CENTRAL KANSAS FARMERS ASSOCIATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED NOVEMBER 30, 2008

Sales	\$ 70,373,497
Expenses	
Cost of sales	61,316,184
Operating expenses	10,785,958
Interest expense	63,538
Total Expenses	<u>72,165,680</u>
Loss From Operations	(1,792,183)
Other Income	
Recovery of bad debt	552,313
Patronage income	1,090,906
Freight income	771,499
Labor and flats income	64,257
Purchase rebate income	2,704,816
Interest income	289,889
Cash discounts earned	271,603
Cart and spreader rent income	2,070,324
Loss on sale of assets	<u>(190,269)</u>
Total Other Income	7,625,338
Savings Before Income Tax Provision	5,833,155
Income Tax Provision	<u>37,425</u>
Net Savings	<u>\$ 5,795,730</u>

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

**BOISE PRODUCTS, LLC
STATEMENTS OF INCOME
FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007**

	2008		2007	
Net Sales	\$265,195,065	100.0	\$150,115,761	100.0
Cost of Sales				
Purchases	245,013,468	92.4	135,390,718	90.2
Freight	14,047,711	5.3	9,951,774	6.6
Total Cost of Sales	<u>259,061,179</u>	<u>97.7</u>	<u>145,342,492</u>	<u>96.8</u>
Gross Profit	6,133,886	2.3	4,773,269	3.2
General and Administrative Expenses				
Amortization	93,703		103,033	
Bad Debts	673,710		131,852	
Bank Charges	53,680		37,254	
Depreciation	33,811		35,088	
Dues, Subscriptions, and Donations	24,557		21,859	
Employee Benefit Plans	285,420		269,930	
Guaranteed Payments to Partners	525,572		481,243	
Insurance	169,827		117,634	
Office Expense	47,261		56,042	
Payroll Taxes	66,403		42,220	
Professional Services	100,566		80,021	
Rent	52,598		52,598	
Salaries and Wages	984,283		889,103	
Telephone and Internet	32,499		30,683	
Travel and Entertainment	52,537		44,033	
Total General and Administrative Expenses	<u>3,196,427</u>	<u>1.2</u>	<u>2,392,593</u>	<u>1.5</u>
Income From Operations	2,937,459	1.1	2,380,676	1.7
Other Income (Expense)				
Interest Income	6,227		61,074	
Other Income	147,070		126,905	
Interest Expense	(157,251)		(67,128)	
Total Other Income (Expense)	<u>(3,954)</u>		<u>120,851</u>	<u>0.1</u>
Net Income for the Years	<u>\$ 2,933,505</u>	<u>1.1</u>	<u>\$ 2,501,527</u>	<u>1.8</u>

See Notes to Financial Statements

Ivan Witt Flooring
STATEMENT OF INCOME
Year ended December 31, 2008

		<u>% to Revenue</u>
Contract Revenues Earned	\$ 16,547,824	100.0%
Cost of Revenues Earned	<u>12,691,485</u>	<u>76.6%</u>
Gross Profit	3,856,339	23.4%
Operating Expenses		
Selling, General and Administrative Expenses	5,171,243	31.1%
Depreciation and Amortization	303,012	1.8%
Interest Expense	<u>144,849</u>	<u>0.9%</u>
Total Operating Expenses	<u>5,619,104</u>	<u>33.8%</u>
Net Operating Income	(1,762,765)	-10.4%
Other Income (Loss)		
Interest Income	7,175	0.0%
Investment in Workers Safe, LLC	(5,077)	0.0%
Other Income	75,522	0.5%
Loss on Disposal of Assets	<u>(2,847)</u>	<u>0.0%</u>
Total Other Income	<u>74,773</u>	<u>0.5%</u>
Income (Loss) Before Provision for Income Tax	(1,687,992)	-9.9%
Provision for Income Tax	<u>800</u>	<u>0.0%</u>
NET INCOME (LOSS)	<u>\$ (1,688,792)</u>	<u>-9.9%</u>

See accompanying notes and accountant's report.

J.T. WEBB BUILDING AND DEVELOPMENT, INC.
STATEMENTS OF INCOME AND RETAINED EARNINGS

	October 31,	
	<u>2008</u>	<u>2007</u>
REVENUES		
Construction & development revenues	\$ 12,377,686	\$ 14,381,181
COST OF REVENUES EARNED	<u>10,237,945</u>	<u>12,539,944</u>
GROSS PROFIT	2,139,741	1,841,237
GENERAL AND ADMINISTRATIVE EXPENSES		
Office salaries and employee benefits	673,954	716,464
Insurance	90,358	83,327
Depreciation	103,480	78,224
Repairs and maintenance	10,611	39,370
Vehicle expenses	164,240	99,977
Interest and service charges	123,744	68,363
Advertising	68,800	74,143
Office supplies	25,381	29,154
Utilities	32,452	35,190
Rent	80,400	78,400
Bad debts	43,947	14,531
Other operating expenses	<u>186,998</u>	<u>199,036</u>
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	<u>1,604,365</u>	<u>1,516,179</u>
NET OPERATING INCOME	535,376	325,058
OTHER INCOME	7,453	10,145
OTHER EXPENSES	<u>(3,872)</u>	<u>(16,550)</u>
NET INCOME	538,957	318,653
Retained earnings—beginning of year	1,383,151	1,330,086
Shareholder distributions	<u>(331,352)</u>	<u>(265,588)</u>
RETAINED EARNINGS—end of year	<u>\$ 1,590,756</u>	<u>\$ 1,383,151</u>

See Accountants' Review Report and Notes to Financial Statements

POTT'S CONSTRUCTION, LP
STATEMENTS OF INCOME
For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<i>Revenues</i>		
Contract revenue earned	\$ 104,737,254	\$ 83,262,440
<i>Cost of contract revenue earned</i>		
Direct costs	<u>96,537,519</u>	<u>77,800,699</u>
Gross profit	8,199,735	5,461,741
<i>Selling, general and administrative expenses</i>	<u>2,442,626</u>	<u>2,011,667</u>
Income from operations	5,757,109	3,450,074
<i>Other income (expenses)</i>		
Interest income	181,838	405,927
Other income	17,797	10,260
Management fee	30,000	30,000
Employee bonuses	(800,260)	(577,241)
Interest expense	(2,347)	(3,686)
Other expenses	(3,205)	—
(Loss) on sale of assets	<u>(6,744)</u>	<u>—</u>
Net income	<u>\$ 5,174,188</u>	<u>\$ 3,315,334</u>

See accompanying notes and accountant's report.

**BARNES PAVING, INC.
AND RELATED ENTITY
COMPARATIVE COMBINED STATEMENT OF OPERATIONS**

	<u>For the years ended December 31,</u>			
	<u>2008</u>	<u>%</u>	<u>2007</u>	<u>%</u>
Contract revenues	\$ 2,729,529	100.0%	\$ 2,094,828	100.0%
Cost of contract revenues	<u>2,343,887</u>	<u>85.8</u>	<u>1,898,684</u>	<u>90.7</u>
Gross Profit	385,642	14.2	196,144	9.3
Administrative Expenses	<u>240,366</u>	<u>8.7</u>	<u>241,919</u>	<u>11.5</u>
Operating Income (Loss)	<u>145,276</u>	<u>5.5</u>	<u>(45,775)</u>	<u>(2.2)</u>
Other Income (Expense)				
Interest income	3,506	0.1	7,743	0.4
Interest expense	(6,167)	(0.2)	—	—
Gain (loss) on sale of assets	(825)	—	11,544	0.6
Miscellaneous income (expense)	<u>62</u>	<u>—</u>	<u>(634)</u>	<u>—</u>
Total Other Income (Expense)	<u>(3,424)</u>	<u>(0.1)</u>	<u>18,653</u>	<u>1.0</u>
Income (Loss) Before Provision (Benefit) For Income Taxes	<u>141,852</u>	<u>5.4</u>	<u>(27,122)</u>	<u>(1.2)</u>
Provision (Benefit) For Income Taxes				
Current year	3,800	0.1	1,325	0.1
Deferred	<u>18,800</u>	<u>0.7</u>	<u>(4,700)</u>	<u>(0.2)</u>
	<u>22,600</u>	<u>0.8</u>	<u>(3,375)</u>	<u>(0.1)</u>
Net Income (Loss)	<u>\$ 119,252</u>	<u>4.6%</u>	<u>\$ (23,747)</u>	<u>(1.1)%</u>

See accompanying notes and
accountants' compilation report

Rains Wiring, Inc.
Statement of Operations and Changes in Retained Earnings
For the Year Ended March 31, 2008

CONSTRUCTION REVENUES EARNED	3,287,463
COST OF REVENUES	
Bad debt	5,937
Bid expense	962
Depreciation	107,605
Employee benefits	234,548
Insurance and bonding	27,651
Labor	526,175
Licenses and permits	16,230
Maintenance and repairs	8,661
Material	1,775,839
Payroll taxes	60,703
Small tools	9,204
Supplies	2,530
Vehicle fuel and oil	<u>23,497</u>
Total costs of revenues	<u>2,799,542</u>
GROSS PROFIT	487,921

See accompanying accountants' review report
See note to financial statements

Rains Wiring, Inc.
Statement of Operations and Changes in Retained Earnings
(Continued)
For the Year Ended March 31, 2008

GROSS PROFIT	\$ 487,921
OTHER OPERATING EXPENSES:	
Advertising	7,579
Bank Charges	2,348
Building rent	16,300
Business gifts	171
Depreciation	2,780
Donations	2,841
Dues & subscriptions	4,318
Employee meetings	3,753
Interest expense	20,645
Life insurance	3,720
Maintenance	4,036
Office supplies and expense	6,366
Office salaries	13,336
Officers' salaries	224,051
Officer medical benefits	9,228
Other expenses	1,981
Payroll taxes	27,426
Penalties and fines	585
Postage	1,161
Professional fees	4,436
Property taxes	169
Shop labor	3,670
State and city excise taxes	15,604
Retirement plan contribution	58,043
Telephone	5,288
Training	110
Travel and entertainment	1,378
Utilities	<u>2,610</u>
Total other operating expenses	443,933
INCOME FROM OPERATIONS	43,988
OTHER INCOME AND EXPENSES	
Interest income	<u>12,045</u>
NET INCOME BEFORE INCOME TAX	56,033
PROVISION FOR FEDERAL INCOME TAX	<u>9,420</u>
NET INCOME	46,613
CHANGES IN RETAINED EARNINGS	
Retained earnings at beginning of year	<u>151,820</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$ 198,433</u>

See accompanying accountants' review report
See note to financial statements

Rimbey Fabrication, Inc.
STATEMENTS OF INCOME
For the years ended September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
CONTRACT REVENUE EARNED	\$ 10,938,650	\$ 10,943,266
COST OF REVENUE EARNED	<u>8,724,752</u>	<u>8,315,394</u>
Gross profit	2,213,898	2,627,872
GENERAL AND ADMINISTRATIVE EXPENSES	<u>1,672,197</u>	<u>1,856,283</u>
Operating income	<u>541,701</u>	<u>771,589</u>
OTHER INCOME (EXPENSE):		
Interest expense	(101,135)	(94,894)
Gain on sale of equipment and vehicles	7,487	3,940
Miscellaneous income	<u>10,462</u>	<u>1,009</u>
Total other income (expense)	<u>(83,186)</u>	<u>(89,945)</u>
Income before income taxes	<u>458,515</u>	<u>681,644</u>
INCOME TAX EXPENSE	<u>194,749</u>	<u>262,480</u>
Net income	<u>\$ 263,766</u>	<u>\$ 419,164</u>

See accompanying notes and accountants' report.

MORGAN CONTRACTORS, LLC
STATEMENTS OF REVENUES AND EXPENSES—INCOME TAX BASIS

	Year Ended December 31,		Percent of Sales	
	2008	2007	2008	2007
Sales	\$ 1,438,319	\$ 2,188,748	100.0	100.0
Cost of sales	<u>1,246,961</u>	<u>1,870,324</u>	<u>86.6</u>	<u>85.4</u>
GROSS PROFIT	191,358	318,424	13.4	14.6
Operating expenses				
Accounting fees	4,175	4,275	0.3	0.2
Advertising	1,064	17,975	0.1	0.8
Bank charges	2,228	304	0.2	0.0
Charitable contributions	820	520	0.1	0.0
City income tax	3,489	5,771	0.2	0.3
Dues and subscriptions	310	300	0.0	0.0
Insurance	3,833	1,569	0.3	0.1
Meals and entertainment	275	0	0.0	0.0
Member life insurance	6,507	11,814	0.4	0.5
Office supplies	427	1,195	0.0	0.1
Arkansas CAT tax	1,010	2,018	0.1	0.1
Postage and delivery	211	531	0.0	0.0
Telephone	<u>2,562</u>	<u>1,207</u>	<u>0.2</u>	<u>0.1</u>
	<u>26,911</u>	<u>47,479</u>	<u>1.9</u>	<u>2.2</u>
NET INCOME	<u>\$ 164,447</u>	<u>\$ 270,945</u>	<u>11.5</u>	<u>12.4</u>

See accountants' compilation report and notes to financial statements

LOUIS INDUSTRIES, INC and SUBSIDIARY
Consolidated Statements of Income and Retained Earnings
Years Ended October 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Sales		
Engines, net of discounts of \$580,074 and \$473,449	\$ 44,977,047	\$ 45,317,841
Parts	10,712,374	8,419,487
Other	43,122	745,340
Total Sales	<u>55,732,543</u>	<u>54,482,668</u>
Cost of Goods Sold		
Engines	33,266,247	33,878,523
Parts	10,441,355	7,168,249
Freight	497,407	451,472
Direct labor	844,643	912,375
Depreciation	117,098	86,675
Overhead	2,387,096	1,294,485
Total Cost of Goods Sold	<u>47,553,846</u>	<u>43,791,779</u>
Gross Profit	8,178,697	10,690,889
Selling, General and Administrative Expenses	<u>5,337,392</u>	<u>4,886,409</u>
Operating Income	2,841,305	5,804,480
Other Income (Expense)		
Interest income	8,603	15,067
Gain on sale of assets	(50,677)	175,667
Interest expense	(548,273)	(871,744)
Other expense	—	(12,834)
Total Other Income (Expense)	<u>(590,347)</u>	<u>(693,844)</u>
Net Income	2,250,958	5,110,636
Distributions	(2,877,718)	(2,855,965)
Retained Earnings at Beginning of Year	<u>9,015,375</u>	<u>6,760,704</u>
Retained Earnings at End of Year	<u>\$ 8,388,615</u>	<u>\$ 9,015,375</u>

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

CalVino Winery, LLC

Statements of Income
Years Ended December 31, 2008 and 2007
See Accountants' Review Report

	<u>2008</u>	<u>2007</u>
Revenues		
Bulk wine and private label	\$ 8,871,017	\$ 7,312,042
Tasting room and case wine	3,079,894	3,194,988
Grapes	—	2,545,191
	<u>11,950,911</u>	<u>13,052,221</u>
Cost of goods sold		
Bulk wine and private label	5,773,905	6,081,287
Tasting room and case wine	1,152,922	1,249,918
Grapes	—	1,965,784
	<u>6,926,827</u>	<u>9,296,989</u>
Gross profit	5,024,084	3,755,232
Operating expenses		
	<u>2,058,735</u>	<u>1,918,327</u>
Operating income	<u>2,965,349</u>	<u>1,836,905</u>
Non-operating income (expenses)		
Other income	7,235	47,440
Interest income	15,025	27
Interest expense	<u>(143,543)</u>	<u>(187,965)</u>
	<u>(121,283)</u>	<u>(140,498)</u>
Net income before income taxes	2,844,066	1,696,407
Income tax expense		
	<u>13,777</u>	<u>13,647</u>
Net income	<u>\$ 2,830,289</u>	<u>\$ 1,682,760</u>

See Notes To Financial Statements.

ABC, INC.
STATEMENTS OF INCOME AND RETAINED EARNINGS

	<u>Years Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
Net sales	\$ 6,078,453	\$ 6,393,850
Cost of sales	<u>3,248,588</u>	<u>3,094,945</u>
GROSS MARGIN	2,829,865	3,298,905
Selling expenses	871,090	1,004,579
General and administrative expenses	<u>1,593,897</u>	<u>1,542,781</u>
INCOME FROM OPERATIONS	364,878	751,545
OTHER INCOME (EXPENSE)		
Interest income	3,241	42,008
Interest expense	(92,018)	(88,757)
Foreign currency gain	<u>198</u>	<u>1,598</u>
NET INCOME	276,299	706,394
Retained earnings at beginning of year	2,111,685	2,725,291
Dividends	<u>(672,161)</u>	<u>(1,320,000)</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$ 1,715,823</u>	<u>\$ 2,111,685</u>

See accountant's review report and notes to financial statements.

ROSS PETROLEUM, INC. and HINKLE-JONES G.P.
COMBINED STATEMENTS OF INCOME
For the Years Ended December 31, 2008 and 2007
See Accountants' Report

	2008	2007
Net sales	\$ 246,823,601	\$ 197,029,130
Rent income	185,658	834,749
	<u>247,009,259</u>	<u>197,863,879</u>
Operating expenses:		
Cost of product (includes related taxes)	219,344,124	175,597,286
Selling and operating expenses	10,995,521	10,497,984
General and administrative expenses	4,981,872	3,987,683
Taxes, other than income and product related	1,652,020	1,457,055
Depreciation and amortization	3,385,906	2,865,272
Goodwill impairment	530,000	—
	<u>240,889,443</u>	<u>194,405,280</u>
Operating income	6,119,816	3,458,599
Financial income (expense):		
Interest and dividend income	933,047	813,059
Interest expense	(1,581,651)	(2,734,153)
Realized gain (loss) on sale of trading securities	651,363	—
Unrealized (loss) gain on trading securities	(1,471,080)	1,967,799
(Loss) gain on disposition of property and equipment	(192,240)	(25,886)
Other (expense) income	(17,376)	(16,952)
	<u>(1,677,937)</u>	<u>3,867</u>
Income before income taxes	4,441,879	3,462,466
Income taxes	39,942	14,075
Net income	\$ 4,401,937	\$ 3,448,391

See Notes to Financial Statements

Jenkins Distribution, Inc.
(A wholly owned subsidiary)
Statements of Operations and Accumulated Deficit
For the Years Ended December 31,

	2008	2007
Net sales	\$ 21,746,882	\$ 22,947,035
Cost of goods sold	20,200,195	21,254,305
Gross profit	1,546,687	1,692,730
 Operating expenses		
Selling, general and administrative expenses	1,447,044	1,661,621
Operating income	99,643	31,109
 Other expense		
Interest expense	(135,978)	(113,237)
Loss before income tax benefit	(36,335)	(82,128)
Income tax benefit	12,801	52,669
Net loss	(23,534)	(29,459)
Accumulated deficit—beginning of year	(113,985)	(84,526)
Accumulated deficit—end of year	\$ (137,519)	\$ (113,985)

Attention is directed to independent auditors' report and notes to financial statements.

PARKER DISTRIBUTION, INC.

STATEMENTS OF OPERATIONS

	Year Ended December 31,		Percent of Sales	
	2008	2007	2008	2007
Net sales	\$ 5,393,285	\$ 5,832,463	100.0	100.0
Cost of sales	<u>4,363,081</u>	<u>4,842,725</u>	<u>80.9</u>	<u>83.0</u>
Gross profit	1,030,204	989,738	19.1	17.0
General and administrative expenses	<u>963,010</u>	<u>996,923</u>	<u>17.9</u>	<u>17.1</u>
Income (loss) from operations	67,194	(7,185)	1.2	(0.1)
Other income (expense):				
Interest income	280	1,226	0.0	0.0
Interest expense	(40,323)	(42,114)	(0.7)	(0.7)
Amortization	(16,632)	(31,570)	(0.3)	(0.5)
Loss on disposal of assets	(2,561)	0	0.0	0.0
Inventory scrapped, net of proceeds	(24,399)	0	(0.5)	0.0
Life insurance	(657)	10,565	0.0	0.2
Commission income	128,015	7,902	2.4	0.1
Other income	5,483	20	0.1	0.0
Other expense	<u>(2,973)</u>	<u>0</u>	<u>(0.1)</u>	<u>0.0</u>
	<u>46,233</u>	<u>(53,971)</u>	<u>0.9</u>	<u>(0.9)</u>
Income (loss) before income tax	113,427	(61,156)	2.1	(1.0)
Provision for income tax	<u>351</u>	<u>0</u>	<u>0.0</u>	<u>0.0</u>
NET INCOME (LOSS)	<u>\$ 113,076</u>	<u>\$ (61,156)</u>	<u>2.1</u>	<u>(1.0)</u>

See accountants' review report and notes to financial statements

PHOENIX INTERNATIONAL PRIVATE BANK

Statements of Income

Years ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Interest income:		
Investment securities	\$ 536,076	178,902
Interest-bearing deposits	<u>60,221</u>	<u>9,608</u>
Total interest income	596,297	188,510
Less interest expense	<u>33,664</u>	<u>28,279</u>
Net interest income	<u>562,633</u>	<u>160,231</u>
Other income:		
(Loss)/gain on sale of securities	(86,553)	79,140
Commissions and fees	<u>14,373</u>	<u>5</u>
Total other (loss)/income	<u>(72,180)</u>	<u>79,145</u>
Other expenses:		
Salaries and employees benefits	184,616	28,850
Other operating expenses	<u>350,265</u>	<u>93,957</u>
Total other expenses	534,881	122,807
Net (loss)/income	<u>\$ (44,428)</u>	<u>116,569</u>

See accompanying notes to financial statements.

OK PLAINS FEDERAL CREDIT UNION
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
INTEREST INCOME		
Loans Receivable and Credit Cards	\$ 432,670	\$ 420,298
Investments	593,722	616,485
Total Interest Income	<u>1,026,392</u>	<u>1,036,783</u>
INTEREST EXPENSE		
Members' Share Accounts	<u>419,211</u>	<u>426,464</u>
NET INTEREST INCOME	607,181	610,319
NON-INTEREST INCOME		
Credit Cards	11,282	13,114
Member Transaction Fees	143,558	123,355
Other Income	5,947	10,589
Total Non-Interest Income	<u>160,787</u>	<u>147,058</u>
NON-INTEREST EXPENSE		
Compensation and Benefits	373,970	351,514
Occupancy	28,018	26,085
Other	259,493	269,988
Total Non-Interest Expense	<u>661,481</u>	<u>647,587</u>
NET INCOME	<u>\$ 106,487</u>	<u>\$ 109,790</u>

See accompanying notes to the financial statements

BUSINESS LABELS ETC., INC.
CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2008

SALES—net of discounts and allowances	\$ 3,246,309
COST OF SALES	<u>2,419,330</u>
GROSS PROFIT	826,979
GENERAL AND ADMINISTRATIVE EXPENSES	<u>1,062,519</u>
EARNINGS FROM OPERATIONS	(235,540)
OTHER INCOME/(EXPENSE)	9
Interest income	131
Miscellaneous income	36,260
Sublease income	(59,332)
Interest expense	4,244
Bad debt recovery	(2,365)
Bad debt expense	<u>(21,053)</u>
Total Other Income/(Expense)	(256,593)
NET (LOSS) BEFORE NON-CONTROLLING INTEREST	<u>96</u>
ADD: NON-CONTROLLING INTEREST	<u>(256,497)</u>
NET (LOSS)	53,574
RETAINED EARNINGS, January 1, 2008	<u>(5,440)</u>
Less: Shareholder Distributions	<u>(5,440)</u>
RETAINED EARNINGS, December 31, 2008	<u>\$ (208,363)</u>

The accompanying notes and accountants' report are an integral part of these financial statements.

BRAZOS INJECTION MOLDING, INC.
STATEMENTS OF INCOME

	Year Ended December 31,		Percent of Sales	
	2008	2007	2008	2007
Net sales	\$ 21,082,199	\$ 17,884,101	100.0	100.0
Cost of sales	15,583,689	15,444,184	73.9	86.4
GROSS PROFIT	5,498,510	2,439,917	26.1	13.6
General and administrative expenses	2,624,041	1,950,322	12.5	10.9
INCOME FROM OPERATIONS	2,874,469	489,595	13.6	2.7
Other income (expense)				
Interest income	5,802	274	0.0	0.0
Interest expense	(516,568)	(559,311)	(2.4)	(3.1)
Miscellaneous income	46,384	44,208	0.2	0.2
Loss on interest rate swap	(321,621)	0	(1.5)	0.0
Reimbursement of sales rebates	100,000	0	0.5	0.0
Foreign currency loss	(14,844)	(2,585)	(0.1)	0.0
Gains on sale of assets	1,146	250,719	0.0	1.4
	(699,701)	(266,695)	(3.3)	(1.5)
INCOME BEFORE INCOME TAXES	2,174,768	222,900	10.3	1.2
PROVISION FOR INCOME TAXES	(752,042)	(99,108)	(3.6)	(0.5)
NET INCOME	\$ 1,422,726	\$ 123,792	6.7	0.7

See accountants' review report and notes to financial statements

BRAZOS INJECTION MOLDING, INC.
STATEMENTS OF COMPREHENSIVE INCOME

	<u>Year Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
NET INCOME	\$ 1,422,726	\$ 123,792
OTHER COMPREHENSIVE INCOME (LOSS)		
Unrealized income (loss) on derivative financial instruments	7,354	(36,331)
Deferred income tax effect	<u>(2,500)</u>	<u>12,400</u>
Net effect on other comprehensive income from cash flow hedging	<u>4,854</u>	<u>(23,931)</u>
COMPREHENSIVE INCOME	<u>\$ 1,427,580</u>	<u>\$ 99,861</u>

See accountants' review report and notes to financial statements

Open Door, Inc.
STATEMENTS OF INCOME
FOR THE YEARS ENDED OCTOBER 31, 2008 AND 2007
See Accountant's Compilation Report

	2008		2007	
Sales				
Bi-Fold Doors and Parts	\$ 16,458,900	87.5	\$ 15,639,808	88.4
Freight	1,177,459	6.3	1,106,799	6.3
Installation and Mileage	952,570	5.0	780,626	4.3
Other	228,204	1.2	169,569	1.0
Total Sales	<u>18,817,133</u>	<u>100.0</u>	<u>17,696,802</u>	<u>100.0</u>
Cost of Sales				
Manufacturing Materials and Supplies	9,839,906	52.3	8,533,280	48.2
Factory Labor	2,008,470	10.7	1,932,927	10.9
Freight	1,410,346	7.5	1,132,414	6.4
Install Labor and Vehicle Expenses	790,488	4.2	682,283	3.9
Factory Overhead and Expense	1,579,554	8.4	1,577,920	8.9
Total Cost of Sales	<u>15,628,764</u>	<u>83.1</u>	<u>13,858,824</u>	<u>78.3</u>
Gross Profit	3,188,369	16.9	3,837,978	21.7
General and Administrative Expenses				
Advertising and Promotion	436,482	3.6	572,799	3.3
Depreciation and Amortization	283,333	0.3	53,405	0.3
Donations, Dues and Subscriptions	15,346	0.1	15,801	0.1
Insurance	172,049	0.9	189,641	1.1
Legal and Accounting	182,202	1.0	124,622	0.7
Meals and Entertainment	8,061		3,487	
Office Supplies and Expenses	135,086	0.7	124,899	0.7
Payroll Taxes	81,790	0.4	89,750	0.5
Rent Expense	154,775	0.8	160,223	0.9
Retirement Plan Contributions	72,227	0.4	67,968	0.4
Shows and Travel Expense	57,065	0.3	39,279	0.2
Telephone	50,170	0.3	44,996	0.3
Wages	797,924	4.2	770,632	4.3
Total General and Administrative	<u>2,446,510</u>	<u>13.0</u>	<u>2,257,502</u>	<u>12.8</u>
Income From Operations	741,859	3.9	1,580,476	8.9
Other Income (Expense)				
Other Income	1,511		52,990	0.3
Interest Expense	(145,858)	(0.8)	(145,020)	(0.8)
Total Other Income (Expense)	<u>(144,347)</u>	<u>(0.8)</u>	<u>(92,030)</u>	<u>(0.5)</u>
Net Income for the Years	<u>\$ 597,512</u>	<u>3.1</u>	<u>\$ 1,488,446</u>	<u>8.4</u>

See Notes to Financial Statements

Chem Products, Inc. and Subsidiaries
Consolidated Statements of Income
Years Ended September 30, 2008 and 2007
See Accountants' Review Report

	<u>2008</u>	<u>2007</u>
Sales, net of discounts	\$ 129,790,830	\$ 86,605,645
Cost of sales	<u>103,202,442</u>	<u>67,431,465</u>
Gross profit	26,588,388	19,174,180
Operating expenses	<u>9,461,102</u>	<u>10,199,095</u>
Operating income	<u>17,127,286</u>	<u>8,975,085</u>
Other income (expense)		
Interest income	95,790	132,399
Interest expense	(263,041)	(298,652)
Other income	157,177	345,067
Loss on asset disposals	(257,323)	8,587
Loss on GV investment	(24)	(7,747)
Loss on impairment of GV investment and receivables	<u>(775,367)</u>	<u>—</u>
	<u>(1,042,788)</u>	<u>179,654</u>
Net income before income taxes and minority interest	16,084,498	9,154,739
Income tax expense	202,759	145,793
Minority interest in income of consolidated subsidiaries	<u>4,068,565</u>	<u>2,108,517</u>
Net income	<u>\$ 11,813,174</u>	<u>\$ 6,900,429</u>

See Notes to Consolidated Financial Statements.

COMMERCIAL SYSTEMS, INC., AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
SALES, net	\$ 37,722,105	\$ 27,500,023
COST OF SALES	<u>28,071,817</u>	<u>20,109,424</u>
GROSS PROFIT	9,650,288	7,390,599
OPERATING AND ADMINISTRATIVE EXPENSES		
General and administrative expenses	2,481,456	1,609,424
Selling and marketing expenses	1,449,257	1,326,259
Engineering, research and development expenses	<u>899,902</u>	<u>737,283</u>
	<u>4,830,615</u>	<u>3,672,966</u>
INCOME FROM OPERATIONS	4,819,673	3,717,633
OTHER INCOME (EXPENSES):		
Management fees (Notes 9 & 10)	(244,047)	(72,914)
Interest expense (Notes 4, 5, 7 & 9)	(3,827,232)	(2,677,220)
Interest income	26,221	33,023
Amortization expense	(17,660)	(18,822)
Transition costs	—	(73,463)
Loss on disposition of asset	(2,242)	(6,476)
Other income (Note 11)	120,601	3,694
Other expenses	<u>(2,782)</u>	<u>(194,078)</u>
TOTAL OTHER INCOME (EXPENSES)	<u>(3,947,141)</u>	<u>(3,006,256)</u>
INCOME BEFORE PROVISION FOR TAXES	872,532	711,377
PROVISION FOR TAXES:		
State income tax refund	(9,516)	(63,132)
State income tax expense	<u>19,241</u>	<u>10,500</u>
TOTAL PROVISION FOR TAXES (Note 15)	<u>9,725</u>	<u>(52,632)</u>
NET INCOME	<u>\$ 862,807</u>	<u>\$ 764,009</u>

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

XYZ COMPANY
CONSOLIDATED STATEMENTS OF INCOME

	<u>Year Ended April 30,</u>	
	<u>2008</u>	<u>2007</u>
REVENUES		
Net sales	\$28,086,091	\$18,270,750
Service income	727,956	974,942
Other income	<u>672,424</u>	<u>1,558,487</u>
	29,486,471	20,804,179
 COST AND EXPENSES		
Cost of goods sold	15,046,585	11,124,038
Service expenses	763,949	864,262
Engineering and development expenses	2,558,606	2,556,336
Selling expenses	3,730,650	2,845,131
General and administrative expenses	2,179,262	1,646,841
Interest expense	<u>56,938</u>	<u>67,695</u>
	<u>24,335,990</u>	<u>19,104,303</u>
NET INCOME	<u>\$ 5,150,481</u>	<u>\$ 1,699,876</u>

See notes to financial statements.

**MALONES EQUIPMENT, INC.
COMPARATIVE STATEMENT OF INCOME**

	For the years ended December 31,			
	2008	%	2007	%
Net Sales	\$ 13,014,208	100.0%	\$ 13,694,279	100.0%
Cost of Sales	<u>8,121,500</u>	<u>62.4</u>	<u>8,633,577</u>	<u>63.2</u>
Gross Profit	4,892,708	37.6	5,060,702	36.8
Sales Expense	2,720,665	20.8	2,626,692	19.1
Administrative Expenses	<u>1,572,643</u>	<u>12.1</u>	<u>1,776,642</u>	<u>12.9</u>
Operating Income	<u>599,400</u>	<u>4.7</u>	<u>657,368</u>	<u>4.8</u>
Other Income (Expense)				
Interest income	134,302	1.0	265,574	1.9
Dividend income	3,298	—	1,176	—
Miscellaneous income	<u>—</u>	<u>—</u>	<u>1,195</u>	<u>—</u>
Total Other Income (Expense)	<u>137,600</u>	<u>1.0</u>	<u>267,945</u>	<u>1.9</u>
Net Income	<u>737,000</u>	<u>5.7</u>	<u>925,313</u>	<u>6.7</u>
Other Comprehensive Income— Less Applicable Income Taxes				
Unrealized gains (losses) on securities	<u>(36,288)</u>	<u>(0.3)</u>	<u>6,585</u>	<u>—</u>
Comprehensive Income (Loss)	<u>\$ 700,712</u>	<u>5.4%</u>	<u>\$ 931,898</u>	<u>6.7%</u>

See accompanying notes and
accountants' review report

Perkins Custom Craft, Inc.
STATEMENTS OF INCOME

	Year Ended June 30,		Percent of Sales	
	2008	2007	2008	2007
Net sales	\$ 5,029,622	\$ 4,876,748	100.0	100.0
Cost of sales	<u>3,498,447</u>	<u>3,771,871</u>	<u>69.6</u>	<u>77.3</u>
GROSS PROFIT	1,531,175	1,104,877	30.4	22.7
Operating expenses	<u>946,868</u>	<u>735,757</u>	<u>18.8</u>	<u>15.1</u>
OPERATING PROFIT	584,307	369,120	11.6	7.6
Other income (expense):				
Interest expense	(19,932)	(47,769)	(0.4)	(1.0)
Interest income	6,613	6,993	0.2	0.2
Gains on sales of fixed assets	15,000	500	0.3	0.0
Penalties	(4,640)	0	(0.1)	0.0
Other income	<u>6,498</u>	<u>1,903</u>	<u>0.1</u>	<u>0.0</u>
	<u>3,539</u>	<u>(38,373)</u>	<u>0.1</u>	<u>(0.8)</u>
INCOME BEFORE INCOME TAXES	587,846	330,747	11.7	6.8
Income tax expense	<u>(218,540)</u>	<u>(111,230)</u>	<u>(4.4)</u>	<u>(2.3)</u>
NET INCOME	<u>\$ 369,306</u>	<u>\$ 219,517</u>	<u>7.3</u>	<u>4.5</u>

See accountants compilation and notes to financial statements

**PETERS CUSTOM METALS AND PLASTICS, INC.
STATEMENTS OF INCOME**

	Years Ended September 30,	
	2008	2007
Net sales	\$ 14,016,475	\$ 13,134,491
Cost of sales	<u>9,426,914</u>	<u>8,856,167</u>
Gross profit	<u>4,589,561</u>	<u>4,278,324</u>
Operating expenses		
Depreciation	155,422	121,930
Interest	47,048	49,389
Other operating expenses	<u>3,588,053</u>	<u>3,413,135</u>
Total operating expenses	<u>3,790,523</u>	<u>3,584,454</u>
Operating income	799,038	693,870
Other income (expense)	<u>11,729</u>	<u>14,913</u>
Income before income taxes	810,767	708,783
Provision for income taxes	<u>494,494</u>	<u>259,719</u>
Net income	<u>\$ 316,273</u>	<u>\$ 449,064</u>

See accompanying notes and accountant's report.

JM FORGING, INC.

STATEMENTS OF OPERATIONS

	Year Ended December 31,		Percent of Sales	
	2008	2007	2008	2007
Net sales	\$ 4,534,349	\$ 5,012,373	100.0	100.0
Cost of sales	<u>3,928,844</u>	<u>4,109,247</u>	<u>86.6</u>	<u>82.0</u>
Gross profit	605,505	903,126	13.4	18.0
Selling, general, and administrative expenses	<u>655,233</u>	<u>674,335</u>	<u>14.5</u>	<u>13.5</u>
Income (loss) from operations	(49,728)	228,791	(1.1)	4.5
Other income (expense):				
Interest income	0	262	0.0	0.0
Interest expense	(118,268)	(190,914)	(2.6)	(3.8)
Rental income	7,344	10,438	0.2	0.2
Other income	48,981	2,715	1.1	0.1
Scrap income	43,056	47,110	0.9	0.9
Insurance proceeds	96,013	0	2.1	0.0
Settlement proceeds	22,035	0	0.5	0.0
Loss on interest rate swaps	(28,142)	0	(0.6)	0.0
Penalties	(16,275)	0	(0.4)	0.0
Miscellaneous expense	(577)	(6,244)	0.0	(0.1)
Amortization	(7,167)	(1,961)	(0.2)	0.0
Sale of utility tower lease	0	140,000	0.0	2.8
Loss on disposal of equipment	<u>(4,962)</u>	<u>(2,735)</u>	<u>(0.1)</u>	<u>(0.1)</u>
	<u>42,038</u>	<u>(1,329)</u>	<u>0.9</u>	<u>0.0</u>
INCOME (LOSS) BEFORE INCOME TAX	(7,690)	227,462	(0.2)	4.5
PROVISION FOR INCOME TAX	<u>(3,800)</u>	<u>(77,900)</u>	<u>(0.1)</u>	<u>(1.6)</u>
NET INCOME (LOSS)	<u>\$ (11,490)</u>	<u>\$ 149,562</u>	<u>(0.3)</u>	<u>2.9</u>

See accountants' review report and notes to financial statements

**COOL MEADOWS GOLF CLUB, INC.
COMPARATIVE STATEMENT OF OPERATIONS**

	<u>For the years ended December 31,</u>			
	<u>2008</u>	<u>%</u>	<u>2007</u>	<u>%</u>
Revenues from Operations	\$ 531,403	100.0%	\$ 632,917	100.0%
Cost of Operations	<u>649,400</u>	<u>122.2</u>	<u>644,425</u>	<u>102.1</u>
Gross Profit (Loss)	(117,997)	(22.2)	(11,508)	(2.1)
Administrative Expenses	<u>46,296</u>	<u>8.7</u>	<u>53,991</u>	<u>8.7</u>
Operating Income (Loss)	<u>(164,293)</u>	<u>(30.9)</u>	<u>(65,499)</u>	<u>(10.8)</u>
Other Income (Expense)				
Interest income	17,158	3.2	18,083	2.9
Interest expense	(119,951)	(22.6)	(122,626)	(19.4)
Miscellaneous income	10,018	1.9	15,557	2.5
Cancellation of debt income	360,000	67.7	—	—
Cart trade in allowance	<u>—</u>	<u>—</u>	<u>52,260</u>	<u>8.3</u>
Total Other Income (Expense)	<u>267,225</u>	<u>50.2</u>	<u>(36,726)</u>	<u>(5.7)</u>
Net Income (Loss)	<u>\$ 102,932</u>	<u>19.3%</u>	<u>\$ (102,225)</u>	<u>(16.5)%</u>

See accompanying notes and
accountants' compilation report

CITYPARK TECHNOLOGIES, INC.
(A Development Stage Company)

Statements of Income

Years Ended December 31, 2008 and 2007, and Period from July 24, 2003 to December 31, 2008

	Year Ended 12/31/08	Year Ended 12/31/07	07/24/03 to 12/31/08
Operating revenues	\$ 105,358	\$ 148,777	\$ 362,792
Direct cost of operating revenues	<u>39,314</u>	<u>91,911</u>	<u>190,781</u>
Operating margin	<u>66,044</u>	<u>56,866</u>	<u>172,011</u>
Operating expenses:			
Administrative	47,559	95,139	348,274
Contracted personnel	575,838	857,641	3,981,995
Depreciation	7,950	8,030	34,050
Legal and accounting	60,776	122,628	326,448
Marketing and promotion	31,519	82,972	318,573
Rent and utilities	15,898	30,568	138,421
Technology development	174,271	201,460	1,319,201
Travel and entertainment	<u>18,271</u>	<u>79,292</u>	<u>497,127</u>
Total operating expenses	<u>932,082</u>	<u>1,477,730</u>	<u>6,964,089</u>
Operating loss	(866,038)	(1,420,864)	(6,792,078)
Other revenue (expense):			
Interest income, net of cancelled interest	(7,921)	17,280	11,188
Interest expense	(2,362)	(2,165)	(23,636)
State business taxes	<u>(4,998)</u>	<u>(6,070)</u>	<u>(21,807)</u>
Net loss	<u>\$ (881,319)</u>	<u>\$ (1,411,819)</u>	<u>\$ (6,826,333)</u>

See accountants' compilation report and accompanying notes to financial statements.

Luxury Homeowners Association, Inc.
Statement of Revenue, Expenses, and Changes in Fund Balances
(with Comparative Totals for 2007)

Year ended December 31,	2008			2007	
	Operating Fund	Replacement Fund	Tornado Fund	Total	Total
Revenues					
Assessment fees	\$ 385,390	\$ 71,892	\$ —	\$ 457,282	\$ 430,135
Assessment—insurance	101,436	—	—	101,436	119,412
Assessment—MSBU	44,298	—	—	44,298	44,298
Assessment—cable	28,880	—	—	28,880	27,884
Insurance	—	—	1,109,821	1,109,821	336,378
Interest	—	7,852	35,447	43,299	71,971
Other income	389	—	—	389	3,002
Total revenues	560,393	79,744	1,145,268	1,785,405	1,033,080
Expenses					
Administrative	300,976	—	111,809	412,785	338,347
Maintenance & Repairs	59,072	96,743	1,022,155	1,177,970	377,979
Personnel	86,227	—	268	86,495	105,623
Utilities	133,266	—	11,036	144,302	124,101
Total expenses	579,541	96,743	1,145,268	1,821,552	946,050
Excess (deficit) revenues over expenses	(19,148)	(16,999)	—	(36,147)	87,030
Beginning fund balance	182,583	262,351	—	444,934	357,904
Ending fund balance	\$ 163,435	\$ 245,352	\$ —	\$ 408,787	\$ 444,934

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

ABC INVESTMENT, L.P.
STATEMENT OF OPERATIONS
Year Ended December 31, 2008

Investment Income	\$ 3,164,670
Interest from debt securities	85,106
Loan closing fees	<u>38,750</u>
Other investment income	
Total Investment Income	<u>3,288,526</u>
Expenses	21,533
Accounting and tax fees	990
Legal and consulting fees	624,282
Interest expense	641,960
Management fees	<u>1,029</u>
Miscellaneous	
Total Expenses	<u>1,289,794</u>
Net Investment Income	<u>1,998,732</u>
Realized and Unrealized Gain (Loss) from Investments	<u>(462,660)</u>
Net realized loss from investments	
Net loss on investments	<u>(462,660)</u>
Net Increase in Partners' Capital Resulting from Operations	<u>\$ 1,536,072</u>

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

NEW MEXICO HEALTH PROFESSIONALS EDUCATION SERVICES, INC.

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2008

	<u>Unrestricted</u> <u>Net Assets</u>	<u>Temporarily</u> <u>Restricted</u> <u>Net Assets</u>	<u>Total</u> <u>Net Assets</u>
Support and Revenues			
Grant revenue—federal	\$ 119,986	\$	\$ 119,986
Grant revenue—other	698,010		698,010
Other revenue	22,492		22,492
Investment earnings	7,684		7,684
Net realized and unrealized loss on investments	(14,378)		(14,378)
Net assets released from restrictions due to expiration of time	<u>727</u>	<u>(727)</u>	<u>—</u>
Total Support and Revenues	<u>834,521</u>	<u>(727)</u>	<u>833,794</u>
Expenses			
Program services	625,768	140	625,908
Management and general	<u>209,564</u>		<u>209,564</u>
Total Expenses	835,332	140	835,472
Decrease in Net Assets	(811)	(867)	(1,678)
NET ASSETS, beginning of year	<u>462,130</u>	<u>17,006</u>	<u>479,136</u>
NET ASSETS, end of year	<u>\$ 461,319</u>	<u>\$ 16,139</u>	<u>\$ 477,458</u>

(See Independent Auditors' Report and Notes to Financial Statements)

NEW MEXICO HEALTH PROFESSIONALS EDUCATION SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2008

	Program Services	Management and General	Total
Salaries and wages	\$ 317,900	\$ 94,044	\$ 411,944
Fringe benefits	81,369	28,213	109,582
Consulting	67,278	—	67,278
Office space/accommodations	49,980	16,660	66,640
Travel	22,443	3,960	26,403
Printing/supplies	22,659	2,517	25,176
Utilities	6,183	18,549	24,732
Depreciation	12,502	8,334	20,836
Program support	7,402	11,103	18,505
Communications/telephone	9,824	2,456	12,280
Audit and accounting	—	10,515	10,515
Resource subscriptions	9,082	—	9,082
Meetings	6,433	2,145	8,578
Insurance	—	5,820	5,820
Service agreements	3,140	2,094	5,234
Contracts	4,795	—	4,795
Recognition	2,711	687	3,398
Newsletter/annual report	1,000	1,000	2,000
Bank charges	—	1,012	1,012
Postage	620	155	775
Computer operations	449	300	749
Miscellaneous	138	—	138
	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 625,908</u>	<u>\$ 209,564</u>	<u>\$ 835,472</u>

(See Independent Auditors' Report and Notes to Financial Statements)

BRONSON RICE PRODUCTS, INC.
STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR (52 WEEKS) ENDED DECEMBER 27, 2008

SALES	\$ 15,092,066
COST OF GOODS SOLD	
Raw material and packaging	11,065,989
Direct labor and related cost	718,158
Depreciation	236,464
Other direct cost	664,436
Total Cost of Goods Sold	<u>12,685,047</u>
GROSS PROFIT	<u>2,407,019</u>
OPERATING EXPENSES	
Accounting & legal	14,444
Advertising & promotion	197,392
Commissions	287,435
Depreciation	12,014
Insurance	85,990
Indirect labor and related cost	428,935
Interest and bank charges	96,429
Licenses, fees and dues	19,535
Management fees	560,000
Miscellaneous	10,774
Office supplies	13,678
Repairs and maintenance	2,346
Rent	41,515
Research and development	10,000
Travel	57,940
Utilities	49,960
Loss from foreign currency exchange	153,081
Total Operating Expenses	<u>2,041,468</u>
OPERATING INCOME	<u>365,551</u>
OTHER INCOME (EXPENSE)	
Other income	23,802
Loss on sale of fixed assets	<u>(2,276)</u>
Total Other Income (Expense)	<u>21,526</u>
NET INCOME BEFORE TAXES	387,077
PROVISION FOR INCOME TAXES	<u>20,040</u>
NET INCOME	367,037
RETAINED EARNINGS, BEGINNING OF PERIOD	<u>335</u>
RETAINED EARNINGS, END OF PERIOD	<u>\$ 367,372</u>

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

TCP, LLC
STATEMENT OF INCOME
For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
REVENUES	\$ 1,379,069	\$ 629,386
COST OF REVENUES	<u>1,320,344</u>	<u>809,856</u>
GROSS PROFIT (LOSS)	58,725	(180,470)
OPERATING EXPENSES	<u>424,814</u>	<u>342,997</u>
INCOME (LOSS) FROM OPERATIONS	(366,089)	(523,467)
INTEREST INCOME	—	7
INTEREST EXPENSE	<u>(15,359)</u>	<u>(10,035)</u>
NET LOSS	<u>\$ (381,448)</u>	<u>\$ (533,495)</u>

See Accompanying Notes to the Financial Statements

MELLON AIRCRAFT, INC.

STATEMENTS OF INCOME
For the Years Ended January 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
SALES	\$ 5,656,732	\$ 6,364,535
COST OF SALES	<u>3,287,276</u>	<u>4,168,029</u>
Gross Profit	<u>2,369,456</u>	<u>2,196,506</u>
OPERATING EXPENSES		
Sales commission and salaries	978,349	1,033,036
Casual labor	2,435	445
Advertising	22,002	19,083
Automobile expense	711	2,825
Depreciation	84,633	147,994
Rent	174,480	167,980
Dues and subscriptions	18,164	17,763
Insurance	200,843	194,975
Interest	272,394	275,104
Professional fees	264,103	265,067
Office expenses and utilities	60,175	60,368
Taxes and licenses	103,049	92,607
Travel	28,523	27,764
Repairs and maintenance	25,904	4,156
Miscellaneous	<u>29,730</u>	<u>30,832</u>
Total Operating Expenses	<u>2,265,495</u>	<u>2,339,999</u>
Income (Loss) from Operations	103,961	(143,493)
OTHER INCOME	<u>37,009</u>	<u>40,505</u>
Income (Loss) before Income Taxes	140,970	(102,988)
PROVISION FOR INCOME TAXES	<u>43,722</u>	<u>(24,924)</u>
NET INCOME (LOSS)	<u>\$ 97,248</u>	<u>\$ (78,064)</u>

See Accountants' Compilation Report and Accompanying Notes

HOWARD REAL ESTATE, INC.
 STATEMENT OF OPERATIONS AND RETAINED EARNINGS (DEFICIT)
 YEAR ENDED DECEMBER 31, 2008

RENTAL INCOME	<u>2008</u>
Base rents	\$ 1,896,432
Overage Rents	—
Reimbursed expenses	198,591
TOTAL RENTAL INCOME	<u>2,095,023</u>
RENTAL OPERATING EXPENSES	622,505
NET RENTAL OPERATING INCOME BEFORE INTEREST AND DEPRECIATION	<u>1,472,518</u>
Interest	404,321
Depreciation	173,984
NET RENTAL INCOME	<u>894,213</u>
GENERAL AND ADMINISTRATIVE EXPENSES	265,634
OTHER INCOME AND (EXPENSES)	
Interest income	58,516
Interest income-impaired loans (Note 3)	587,797
Bad debts-impaired loans (Note 3)	(587,797)
Income (Loss) from partnerships (Note 5)	422,509
Miscellaneous income	<u>2163</u>
TOTAL OTHER INCOME AND (EXPENSES)	481,241
INCOME BEFORE INCOME TAXES	<u>1,109,820</u>
INCOME TAXES (Note 8)	19,354
NET INCOME	<u>1,090,466</u>
Retained earnings, beginning of year	42,707
DIVIDENDS PAID	(1,258,400)
Retained earnings (deficit), end of year	<u>\$ (125,227)</u>

See accompanying notes and accountants' report.

Portland Recycled Paper Products, Inc.
(An S Corporation)
Statement of Revenues, Expenses and Retained Earnings—Income Tax Basis
For the Twelve Months Ended December 31, 2008

	<u>12/31/08</u>
REVENUE	\$ <u>11,888,927</u>
COST OF EARNED CONTRACT REVENUE:	
Beginning Inventory	220,436
Purchases	7,275,315
Labor and Related Expenses	844,284
Other Direct Costs	1,192,511
Less Ending Inventory	<u>(61,222)</u>
Total Cost of Earned Contract Revenue	<u>9,471,324</u>
GROSS PROFIT	2,417,603
OFFICER'S COMPENSATION	220,730
GENERAL AND ADMINISTRATIVE EXPENSE AND INDIRECT COST	<u>1,681,190</u>
INCOME FROM OPERATIONS	515,683
OTHER INCOME AND (EXPENSE)	
Depreciation Expense	(340,424)
Gain(Loss) on Sale of Assets	(3,514)
Interest and Dividend Income	8,918
Interest Expense	<u>(121,964)</u>
NET INCOME	58,699
BEGINNING RETAINED EARNINGS	(84,300)
DISTRIBUTIONS	<u>(45,290)</u>
ENDING RETAINED EARNINGS	<u>\$ (70,891)</u>

See Accountant's Review Report and Notes to the Financial Statements

COMMERCIAL TRANSPORT SALES, INC.
STATEMENT OF INCOME
FOR THE PERIOD JANUARY 1, 2008 TO DECEMBER 31, 2008

	<u>Total</u>	<u>% of Sales</u>
SALES	\$ 39,861,036.83	100.0%
COST OF SALES		
BEGINNING INVENTORY	\$ 1,536,417.18	3.9
COST OF SALES—BUSES	36,472,764.68	91.5
SALARIES—SALES, SERVICE, PARTS	978,951.21	2.5
COST OF SALES—OTHER	2,538,731.14	6.4
LESS: ENDING INVENTORY	<u>(3,728,672.87)</u>	<u>(9.4)</u>
TOTAL COST OF SALES	<u>37,798,191.34</u>	<u>94.8</u>
GROSS PROFIT	2,062,845.49	5.2
GENERAL & ADMINISTRATIVE EXPENSES	<u>1,523,405.71</u>	<u>3.8</u>
INCOME FROM OPERATIONS	539,439.78	1.4
OTHER INCOME	<u>102,870.49</u>	<u>.2</u>
NET INCOME BEFORE INCOME TAXES	642,310.27	1.6
CURRENT INCOME TAX PROVISION	(5,846.00)	.0
DEFERRED INCOME TAX BENEFIT	<u>18,373.00</u>	<u>.0</u>
NET INCOME	<u>\$ 654,837.27</u>	<u>1.6%</u>

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT.

Texas Medical Products, Inc. and Subsidiaries

Consolidated Statements of Income
Years Ended September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Gross Sales	\$37,121,176	\$33,224,213
Returns and Allowances	(1,836,638)	(702,688)
Net sales	<u>35,284,538</u>	<u>32,521,525</u>
Cost of Sales	<u>17,498,987</u>	<u>15,250,628</u>
Gross profit	<u>17,785,551</u>	<u>17,270,897</u>
Operating Expenses		
Selling	5,520,892	5,691,870
General and administrative	7,938,854	7,883,460
	<u>13,459,746</u>	<u>13,575,330</u>
Income from operations	<u>4,325,805</u>	<u>3,695,567</u>
Non-operating Income (Expense)		
Interest income	36,830	45,362
Royalty income	237,500	238,008
Interest expense	(192,613)	(215,816)
Other expense	(30,594)	—
Loss on disposal of equipment	(3,647)	(71,799)
Other income	36,065	45,581
	<u>83,541</u>	<u>41,336</u>
Income before income taxes	4,409,346	3,736,903
Income Tax Expense	<u>2,722,271</u>	<u>1,537,958</u>
Income before extraordinary item	1,687,075	2,198,945
Extraordinary item—gain from acquisition of Aero Consulting, Inc.— and related deferred tax asset	<u>—</u>	<u>2,247,024</u>
Net income	<u>\$ 1,687,075</u>	<u>\$ 4,445,969</u>

See Notes to Consolidated Financial Statements.

PUEBLO TELEPHONY, INC.
 CONSOLIDATED STATEMENTS OF OPERATIONS
 For the Years Ended October 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Sales	\$ 10,301,251	\$ 10,740,048
Cost of sales	<u>4,405,374</u>	<u>5,018,166</u>
Gross profit	5,895,877	5,721,882
Operating expenses:		
Selling, general and administrative	<u>5,055,334</u>	<u>4,852,806</u>
Income from operations	840,543	869,076
Other income (expense):		
Finance charge income	7,622	9,800
Interest income	27,065	60,280
Other income	6,588	5,624
Gain on disposal of assets	1,000	4,150
Interest expense	<u>(175,910)</u>	<u>(218,854)</u>
Income before provision for income taxes	706,908	730,076
Provision for income taxes:		
Current expense	203,062	204,353
Deferred expense	<u>2,067</u>	<u>42,266</u>
	<u>205,129</u>	<u>246,619</u>
Consolidated net income	501,779	483,457
Net income attributable to the noncontrolling interest	<u>(190,346)</u>	<u>(118,571)</u>
Net income attributable to the Parent	<u>\$ 311,433</u>	<u>\$ 364,886</u>

See accompanying notes to consolidated financial statements.

**Werner and Peabody Architects, Inc.
Consolidated Statements of Income
For the Years Ended October 31**

	<u>2008</u>	%	<u>2007</u>	%
GROSS FEES EARNED	\$ 22,868,915		\$ 26,168,143	
Job Costs				
Consultants	7,571,504		11,160,962	
Reimbursed direct job costs	<u>1,006,822</u>		<u>950,323</u>	
Total Job Costs	<u>8,578,326</u>		<u>12,111,285</u>	
NET FEES	14,290,589	100.0%	14,056,858	100.0%
Direct labor	<u>4,129,300</u>	<u>28.9%</u>	<u>3,744,190</u>	<u>26.6%</u>
GROSS PROFIT	10,161,289	71.1%	10,312,668	73.4%
Operating Expenses				
Personnel	5,171,840	36.2%	4,811,109	36.8%
General and administrative	2,638,186	18.5%	2,567,637	18.7%
Marketing	<u>778,194</u>	<u>5.4%</u>	<u>722,087</u>	<u>5.6%</u>
Total Operating Expenses	<u>8,588,220</u>	<u>60.1%</u>	<u>8,100,833</u>	<u>61.1%</u>
OPERATING INCOME	1,573,069	11.0%	2,211,835	12.3%
Other Income (Expense)				
Miscellaneous income	710	0.0%	11,060	0.1%
Bonuses	(977,300)	-6.8%	(1,566,945)	-11.1%
Interest income	14,271	0.1%	26,205	0.2%
Loss on currency exchange	(3,386)	0.0%	0	0.0%
Realized loss on asset disposals	(25,622)	-0.2%	0	0.0%
Realized loss on marketable securities	(15,052)	-0.1%	(7,285)	-0.1%
Profit sharing (Note #8)	<u>(200,000)</u>	<u>-1.4%</u>	<u>(546,650)</u>	<u>-3.9%</u>
Total Other Income (Expense)	<u>(1,206,379)</u>	<u>-8.4%</u>	<u>(2,083,615)</u>	<u>-14.8%</u>
NET INCOME BEFORE TAXES	\$ 366,690	2.6%	\$ 128,220	-2.5%
Provision for Income Tax				
Deferred tax cost	<u>300,582</u>	<u>2.1%</u>	<u>40,257</u>	<u>0.3%</u>
CONSOLIDATED NET INCOME (Note #15)	<u>\$ 66,108</u>	<u>0.5%</u>	<u>\$ 87,963</u>	<u>-2.8%</u>

See accountant's report and accompanying notes

TWO GUYS MARINE SERVICES, LLC**STATEMENTS OF INCOME AND COMPREHENSIVE INCOME (LOSS)**

For the years ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
REVENUES:		
Dockage and vessel storage	\$ 1,684,533	\$ 1,656,647
Charter income	99,040	113,026
Vessel services and maintenance	219,937	182,808
Rental income	115,497	115,829
Dock services and accessories	46,014	44,373
Utility reimbursements, net	<u>82,963</u>	<u>75,461</u>
Total revenues	<u>2,247,984</u>	<u>2,188,144</u>
COST OF REVENUES:		
Salaries and wages	204,010	185,780
Contract labor and services	152,348	130,495
Purchases, materials and other direct costs	<u>187,904</u>	<u>212,212</u>
Total costs of revenues	<u>544,262</u>	<u>528,487</u>
Gross profit	1,703,722	1,659,657
OPERATING EXPENSES	<u>1,348,951</u>	<u>1,561,272</u>
Operating income	354,771	98,385
OTHER INCOME AND (EXPENSES):		
Miscellaneous income	27,867	22,297
Development expenses	(6,567)	(1,274)
Gain (loss) on disposal of fixed assets	19,406	(30,554)
Interest income	1,162	607
Interest expense	<u>(83,486)</u>	<u>(82,220)</u>
Total other income and (expenses)	<u>(41,618)</u>	<u>(91,144)</u>
NET INCOME	313,153	7,241
OTHER COMPREHENSIVE LOSS		
Reduction in fair value of interest rate swap	<u>(98,965)</u>	<u>(38,078)</u>
COMPREHENSIVE INCOME (LOSS)	<u>\$ 214,188</u>	<u>\$ (30,837)</u>

See accompanying notes and accountants' review report.

RHODES INSURANCE, INC.
STATEMENTS OF INCOME
For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Revenue		
Commissions	\$ 1,021,376	\$ 943,027
Miscellaneous revenue	<u>14,128</u>	<u>8,367</u>
Total Revenue	1,035,504	951,394
Cost of Commissions Earned		
Commissions expense	14,666	13,396
Selling expense	<u>59,220</u>	<u>60,006</u>
Total Cost of Commissions Earned	<u>73,886</u>	<u>73,402</u>
Gross Profit	961,618	877,992
General and Administrative Expenses	<u>1,041,134</u>	<u>968,721</u>
Loss from Operations Before Other Income and Income Taxes	(79,516)	(90,729)
Other Income		
Rental income	14,899	21,500
Forgiveness of debt income	—	20,755
Interest income	<u>18,944</u>	<u>19,266</u>
Total Other Income	<u>33,843</u>	<u>61,521</u>
Loss Before Income Taxes	(45,673)	(29,208)
Provision for Income Taxes	<u>(2,763)</u>	<u>500</u>
Net Loss	<u>\$ (42,910)</u>	<u>\$ (29,708)</u>

See Accompanying Notes and Accountants' Report

LANDSCAPE KING, INC.
STATEMENT OF INCOME AND RETAINED EARNINGS
(See Accountants' Review Report)
For the Years Ended December 31,

	<u>2008</u>	<u>2007</u>
Sales	3,323,674	3,095,533
Cost of Sales		
Materials	687,210	571,876
Labor Cost	1,320,794	1,190,129
Other Cost of Sales	<u>640,082</u>	<u>546,429</u>
Total Cost of Sales	<u>2,648,086</u>	<u>2,308,434</u>
Gross Profit	675,588	787,099
General and Administrative Expense	<u>740,612</u>	<u>711,104</u>
Operating Profit (Loss)	(65,024)	75,995
Other Income (Deductions)		
Interest Income	438	0
Interest Expense	(15,774)	(35,802)
Bad Debt Expense	<u>(5,922)</u>	<u>(7,051)</u>
Net Other Income (Deductions)	<u>(21,258)</u>	<u>(42,853)</u>
Net Income (Loss) Before Taxes on Income	(86,282)	33,142
Taxes on Income		
Currently Payable (Refundable)	(7,982)	6,576
Deferred Tax Benefit	<u>(7,100)</u>	<u>(1,700)</u>
Total Taxes on Income	<u>(15,082)</u>	<u>4,876</u>
Net Income (Loss) to Retained Earnings	(71,200)	28,266
Retained Earnings—Beginning of Period	<u>243,956</u>	<u>215,690</u>
Retained Earnings—End of Period	<u><u>172,756</u></u>	<u><u>243,956</u></u>

The notes to the financial statements are an integral part hereof.

RAND ARCHITECTS, INC.
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2008

Revenue	\$ 19,325,511
Less	
Consultant fees	2,940,021
Reimbursable expenses and other	<u>598,404</u>
Net fees	<u>15,787,086</u>
Operating expenses	
Direct	
Salaries and wages	5,062,135
Indirect	
Salaries and wages	4,224,757
Payroll taxes and benefits	1,207,322
Employee development	134,425
Insurance	248,690
Marketing and business development	607,725
Office expenses and supplies	351,835
Professional services	489,843
Rent and related expenses	1,169,946
Software and telephone	521,579
Stock appreciation rights	(254,595)
Other operating	<u>1,816,024</u>
Total operating expenses	<u>15,579,686</u>
Operating income	<u>207,400</u>
Other income (expense)	
Interest income	8,883
Interest expense	(94,701)
Other income (expense), net	175
Impairment of goodwill	(290,000)
Lease termination expense	(366,799)
Loss on sale or abandonment	<u>(497,788)</u>
Total other income (expense)	<u>(1,240,230)</u>
Net income (loss)	<u>\$ (1,032,830)</u>

See accompanying notes and accountants' review report.

TRM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
REVENUE:		
Electricity sale	\$ 1,074,102	\$ 1,006,721
Renewable energy credit sales	937,042	954,634
Emission reduction credit sales (Note 12)	2,475,505	728,347
Capacity sales	7,704	—
Consulting income	285,930	190,526
Contingent and handling fees	—	74,924
Leachate disposal services	—	48,491
Management fees	—	2,500
Site sublease	13,599	—
LFG Sales	40,122	743
TOTAL REVENUE	<u>4,834,004</u>	<u>3,006,886</u>
OPERATING EXPENSES:		
Accounting	35,000	41,513
Advertising (Note 1)	29,200	47,444
Bank charges	16,759	16,060
Bad debt	4,776	—
Commissions	62,631	71,438
Depreciation and amortization	319,026	268,236
Dues and subscriptions	2,978	5,942
Engineering fees	13,642	5,000
Fuel—landfill gas	201,869	230,173
Fuel—propane	149	218
Insurance—disability and life	11,553	9,010
—health	53,424	50,112
—other	84,177	82,752
Legal	43,559	80,825
Licenses and permits	12,586	10,078
Lubricating oil	46,596	38,170
Meals and entertainment	3,681	4,579
Office supplies and expenses	6,048	5,587
Outside services	562,933	395,312
Payroll—officers	312,531	292,500
Postage and delivery	2,154	1,932
Professional fees other	5,020	130
Repairs	136,733	57,870
Retirement—employees	133,000	—
Site lease payments	485,084	99,726
Subcontractors	23,035	11,528
Supplies and tools	95,339	87,387
Taxes—other	1,845	968
Taxes—payroll	28,092	23,157
Telephone	10,848	9,150
Travel and lodging	20,640	7,127
Utilities	54,382	18,401
Vehicle expense	8,784	7,716
Expense reimbursements	(35,535)	(17,992)
TOTAL OPERATING EXPENSES	<u>2,792,539</u>	<u>1,962,049</u>
INCOME FROM OPERATIONS	2,041,465	1,044,837
OTHER EXPENSES	<u>(209,283)</u>	<u>(308,770)</u>
INCOME BEFORE PROVISION FOR TAXES	1,832,182	736,067
PROVISION FOR TAXES (NOTE 7)	7,149	5,460
NET INCOME	<u>\$ 1,825,033</u>	<u>\$ 730,607</u>

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

XYZ, P.C.

STATEMENTS OF INCOME AND RETAINED EARNINGS

Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Professional Fees, Net	\$ 2,196,171	\$ 2,156,294
Operating Expenses:		
Personnel	1,684,322	1,647,471
Medical	177,886	174,058
Facility	141,584	141,636
General and administrative	177,121	154,835
	<u>2,180,913</u>	<u>2,118,000</u>
Total operating expenses		
	<u>2,180,913</u>	<u>2,118,000</u>
Income From Operations	15,258	38,294
Other Income (Expense):		
NEPA reimbursement	24,450	32,960
Miscellaneous income	—	1,114
Interest expense	(8,078)	(13,277)
Sublease of facility—		
Income	1,437	17,246
Real estate taxes	—	(2,093)
Utilities	—	(1,370)
	<u>17,809</u>	<u>34,580</u>
Total other income		
	<u>17,809</u>	<u>34,580</u>
Net Income	33,067	72,874
Dividends Paid	(30,100)	(30,500)
Retained Earnings At Beginning Of Year	158,351	115,977
Retained Earnings At End Of Year	\$ 161,318	\$ 158,351

See accountants' compilation report and accompanying notes to financial statements.

MAGEE CLINICAL MANAGEMENT, INC.
 CONSOLIDATED STATEMENTS OF OPERATIONS AND ACCUMULATED DEFICIT
 For the Years Ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Revenues:		
Federal funds	\$ 18,146,089	\$ 17,158,289
State funds	2,594,746	3,801,569
Local funds	827,649	814,302
Miscellaneous revenue	9,068	16,219
Total revenues	<u>21,577,552</u>	<u>21,790,379</u>
Expenses:		
Personnel services	12,698,777	12,853,592
Purchased costs	888,162	873,088
Patient care costs	1,244,012	1,167,603
Property costs	1,886,478	1,868,837
Administrative and general expenses	4,173,202	4,427,504
Corporate expense	21,006	20,335
Total expenses	<u>20,911,637</u>	<u>21,210,959</u>
Operating income	665,915	579,420
Other expenses:		
Interest expense	(76,158)	(143,563)
Loss on disposal of property and equipment	<u>(11,389)</u>	<u>(29,721)</u>
Net income before income taxes	<u>578,368</u>	<u>406,136</u>
Provision for income taxes:		
Current expense	839	147,277
Deferred income taxes	153,700	189,000
	<u>154,539</u>	<u>336,277</u>
Net income	423,829	69,859
Accumulated deficit—beginning of year	<u>(1,391,906)</u>	<u>(1,461,765)</u>
Accumulated deficit—end of year	<u>\$ (968,077)</u>	<u>\$ (1,391,906)</u>

See accountants' review report.
 See accompanying notes to consolidated financial statements.

TEST PLUS, INC.
 CONSOLIDATED STATEMENTS OF OPERATIONS
 For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Revenues	\$ 8,013,344	\$ 6,614,756
Cost of revenues	<u>4,374,749</u>	<u>3,568,030</u>
Gross profit	3,638,595	3,046,726
Operating expenses:		
General and administrative	<u>2,998,577</u>	<u>3,060,784</u>
Income (loss) from operations	640,018	(14,058)
Other income (expense):		
Interest income	26,642	28,099
Other income	42,417	71
Interest expense	<u> </u>	<u>(102)</u>
Income before provision for income taxes	709,077	14,010
Provision for income taxes:		
Current expense	211,775	5,808
Deferred expense	<u>73,271</u>	<u>4,181</u>
	<u>285,046</u>	<u>9,989</u>
Net income	<u>\$ 424,031</u>	<u>\$ 4,021</u>

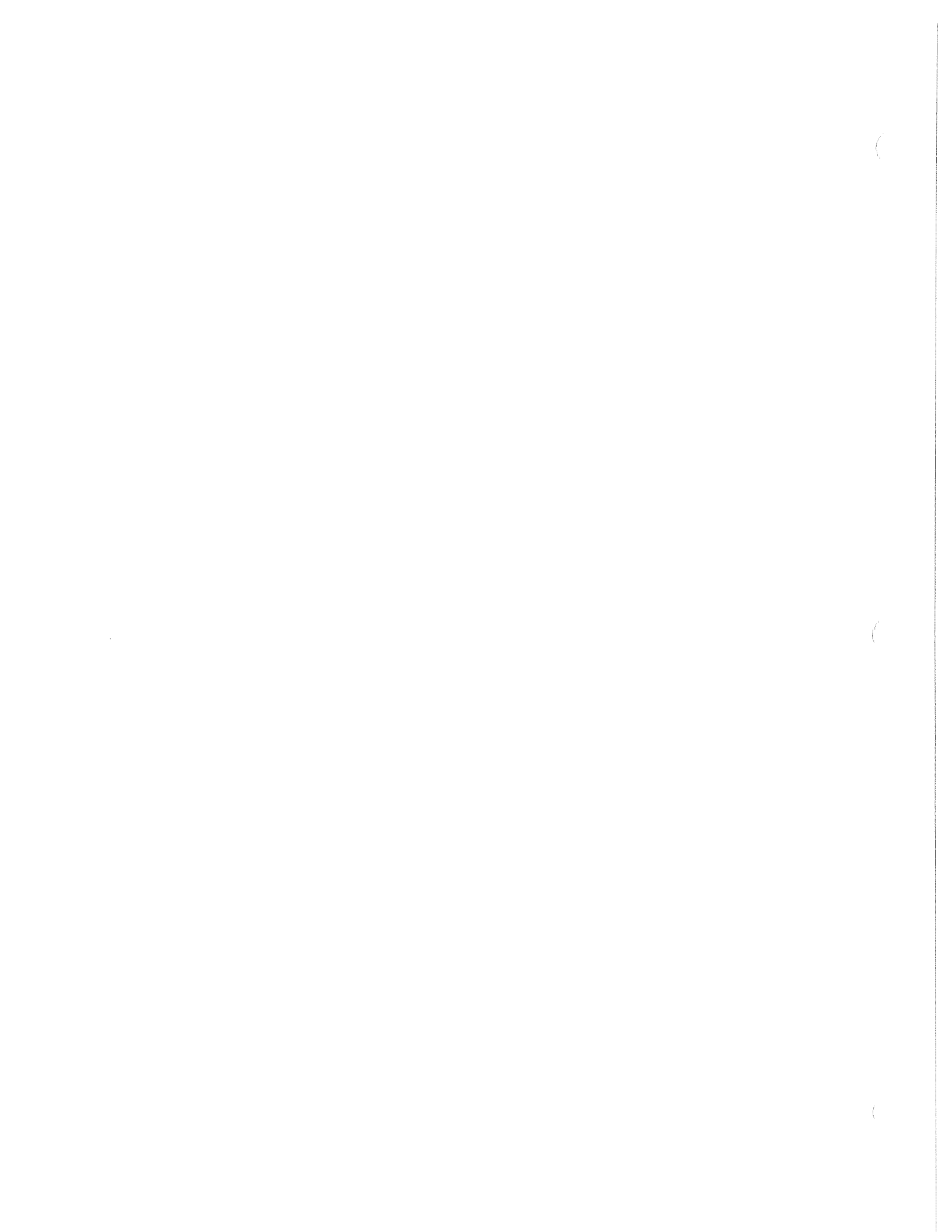
See accompanying notes to consolidated financial statements.

Lonestar Water Transport, Inc.
STATEMENTS OF INCOME AND RETAINED EARNINGS

December 31, 2008 and 2007

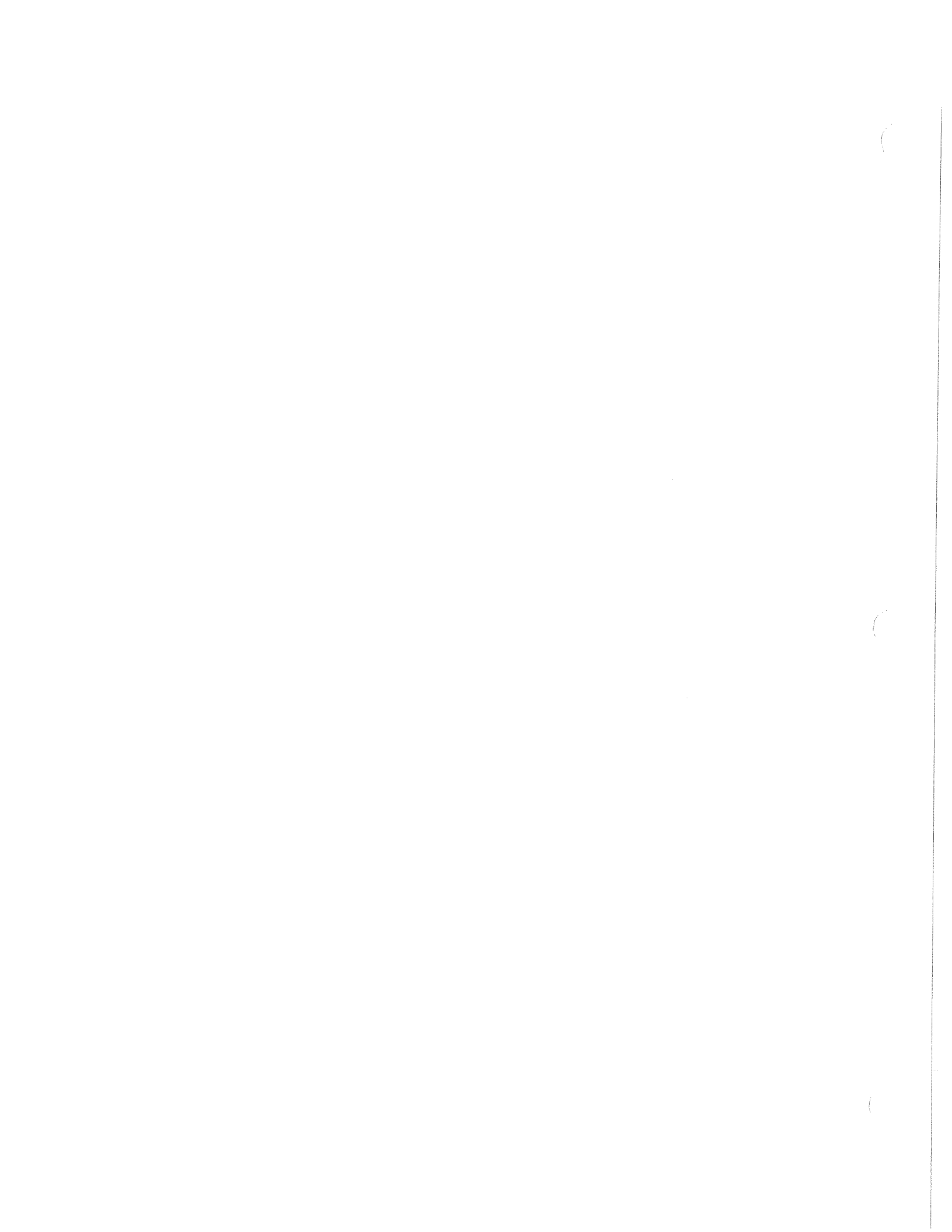
	<u>2008</u>	<u>2007</u>
Barge Operations		
Freight brokerage net revenue (expense)	\$ 3,450	\$ (9,905)
Barge management revenue	1,499,462	1,642,734
Owned barges revenue	2,743,294	3,548,283
Non-pool barges revenue	103,628	401,137
Commission revenue	200,750	198,000
Depreciation expenses—barges	(408,377)	(490,567)
Income from barge operations	<u>\$ 4,142,207</u>	<u>\$ 5,289,682</u>
Operating expenses	<u>931,373</u>	<u>1,007,420</u>
Net Income from Operations	<u>\$ 3,210,834</u>	<u>\$ 4,282,262</u>
Other Income (Expenses)		
Interest expense	\$ (47,130)	\$ (5,122)
Interest income	171,760	116,041
Equity income of affiliated companies, net (Note 4)	247,597	243,633
Gain on sale of equipment	27,400	—
Other income (expense)	(4)	49,847
Total other income (expenses)	<u>\$ 399,623</u>	<u>\$ 404,399</u>
Net Income	<u>\$ 3,610,457</u>	<u>\$ 4,686,661</u>
Dividends Paid	(4,870,000)	(3,400,000)
Retained earnings, beginning of year	<u>3,917,374</u>	<u>2,630,713</u>
Retained earnings, end of year	<u>\$ 2,657,831</u>	<u>\$ 3,917,374</u>

See accompanying notes to financial statements and accountants' review report.



INDEX TO ILLUSTRATIVE STOCKHOLDERS EQUITY

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CENTRAL KANSAS FARMERS ASSOCIATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF PATRONS' EQUITIES
YEAR ENDED NOVEMBER 30, 2008

	Allocated				Unallocated	Subsidiary
	Preferred Stock A	Preferred Stock B	Common Stock	Allocated Equities	Unallocated Equities	Retained Earnings
Balance, November 30, 2007	\$ 10,000	\$ 35,780	\$ 978	\$ 6,252,902	\$ 2,254,175	\$ 658,586
Refund of prior years equities				(169,929)		
Release to satisfy accounts receivable				(178,205)		
Patronage savings				5,626,614		
Nonpatronage savings, net					100,000	
Patronage refund accrued				(3,938,630)		
Subsidiary earnings, net						69,116
New memberships				23		
Purchase of treasury stock		(500)	(3)			
Balance, November 30, 2008	<u>\$ 10,000</u>	<u>\$ 35,280</u>	<u>\$ 998</u>	<u>\$ 7,592,752</u>	<u>\$ 2,354,175</u>	<u>\$ 727,702</u>

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

**BOISE PRODUCTS, LLC
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007**

	Members'	Retained	Accumulated Other Comprehensive	
	Contributions	Earnings	Income	Total
Balance—September 30, 2006	\$ 400,000	\$ 361,731	\$ 0	\$ 761,731
Comprehensive Income				
Net Income for the Year		2,501,527		2,501,527
Other Comprehensive Income				
Unrealized Gain on Futures Account:				
Unrealized Holding Gain Arising				
During the Period			55,000	<u>55,000</u>
Total Comprehensive Income				<u>2,556,527</u>
Distributions	<u> </u>	<u>(56,184)</u>	<u> </u>	<u>(56,184)</u>
Balance—September 30, 2007	400,000	2,807,074	55,000	3,262,074
Comprehensive Income				
Net Income for the Year		2,933,505		2,933,505
Other Comprehensive Income				
Unrealized Gain on Futures Account:				
Adjustment for Realized Gains				
Recognized During the Period			(55,000)	<u>(55,000)</u>
Total Comprehensive Income				<u>2,878,505</u>
Distributions	<u> </u>	<u>(2,480,530)</u>	<u> </u>	<u>(2,480,530)</u>
Balance—September 30, 2008	<u>\$ 400,000</u>	<u>\$ 3,260,049</u>	<u>\$ 0</u>	<u>\$ 3,660,049</u>

See Notes to Financial Statements

Ivan Witt Flooring
STATEMENT OF RETAINED EARNINGS
Year ended December 31, 2008

RETAINED EARNINGS, Beginning of Year	\$ 2,591,586
Net Income (Loss)	(1,688,792)
Shareholder Distributions	<u>(6,057)</u>
RETAINED EARNINGS, End of Year	<u>\$ 896,737</u>

See accompanying notes and accountant's report.

POTT'S CONSTRUCTION, LP
STATEMENTS OF CHANGES IN PARTNERS' CAPITAL
For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<i>Partners' capital</i>		
Balance, January 1	\$ 6,030,318	\$ 4,235,669
Net income	5,174,188	3,315,334
Distributions to partners	<u>(2,936,554)</u>	<u>(1,520,685)</u>
Balance, December 31	<u>\$ 8,267,952</u>	<u>\$ 6,030,318</u>

See accompanying notes and accountants' report.

**BARNES PAVING, INC.
AND RELATED ENTITY
COMPARATIVE COMBINED STATEMENT OF CHANGES IN EQUITY**

	<u>Common Stock—voting</u>		<u>Member's</u>	<u>Retained</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Equity</u>	<u>Earnings</u>	<u>Owner's</u>
					<u>Equity</u>
Balance at January 1, 2007	1,000	\$ 1,000	\$ 548,040	\$ 555,119	\$ 1,104,159
Net loss	—	—	(4,195)	(19,552)	(23,747)
Add: contributions	—	—	60,000	—	60,000
Less: distributions	—	—	(143,063)	—	(143,063)
Balance at December 31, 2007	<u>1,000</u>	<u>\$ 1,000</u>	<u>\$ 460,782</u>	<u>\$ 535,567</u>	<u>\$ 997,349</u>
Balance at January 1, 2008	1,000	\$ 1,000	\$ 464,977	\$ 531,372	\$ 997,349
Net income	—	—	159,356	(40,104)	119,252
Add: contributions	—	—	—	64,367	64,367
Less: distributions	—	—	(116,371)	—	(116,371)
Balance at December 31, 2008	<u>1,000</u>	<u>\$ 1,000</u>	<u>\$ 507,962</u>	<u>\$ 555,635</u>	<u>\$ 1,064,597</u>

See accompanying notes and
accountants' compilation report

Rimbey Fabrication, Inc.
STATEMENTS OF RETAINED EARNINGS
For the years ended September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Beginning Balance	\$ 1,168,951	\$ 749,787
Net income	263,766	419,164
Ending Balance	<u>\$ 1,432,717</u>	<u>\$ 1,168,951</u>

See accompanying notes and accountants' report.

MORGAN CONTRACTORS, LLC
STATEMENTS OF MEMBERS' EQUITY—INCOME TAX BASIS

	Year Ended December 31,	
	2008	2007
Members' equity at beginning of year	\$ 203,328	\$ 140,179
Net income	164,447	270,945
Capital contributions from members	10,865	1,064
Distributions to members	<u>(76,901)</u>	<u>(208,860)</u>
Members' equity at end of year	<u>\$ 301,739</u>	<u>\$ 203,328</u>

See accountants' compilation report and notes to financial statements

CalVino Winery, LLC

Statements of Members' Equity (Deficit)
Years Ended December 31, 2008 and 2007
See Accountants' Review Report

	<u>R. Teddi</u>	<u>K. Teddi</u>	<u>M. Teddi</u>	<u>Total</u>
Balance, December 31, 2006	\$ 1,727,563	\$ 1,727,564	\$ 1,727,563	\$ 5,182,690
Net income	560,920	560,920	560,920	1,682,760
Balance, December 31, 2007	<u>2,288,483</u>	<u>2,288,484</u>	<u>2,288,483</u>	<u>6,865,450</u>
Distributions	(4,259,188)	(4,259,188)	(4,259,187)	(12,777,563)
Net income	943,430	943,429	943,430	2,830,289
Balance, December 31, 2008	<u>\$ (1,027,275)</u>	<u>\$ (1,027,275)</u>	<u>\$ (1,027,274)</u>	<u>\$ (3,081,824)</u>

See Notes To Financial Statements.

ROSS PETROLEUM, INC. and HINKLE-JONES G.P.
COMBINED STATEMENTS OF RETAINED EARNINGS AND PARTNERS' CAPITAL
For the Years Ended December 31, 2008 and 2007
See Accountants' Report

	2008	2007
Balance, beginning	\$ 33,634,554	\$ 30,186,163
Net income	4,401,937	3,448,391
Balance, ending	<u>\$ 38,036,491</u>	<u>\$ 33,634,554</u>

See Notes to Financial Statements

PARKER DISTRIBUTION, INC.

STATEMENTS OF RETAINED EARNINGS

	Year Ended December 31,	
	<u>2008</u>	<u>2007</u>
Retained earnings—beginning of year	\$ 928,952	\$ 990,108
Net income (loss)	<u>113,076</u>	<u>(61,156)</u>
Retained earnings—end of year	<u>\$ 1,042,028</u>	<u>\$ 928,952</u>

See accountants' review report and notes to financial statements

PHOENIX INTERNATIONAL PRIVATE BANK

Statements of Stockholder's Equity

Years ended December 31, 2008 and 2007

	Common stock		Retained earnings	Accumulated other comprehensive loss	Total stockholder's equity
	Shares	Amount			
Balances at January 1, 2007	—	\$ —	—	—	—
Net income	—	—	116,569	—	116,569
Net unrealized change in investment securities	—	—	—	(121,300)	(121,300)
Comprehensive loss	—	—	—	—	(4,731)
Issuance of common stock, 5,109 shares, par value of \$1,000	5,109	5,109,000	—	—	5,109,000
Balances at December 31, 2007	5,109	5,109,000	116,569	(121,300)	5,104,269
Net loss	—	—	(44,428)	—	(44,428)
Net unrealized change in investment securities	—	—	—	(1,299,558)	(1,299,558)
Comprehensive loss	—	—	—	—	(1,343,986)
Balances at December 31, 2008	<u>5,109</u>	<u>\$ 5,109,000</u>	<u>72,141</u>	<u>(1,420,858)</u>	<u>3,760,283</u>

See accompanying notes to financial statements.

OK PLAINS FEDERAL CREDIT UNION
STATEMENTS OF MEMBERS' EQUITY AND COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
<u>REGULAR RESERVE</u>		
BALANCE—JANUARY 1	\$ 391,284	\$ 391,284
<u>UNDIVIDED EARNINGS</u>		
BALANCE—JANUARY 1	2,109,180	1,999,390
COMPREHENSIVE INCOME		
Net Income	106,487	109,790
BALANCE—DECEMBER 31	2,215,667	2,109,180
 TOTAL MEMBERS' EQUITY—DECEMBER 31	 \$ 2,606,951	 \$ 2,500,464

See accompanying notes to the financial statements

BRAZOS INJECTION MOLDING, INC.
STATEMENTS OF SHAREHOLDERS' EQUITY

Years Ended December 31, 2008 and 2007

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total Shareholders' Equity</u>
Balance at December 31, 2006	\$ 1,042,780	\$ 2,560,268	\$ 19,077	\$ 3,622,125
2007 comprehensive income	<u>0</u>	<u>123,792</u>	<u>(23,931)</u>	<u>99,861</u>
Balance at December 31, 2007	1,042,780	2,684,060	(4,854)	3,721,986
2008 comprehensive income	<u>0</u>	<u>1,422,726</u>	<u>4,854</u>	<u>1,427,580</u>
Balance at December 31, 2008	<u>\$ 1,042,780</u>	<u>\$ 4,106,786</u>	<u>\$ 0</u>	<u>\$ 5,149,566</u>

See accountants' review report and notes to financial statements

Chem Products, Inc. and Subsidiaries

Consolidated Statements of Shareholders' Equity
Years Ended September 30, 2008 and 2007

See Accountants' Review Report

	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, September 30, 2006	\$ 100	\$ 439,608	\$ 5,764,170	\$ 6,203,878
Net income	—	—	6,900,429	6,900,429
Contributions	—	—	105,206	105,206
Distributions	—	—	(2,243,933)	(2,243,933)
Balance, September 30, 2007	100	439,608	10,525,872	10,965,580
Net income	—	—	11,813,174	11,813,174
Distributions	—	—	(7,801,477)	(7,801,477)
Balance, September 30, 2008	<u>\$ 100</u>	<u>\$ 439,608</u>	<u>\$ 14,537,569</u>	<u>\$ 14,977,277</u>

See Notes to Consolidated Financial Statements.

COMMERCIAL SYSTEMS, INC., AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF RETAINED EARNINGS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
RETAINED EARNINGS, BEGINNING	\$ 667,231	\$ —
PREFERRED STOCK DIVIDENDS DECLARED AND PAID	(42,633)	(96,778)
NET INCOME FOR THE PERIOD	<u>862,807</u>	<u>764,009</u>
RETAINED EARNINGS, ENDING	<u>\$ 1,487,405</u>	<u>\$ 667,231</u>

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

XYZ COMPANY

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-in Capital
	Shares	Amount	
BALANCE APRIL 30, 2006	120,200	\$ 12,020	\$ 293,377
Comprehensive income:			
Net income for the			
year ended April 30, 2007	—	—	—
Unrealized gain on marketable securities			
available for sale:			
Unrealized holding gains arising during the year	—	—	—
Less: adjustment for realized gains			
recognized during the year	—	—	—
Total comprehensive income	—	—	—
Activity for the year ended			
April 30, 2007:			
Issuance of Common Stock—\$110.50 per share	69	7	7,617
Issuance of Common Stock—\$124.50 per share	130	13	16,172
Redemption of Common Stock—\$124.50 per share	(20)	(2)	(2,488)
Dividends	—	—	—
BALANCE APRIL 30, 2007	120,379	12,038	314,678
Comprehensive income:			
Net income for the			
year ended April 30, 2008	—	—	—
Unrealized gain on marketable securities			
available for sale:			
Unrealized holding losses arising during the year	—	—	—
Less: adjustment for realized gains			
recognized during the year	—	—	—
Total comprehensive income	—	—	—
Activity for the year ended			
April 30, 2008:			
Issuance of Common Stock—\$141.10 per share	95	9	13,395
Issuance of Common Stock—\$124.50 per share	79	8	9,828
Redemption of Common Stock—\$141.10 per share	(20)	(2)	(2,820)
Dividends	—	—	—
BALANCE APRIL 30, 2008	120,533	\$ 12,053	\$ 335,081

See notes to financial statements.

<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Total</u>
\$ 15,159,422	\$ 1,496,408	\$ 16,961,227
1,699,876	—	1,699,876
—	722,461	722,461
—	(1,209,421)	(1,209,421)
—	—	1,212,916
—	—	7,624
—	—	16,185
—	—	(2,490)
(1,080,850)	—	(1,080,850)
<u>15,778,448</u>	<u>1,009,448</u>	<u>17,114,612</u>
5,150,481	—	5,150,481
—	(202,469)	(202,469)
—	(306,679)	(306,679)
—	—	4,641,333
—	—	13,404
—	—	9,836
—	—	(2,822)
(2,728,763)	—	(2,728,763)
<u>\$ 18,200,166</u>	<u>\$ 500,300</u>	<u>\$ 19,047,600</u>

**MALONES EQUIPMENT, INC.
COMPARATIVE STATEMENT OF CHANGES IN EQUITY
DECEMBER 31, 2008 AND 2007**

	<u>Common Stock—voting</u>		<u>Common Stock—non-voting</u>		<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
Balance at January 1, 2007	130	\$ 50	37,000	\$ 12,950	\$ 8,349,740	\$ —	\$ 8,362,740
Net income	—	—	—	—	925,313	—	925,313
Reclass unrealized gains on securities	—	—	—	—	(38,590)	38,590	—
Less: distributions	—	—	—	—	(1,321,274)	—	(1,321,274)
Unrealized gains (losses) on securities	—	—	—	—	—	6,585	6,585
Balance at December 31, 2007	<u>130</u>	<u>\$ 50</u>	<u>37,000</u>	<u>\$ 12,950</u>	<u>\$ 7,915,189</u>	<u>\$ 45,175</u>	<u>\$ 7,973,364</u>
Balance at January 1, 2008	130	\$ 50	37,000	\$ 12,950	\$ 7,915,189	\$ 45,175	\$ 7,973,364
Net income	—	—	—	—	737,000	—	737,000
Less: distributions	—	—	—	—	(425,420)	—	(425,420)
Unrealized gains (losses) on securities	—	—	—	—	—	(36,288)	(36,288)
Balance at December 31, 2008	<u>130</u>	<u>\$ 50</u>	<u>37,000</u>	<u>\$ 12,950</u>	<u>\$ 8,226,769</u>	<u>\$ 8,887</u>	<u>\$ 8,248,656</u>

See accompanying notes and accountants' review report

Perkins Custom Craft, Inc.
STATEMENTS OF RETAINED EARNINGS

	June 30,	
	<u>2008</u>	<u>2007</u>
Balance, beginning of year	\$ 1,758,266	\$ 1,538,749
Net income	<u>369,306</u>	<u>219,517</u>
Balance, end of year	<u>\$ 2,127,572</u>	<u>\$ 1,758,266</u>

See accountants compilation and notes to financial statements

**PETERS CUSTOM METALS AND PLASTICS, INC.
STATEMENTS OF STOCKHOLDER'S EQUITY**

	<u>Years Ended September 30,</u>	
	<u>2008</u>	<u>2007</u>
Stockholder's Equity		
Retained Earnings—		
Balance at beginning of year	\$ 1,721,716	\$ 1,275,152
Dividends paid	(2,500)	(2,500)
Net income	<u>316,273</u>	<u>449,064</u>
Balance at End of Year	2,035,489	1,721,716
Common stock—\$1 par		
500 shares authorized, issued & outstanding	500	500
Additional paid in capital	<u>4,500</u>	<u>4,500</u>
Total Stockholder's Equity	<u>\$ 2,040,489</u>	<u>\$ 1,726,716</u>

See accompanying notes and accountant's report.

JM FORGING, INC.

STATEMENTS OF ACCUMULATED DEFICIT

	<u>Year Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
Accumulated deficit—beginning	\$(1,694,605)	\$ (1,844,167)
Net income (loss)	<u>(11,490)</u>	<u>149,562</u>
Accumulated deficit—ending	<u>\$(1,706,095)</u>	<u>\$ (1,694,605)</u>

See accountants' review report and notes to financial statements

**COOL MEADOWS GOLF CLUB, INC.
COMPARATIVE STATEMENT OF CHANGES IN EQUITY**

	<u>Common Stock—voting</u>		<u>Retained</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Earnings</u> <u>(Deficit)</u>	<u>Stockholders'</u> <u>Equity</u>
Balance at January 1, 2007	189,321	\$ 201,231	\$ (626,158)	\$ (424,927)
Net loss	<u>—</u>	<u>—</u>	<u>(102,225)</u>	<u>(102,225)</u>
Balance at December 31, 2007	<u>189,321</u>	<u>\$ 201,231</u>	<u>\$ (728,383)</u>	<u>\$ (527,152)</u>
Balance at January 1, 2008	189,321	\$ 201,231	\$ (728,383)	\$ (527,152)
Net income	<u>—</u>	<u>—</u>	<u>102,932</u>	<u>102,932</u>
Balance at December 31, 2008	<u>189,321</u>	<u>\$ 201,231</u>	<u>\$ (625,451)</u>	<u>\$ (424,220)</u>

See accompanying notes and
accountants' compilation report

CITYPARK TECHNOLOGIES, INC.
(A Development Stage Company)

Statements of Stockholders' Equity

Years Ended December 31, 2008 and 2007, and Period from July 24, 2003 to December 31, 2008

	Year Ended 12/31/08	Year Ended 12/31/07	07/24/03 to 12/31/08
Capital investment:			
Preferred stock, Series A (new):			
Beginning balance	\$ —	\$ —	\$ —
Issuance of shares	<u>775,220</u>	<u>—</u>	<u>775,220</u>
Ending balance	<u>775,220</u>	<u>—</u>	<u>775,220</u>
Preferred stock, Series A (old):			
Beginning balance	2,001,473	2,001,473	—
Issuance of shares	<u>—</u>	<u>—</u>	<u>2,001,473</u>
Conversion to common stock	<u>(2,001,473)</u>	<u>—</u>	<u>(2,001,473)</u>
Ending balance	<u>—</u>	<u>2,001,473</u>	<u>—</u>
Preferred stock, Series A-1:			
Beginning balance	1,050,000	1,050,000	—
Issuance of shares	<u>—</u>	<u>—</u>	<u>1,050,000</u>
Conversion to common stock	<u>(1,050,000)</u>	<u>—</u>	<u>(1,050,000)</u>
Ending balance	<u>—</u>	<u>1,050,000</u>	<u>—</u>
Preferred stock, Series A-2:			
Beginning balance	1,588,503	1,587,502	—
Issuance of shares	<u>—</u>	<u>1,001</u>	<u>1,588,503</u>
Conversion to common stock	<u>(1,588,503)</u>	<u>—</u>	<u>(1,588,503)</u>
Ending balance	<u>—</u>	<u>1,588,503</u>	<u>—</u>
Preferred stock, Series B:			
Beginning balance	1,537,953	—	—
Issuance of shares	<u>—</u>	<u>1,537,953</u>	<u>1,537,953</u>
Conversion to common stock	<u>(1,537,953)</u>	<u>—</u>	<u>(1,537,953)</u>
Ending balance	<u>—</u>	<u>1,537,953</u>	<u>—</u>

(continued on next page)

See accountants' compilation report and accompanying notes to financial statements.

CITYPARK TECHNOLOGIES, INC.
(A Development Stage Company)

Statements of Stockholders' Equity (continued)

Years Ended December 31, 2008 and 2007, and Period from July 24, 2003 to December 31, 2008

	Year Ended 12/31/08	Year Ended 12/31/07	07/24/03 to 12/31/08
Capital investment (continued):			
Common stock:			
Beginning balance	\$ 175,821	\$ 7,600	\$ —
Issuance of shares	—	—	7,600
Issuance of shares, stock subscription program	—	165,250	165,250
Issuance of shares, exercise of stock warrants	—	2,971	2,971
Issuance of shares, conversion of preferred stock	6,177,929	—	6,177,929
Cancellation of shares, stock subscription program	(104,000)	—	(104,000)
Cancellation of shares, stock redemption program	(2)	—	(2)
Ending balance	<u>6,249,748</u>	<u>175,821</u>	<u>6,249,748</u>
Subscriptions receivable:			
Beginning balance	(173,760)	—	—
Promissory notes (accepted) cancelled	104,000	(165,250)	(61,250)
Interest on promissory notes (accrued) cancelled	8,510	(8,510)	—
Ending balance	<u>(61,250)</u>	<u>(173,760)</u>	<u>(61,250)</u>
Total capital investment	<u>6,963,718</u>	<u>6,179,990</u>	<u>6,963,718</u>
Deficit accumulated during development stage:			
Beginning balance	(5,945,014)	(4,533,195)	—
Net loss	<u>(881,319)</u>	<u>(1,411,819)</u>	<u>(6,826,333)</u>
Ending balance	<u>(6,826,333)</u>	<u>(5,945,014)</u>	<u>(6,826,333)</u>
Stockholders' equity	<u>\$ 137,385</u>	<u>\$ 234,976</u>	<u>\$ 137,385</u>

See accountants' compilation report and accompanying notes to financial statements.

ABC INVESTMENT, L.P.
STATEMENT OF CHANGES IN PARTNERS' CAPITAL
Year Ended December 31, 2008

Balance, December 31, 2007	\$ 9,929,150
Partner withdrawals	(2,105,000)
Net investment income	1,998,732
Net realized loss from investments	<u>(462,660)</u>
Balance, December 31, 2008	<u>\$ 9,360,222</u>

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

TCP, LLC
STATEMENT OF MEMBERS' EQUITY (DEFICIT)
For the Years Ended December 31, 2008 and 2007

	Class A Voting Units	Class B Voting Units	Class C Non-voting Convertible Preferred Units	Class D Non-voting Redeemable Preferred Units	Class E Non-voting Convertible Preferred Units	Subscriptions Receivable	Total Members Equity (Deficit)
BALANCE (DEFICIT)							
DECEMBER 31, 2006	\$ (87,859)	\$ 44,101	\$ 148,183	\$ —	\$ —	\$ (200,000)	\$ (95,575)
Subscriptions Paid	—	—	—	—	—	200,000	200,000
Sale of Units	—	—	—	260,000	—	—	260,000
Reclassification of Member Notes Payable	—	—	—	269,500	—	—	269,500
Redemption of Class D Preferred Units	—	—	—	(150,000)	—	—	(150,000)
Net Loss	<u>(936)</u>	<u>(152,965)</u>	<u>(94)</u>	<u>(379,500)</u>	<u>—</u>	<u>—</u>	<u>(533,495)</u>
BALANCE (DEFICIT)							
DECEMBER 31, 2007	\$ (88,795)	\$ (108,864)	\$ 148,089	\$ —	\$ —	\$ —	\$ (49,570)
Sale of Units	—	—	—	—	299,997	—	299,997
Distributions	—	—	(10,176)	—	—	—	(10,176)
Net Loss	<u>(236,894)</u>	<u>(70,894)</u>	<u>(23,631)</u>	<u>(35,855)</u>	<u>(14,174)</u>	<u>—</u>	<u>(381,448)</u>
BALANCE (DEFICIT)							
DECEMBER 31, 2008	<u>\$ (325,689)</u>	<u>\$ (179,758)</u>	<u>\$ 114,282</u>	<u>\$ (35,855)</u>	<u>\$ 285,823</u>	<u>\$ —</u>	<u>\$ (141,197)</u>

See Accompanying Notes to the Financial Statements

MELLON AIRCRAFT, INC.**STATEMENTS OF RETAINED EARNINGS**
For the Years Ended January 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Retained earnings—beginning of year	\$ 991,588	\$ 1,069,652
Net income (loss)	<u>97,248</u>	<u>(78,064)</u>
Retained earnings—end of year	<u>\$ 1,088,836</u>	<u>\$ 991,588</u>

See Accountants' Compilation Report and Accompanying Notes

Portland Recycled Paper Products, Inc.
Statement of Changes in Shareholder's Equity—Income Tax Basis
For the Twelve Months Ended December 31, 2008

	<u>Common Stock</u>	<u>Treasury Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Beginning Balances	\$ 10,000	\$ (202,904)	\$ (84,300)	\$ (277,204)
Net Income			58,699	58,699
Distributions to Shareholder		<u>(45,290)</u>	<u>—</u>	<u>(45,290)</u>
Ending Balance	<u>\$ 10,000</u>	<u>\$ (202,904)</u>	<u>\$ (70,891)</u>	<u>\$ (263,795)</u>

See Accountant's Review Report and Notes to the Financial Statements

COMMERCIAL TRANSPORT SALES, INC.
STATEMENT OF RETAINED EARNINGS
FOR THE PERIOD JANUARY 1, 2008 TO DECEMBER 31, 2008

RETAINED EARNINGS	
BALANCE, JANUARY 1, 2008	\$ (1,329,535.73)
NET INCOME	<u>654,837.27</u>
BALANCE, DECEMBER 31, 2008	<u>\$ (674,698.46)</u>

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT.

Texas Medical Products, Inc. and Subsidiaries
Consolidated Statements of Shareholders' Equity
Years Ended September 30, 2008 and 2007

	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, September 30, 2006	\$ 15,000	\$ 4,985,000	\$ 4,632,696	\$ 9,632,696
Net income	—	—	4,445,969	4,445,969
Retirement of common stock resulting from merger	(15,000)	15,000	—	—
Issuance of common stock resulting from merger	<u>1,891</u>	<u>(1,891)</u>	<u>—</u>	<u>—</u>
Balance, September 30, 2007	1,891	4,998,109	9,078,665	14,078,665
Net income	—	—	1,687,075	1,687,075
Spin-off of Sun Vision, Inc. to shareholders	<u>—</u>	<u>—</u>	<u>(1,831,609)</u>	<u>(1,831,609)</u>
Balance, September 30, 2008	<u>\$ 1,891</u>	<u>\$ 4,998,109</u>	<u>\$ 8,934,131</u>	<u>\$ 13,934,131</u>

See Notes to Consolidated Financial Statements.

PUEBLO TELEPHONY, INC.
 CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 For the Years Ended October 31, 2008 and 2007

	Controlling interest				Noncontrolling interest	Total
	Common Stock	Additional paid-in capital	Retained earnings			
Beginning balance as of November 1, 2006	\$ 36,000	\$ 128,500	\$ 3,244,504	\$ (511,862)	\$ 2,897,142	
Net income			364,886	118,571	483,457	
Stock redemption	(31,500)		(3,018,500)		(3,050,000)	
Issuance of stock	500	61,144			61,644	
Distributions paid				(90,000)	(90,000)	
Balance as of October 31, 2007	\$ 5,000	\$ 189,644	\$ 590,890	\$ (483,291)	\$ 302,243	
Net income			311,433	190,346	501,779	
Distributions paid				(90,000)	(90,000)	
Balance as of October 31, 2008	<u>\$ 5,000</u>	<u>\$ 189,644</u>	<u>\$ 902,323</u>	<u>\$ (382,945)</u>	<u>\$ 714,022</u>	

See accompanying notes to consolidated financial statements.

**Werner and Peabody Architects, Inc.
Consolidated Statements of Changes in Stockholders' Equity
For the Years Ended October 31**

	<u>Common Stock</u>	<u>Paid in Capital</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Total</u>
BALANCE, NOVEMBER 1, 2006	\$ 962	\$ 531,040	\$ 148,446	\$ 27,980	\$ 708,428
COMPREHENSIVE INCOME					
Net Income			87,963		87,963
Other comprehensive Income, net of tax:					
Unrealized holding gain				45,517	45,517
Less reclassification Adjustment				(5,500)	<u>(5,500)</u>
COMPREHENSIVE INCOME					127,980
DIVIDENDS DECLARED			(1,106)		(1,106)
ISSUANCE OF COMMON STOCK	<u>144</u>	<u>71,612</u>			<u>171,756</u>
BALANCE, OCTOBER 31, 2007	1,106	702,652	235,303	67,997	1,007,058
COMPREHENSIVE INCOME					
Net Income			66,108		66,108
Other comprehensive income, net of tax:					
Unrealized holding loss				(97,070)	(97,070)
Less reclassification adjustment				7,680	<u>7,680</u>
COMPREHENSIVE INCOME					(23,282)
DIVIDENDS DECLARED			(1,598)		(1,598)
REPURCHASE OF COMMON STOCK	(49)	(58,310)			(58,359)
ISSUANCE OF COMMON STOCK	<u>449</u>	<u>515,225</u>			<u>515,674</u>
BALANCE, OCTOBER 31, 2008	<u>\$ 1,506</u>	<u>\$ 1,159,567</u>	<u>\$ 299,802</u>	<u>\$ (21,393)</u>	<u>\$ 1,439,482</u>

See accountant's report and accompanying notes

TWO GUYS MARINE SERVICES, LLC**STATEMENTS OF CHANGES IN MEMBERS' EQUITY**
For the years ending December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
MEMBERS' CAPITAL ACCOUNTS:		
MEMBERS' CAPITAL ACCOUNTS, BEGINNING OF YEAR	\$ 259,929	\$ 400,738
Net income	313,153	7,241
Distributions to members	<u>(141,111)</u>	<u>(148,050)</u>
MEMBERS' CAPITAL ACCOUNTS, END OF YEAR	<u>\$ 431,971</u>	<u>\$ 259,929</u>
ACCUMULATED OTHER COMPREHENSIVE LOSS:		
ACCUMULATED OTHER COMPREHENSIVE LOSS BEGINNING OF YEAR	(38,078)	—
Decrease in value of swap agreement	<u>(98,965)</u>	<u>(38,078)</u>
ACCUMULATED OTHER COMPREHENSIVE LOSS END OF YEAR	<u>(137,043)</u>	<u>(38,078)</u>
TOTAL MEMBERS' EQUITY	<u>\$ 294,928</u>	<u>\$ 221,851</u>

See accompanying notes and accountants' review report.

RHODES INSURANCE, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2008 and 2007

	<u>Common Stock</u>	<u>Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	<u>Total</u>
Balance, January 1, 2007	\$ 18,171	\$ 89,296	\$ 543,228	\$ (109,515)	\$ 541,180
Net Loss	—	—	(29,708)	—	(29,708)
Acquisition of 5,955 shares of treasury stock	—	—	—	(56,356)	(56,356)
Acquisition of 2,387 shares of treasury stock from ESOP purchase	—	—	—	(23,151)	(23,151)
Retirement of 3,890 shares of treasury stock	(561)	(37,183)	—	37,744	—
Issuance of 3,890 shares of common stock	<u>561</u>	<u>37,172</u>	<u>—</u>	<u>—</u>	<u>37,733</u>
Balance, December 31, 2007	18,171	89,285	513,520	(151,278)	469,698
Net Loss	—	—	(42,910)	—	(42,910)
Acquisition of 6,010 shares of treasury stock	—	—	—	(57,155)	(57,155)
Acquisition of 1,055 shares of treasury stock from ESOP purchase	—	—	—	(10,033)	(10,033)
Retirement of 6,010 shares of treasury stock	(867)	(56,288)	—	57,155	—
Issuance of 3,000 shares of common stock	<u>433</u>	<u>28,097</u>	<u>—</u>	<u>—</u>	<u>28,530</u>
Balance, December 31, 2008	<u>\$ 17,737</u>	<u>\$ 61,094</u>	<u>\$ 470,610</u>	<u>\$ (161,311)</u>	<u>\$ 388,130</u>

See Accompanying Notes and Accountants' Report

RAND ARCHITECTS, INC.
CONSOLIDATED STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2008

Beginning balance	\$ 4,243,772
Net income (loss)	(1,032,830)
Distributions to shareholders	<u>(542,369)</u>
Ending balance	<u>\$ 2,668,573</u>

See accompanying notes and accountants' review report.

TRM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF RETAINED EARNINGS
Years Ended December 31, 2008 and 2007

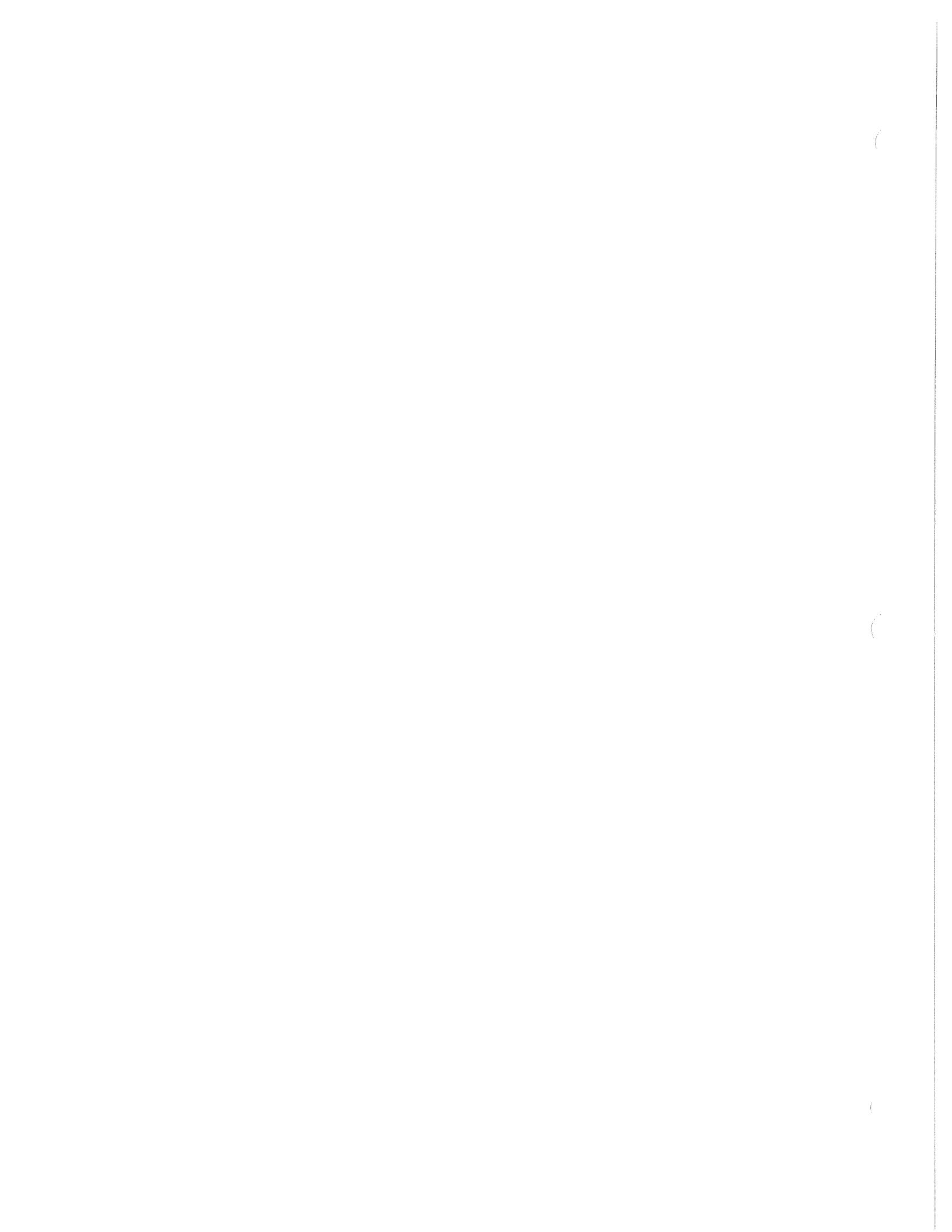
	<u>2008</u>	<u>2007</u>
RETAINED EARNINGS, BEGINNING	\$ 1,232,261	\$ 741,654
Net income for the year	1,825,033	730,607
Stockholder distributions	<u>(1,200,000)</u>	<u>(240,000)</u>
RETAINED EARNINGS, ENDING	<u>\$ 1,857,294</u>	<u>\$ 1,232,261</u>

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

TEST PLUS, INC.
 CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 For the Years Ended December 31, 2008 and 2007

	<u>Additional Paid-in Capital</u>	<u>Deferred Compensation</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance as of January 1, 2007	\$ 646,727	\$ (30,000)	\$ 1,224,418	\$ 1,841,145
Amortization of deferred compensation		10,000		10,000
Net income			4,021	4,021
Balance as of December 31, 2007	646,727	(20,000)	1,228,439	1,855,166
Amortization of deferred compensation		10,000		10,000
Net income			424,031	424,031
Balance as of December 31, 2008	<u>\$ 646,727</u>	<u>\$ (10,000)</u>	<u>\$ 1,652,470</u>	<u>\$ 2,289,197</u>

See accompanying notes to consolidated financial statements.



INDEX TO ILLUSTRATIVE STATEMENT OF CASH FLOW

TOPIC	ILLUSTRATION NO.	TOPIC	ILLUSTRATION NO.
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INDEX TO ILLUSTRATIVE STATEMENT OF CASH FLOW

TOPIC	ILLUSTRATION NO.	TOPIC	ILLUSTRATION NO.
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CENTRAL KANSAS FARMERS ASSOCIATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED NOVEMBER 30, 2008

Cash Flows From Operating Activities:	\$ 76,972,455
Cash received from customers	(69,847,009)
Cash paid for operations	289,889
Interest received	(66,494)
Interest paid	(139,730)
Income taxes paid	374,108
Recovery of bad debts	<u>7,583,219</u>
Net Cash Provided By Operating Activities	
 Cash Flows Used in Investing Activities:	 386,123
Proceeds from sale of assets	(627,640)
Purchase of investments	<u>(2,177,479)</u>
Purchase of property, plant and equipment	<u>(2,418,996)</u>
Net Cash Used In Investing Activities	
 Cash Flows Used in Financing Activities:	 (4,452,836)
Patronage refund and other equities paid	2,294,970
Proceeds from borrowings	(3,436,167)
Repayment of borrowings	23
Proceeds from issuance of common stock	(503)
Purchase of treasury stock	<u>(5,594,513)</u>
Net Cash Used in Financing Activities	
	(430,290)
Net Decrease in Cash and Cash Equivalents	1,907,506
Cash and Cash Equivalents at Beginning of Year	\$ 1,477,216
Cash and Cash Equivalents at End of Year	<u><u>1,477,216</u></u>

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

CENTRAL KANSAS FARMERS ASSOCIATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)
YEAR ENDED NOVEMBER 30, 2008

Reconciliation of Net Savings to Net Cash Provided by Operating Activities:	
Net savings	\$ 5,795,730
Adjustments to reconcile net savings to net cash provided by operating activities:	
Depreciation	1,276,701
Provision for allowance of doubtful accounts	584,451
Deferred income taxes	(34,903)
Loss on sale of assets	190,269
Change in noncash current assets and liabilities:	
Accounts receivable	422,846
Inventories	145,258
Prepaid expenses and other current assets	507,467
Other Assets	1,543
Customer credits	(465,662)
Accounts payable	(857,673)
Accrued expenses and withheld taxes	17,192
Net Cash Provided by Operating Activities	<u>\$ 7,583,219</u>
Supplement Disclosure of Cash Flow Data:	
Cash paid during year for:	
Interest	<u>\$ 66,494</u>
Income taxes	<u>\$ 139,730</u>

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

BOISE PRODUCTS, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	2008	2007
Cash Flows From Operating Activities		
Net Income for the Years	\$ 2,933,505	\$ 2,501,527
Adjustments to Reconcile Net Income to Net Cash Flows		
From Operating Activities		
Non-Cash Charges (Credits) to Net Income		
Depreciation and Amortization	127,514	138,122
Increase (Decrease) in Allowance for Bad Debts	232,865	56,749
Realized Gain on Futures Account Transactions	(55,000)	
(Increase) Decrease in Current Assets		
Accounts Receivable	(8,053,800)	(4,067,339)
Inventory	(782,654)	(586,525)
Other Receivables	64	8,148
Prepaid Expenses	(385,146)	23,177
Increase (Decrease) in Current Liabilities		
Accounts Payable	5,837,779	3,667,140
Customer Deposits	(580,909)	(34,479)
Accrued Expenses	20,028	437,586
Net Cash Flows From Operating Activities	<u>(705,754)</u>	<u>2,144,106</u>
Cash Flows From Investing Activities		
Fixed Assets Purchased	(33,805)	(28,775)
Net Increase (Decrease) in Futures Account	(912)	34,891
Loans Made	<u>(1,408,867)</u>	<u>(562,000)</u>
Net Cash Flows From Investing Activities	<u>(1,443,584)</u>	<u>(555,884)</u>
Cash Flows From Financing Activities		
Net Increase (Decrease) in Line of Credit	3,762,349	160,630
Principal Payments on Long-Term Debt	(132,453)	(127,131)
Member Distributions	<u>(2,480,530)</u>	<u>(56,184)</u>
Net Cash Flows From Financing Activities	<u>1,149,366</u>	<u>(22,685)</u>
Net Increase (Decrease) in Cash	(999,972)	1,565,537
Cash at September 30, 2007 and 2006	<u>2,102,778</u>	<u>537,241</u>
Cash at September 30, 2008 and 2007	<u>\$ 1,102,806</u>	<u>\$ 2,102,778</u>

See Notes to Financial Statements

Ivan Witt Flooring
STATEMENTS OF CASH FLOWS
Year ended December 31, 2008

Cash Flows From Operating Activities	
Net Income (Loss)	\$ (1,688,792)
Adjustments to Reconcile Net Income (Loss) to Net Cash	
Provided By Operating Activities:	
Depreciation and Amortization	303,012
Gain on Disposal of Assets	2,847
Loss from Investment in Workers Safe, LLC	5,077
(Increase) Decrease In:	
Contract Receivables	2,073,498
Costs and Estimated Earnings in Excess of	
Billings on Uncompleted Contracts	224,408
Inventory	71,156
Employee Advances	(590)
Prepaid Expenses	(160,050)
Workers Compensation Refund	362,366
Facility Deposits	43,477
Increase (Decrease) In:	
Accounts Payable—Trade	(278,659)
Billings in Excess of Costs and Estimated	
Earnings on Uncompleted Contracts	(606,177)
Accrued Interest	4,881
Accrued Payroll	(117,242)
Builder's Commission Payable	(130,199)
Accrued 401(k)	(2,026)
Excise Tax	(43,504)
Accrued Vacation	3,987
	67,470
Net Cash Provided by Operating Activities	67,470
Cash Flows From Investing Activities	
Purchase of Property and Equipment	(652,089)
Purchase of Investment in Workers Safe, LLC	(5,000)
	(657,089)
Net Cash Used by Investing Activities	(657,089)
Cash Flows From Financing Activities	
Shareholder Distributions	(6,057)
Proceeds from Lines of Credit, Net	1,480,786
Payments on Long-term Debt	(54,264)
	1,420,465
Net Cash Provided by Financing Activities	1,420,465
	NET INCREASE (DECREASE) IN CASH
	830,846
CASH, Beginning of Year	135,052
CASH, End of Year	\$ 965,898
<i>Supplemental Disclosures:</i>	
Cash Paid During the Year for:	
Interest	\$ 144,849
State Franchise Tax	\$ 800

See accompanying notes and accountant's report.

J.T. WEBB BUILDING AND DEVELOPMENT, INC.
STATEMENTS OF CASH FLOWS

	October 31,	
	2008	2007
OPERATING ACTIVITIES	\$ 538,957	\$ 318,653
Net income		
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	103,480	78,224
Bad debt expense	43,947	14,531
Changes in operating assets and liabilities:		
(Increase)/decrease in accounts receivable	215,972	(612,098)
(Increase)/decrease in inventory	262,923	(444,106)
Decrease in costs and estimated earnings in excess of billings on uncompleted contracts	1,318,412	208,042
(Increase)/decrease in IRC deposit	(40,651)	39,901
Decrease in prepaid lease		5,357
Decrease in prepaid insurance	1,188	5,431
Decrease in prepaid corporate taxes		3,491
Decrease in deposits	1,000	3,500
Increase/(decrease) in accounts payable	(1,850,859)	827,060
Increase/(decrease) in billings in excess of costs and estimated earnings on uncompleted contracts	(11,117)	128,736
Increase/(decrease) in other current liabilities	(1,138)	27
Increase/(decrease) in accrued interest payable	(22,501)	17,501
Increase/(decrease) in accrued wages and taxes	(34,837)	(16,145)
Increase/(decrease) in customer deposits	5,737	(499,569)
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 530,513	 78,536
 INVESTING ACTIVITIES		
Purchases of property and equipment	(19,554)	(227,539)
(Increase)/decrease in advances—related party	(50,299)	54,341
 NET CASH USED IN INVESTING ACTIVITIES	 (69,853)	 (173,198)
 FINANCING ACTIVITIES		
Net borrowing on short term notes	277,730	313,480
Proceeds from long-term borrowing	276,000	68,015
Repayments of long-term debt	(187,810)	(45,449)
Shareholder distributions	(331,352)	(265,588)
 NET CASH PROVIDED BY FINANCING ACTIVITIES	 34,568	 70,458
 INCREASE/(DECREASE) IN CASH	 495,228	 (24,204)
 CASH—BEGINNING OF THE YEAR	 9,845	 34,049
 CASH—END OF THE YEAR	 \$ 505,073	 \$ 9,845

See Accountants' Review Report and Notes to Financial Statements

J.T. WEBB BUILDING AND DEVELOPMENT, INC.
STATEMENTS OF CASH FLOW

	October 31,	
	<u>2008</u>	<u>2007</u>
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 125,297	\$ 176,305
Interest charged to expense	119,202	68,363
RECONCILIATION TO BALANCE SHEETS		
Cash	\$ 9,716	\$ 9,845
Cash—bond escrow account	<u>495,357</u>	<u>—</u>
Total cash	<u>\$ 505,073</u>	<u>\$ 9,845</u>

See Accountants' Review Report and Notes to Financial Statements

POTT'S CONSTRUCTION, LP
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2008 and 2007

	2008	2007
<i>Cash received from (paid for) operating activities</i>		
Contract revenues	\$ 105,690,086	\$ 78,326,306
Contract costs	<u>(96,773,416)</u>	<u>(73,637,822)</u>
Net cash provided by contracts	8,916,670	4,688,484
Selling, general and administrative expenses	(3,200,332)	(2,550,173)
Interest income	172,304	405,927
Interest expense	(2,347)	(3,686)
Other expense	(3,205)	—
Other income	<u>47,797</u>	<u>40,260</u>
Net cash provided by operating activities	<u>5,930,887</u>	<u>2,580,812</u>
<i>Cash flows from investing activities</i>		
Purchase of securities	(7,999,856)	—
Purchase of fixed assets	(25,840)	(1,181)
Proceeds from the sale of fixed assets	10,000	—
Repayments from affiliates	148,433	(145,105)
Advances to partner	(130,000)	3,000
Loans to related party	<u>(100,000)</u>	<u>—</u>
Net cash (used) by investing activities	<u>(8,097,263)</u>	<u>(143,286)</u>
<i>Cash flows from financing activities</i>		
Repayment of notes payable	(51,775)	(47,686)
Distributions to partners	<u>(2,936,554)</u>	<u>(1,520,685)</u>
Net cash (used) by financing activities	<u>(2,988,329)</u>	<u>(1,568,371)</u>
Net increase (decrease) in cash and cash equivalents	(5,154,705)	869,155
Cash and cash equivalents at January 1	<u>7,890,984</u>	<u>7,021,829</u>
Cash and cash equivalents at December 31	<u>\$ 2,736,279</u>	<u>\$ 7,890,984</u>

See accompanying notes and accountants' report.

POTT'S CONSTRUCTION, LP
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2008 and 2007
(Continued)

	<u>2008</u>	<u>2007</u>
<i>Reconciliation of net income to net cash flow from operating activities</i>		
Net income	\$ 5,174,188	\$ 3,315,334
<i>Adjustments to reconcile net income to net cash provided by operating activities</i>		
Depreciation	42,556	38,735
(Loss) on disposal of assets	6,744	—
(Increase) decrease in:		
Receivable accounts	952,830	(4,936,133)
Prepaid expenses	(1,917)	(9,367)
Interest receivable	(9,534)	—
Inventory	—	134,512
Increase (decrease) in:		
Accounts payable	(245,747)	3,974,685
Accrued insurance payable	11,767	63,046
Net cash provided by operating activities	<u>\$ 5,930,887</u>	<u>\$ 2,580,812</u>

See accompanying notes and accountants' report.

**BARNES PAVING, INC.
AND RELATED ENTITY
COMPARATIVE COMBINED STATEMENT OF CASH FLOWS**

	December 31,	
	2008	2007
Cash flows from operating activities		
Cash received from customers	\$ 2,656,983	\$ 2,248,887
Expenditure to suppliers and employees	(2,483,904)	(2,015,833)
Interest received	3,506	7,743
Interest paid	(6,167)	—
Miscellaneous income	62	(634)
Income taxes paid (refunded)	—	(7,600)
	<u>170,480</u>	<u>232,563</u>
Cash flows from investing activities		
Proceeds from the sale of property and equipment	—	15,615
Expenditures for property and equipment	(11,540)	(154,994)
	<u>(11,540)</u>	<u>(139,379)</u>
Cash flows from financing activities		
Net activity under notes payable—shareholder	(58,896)	(78,039)
Payments on long-term debt	—	(19,958)
Distributions and dividends paid	(116,371)	(143,063)
Owner contributions	64,367	60,000
	<u>(110,900)</u>	<u>(181,060)</u>
Net increase (decrease) in cash and cash equivalents	48,040	(87,876)
Cash and cash equivalents, at beginning of year	231,172	319,048
Cash and cash equivalents, at end of year	<u>\$ 279,212</u>	<u>\$ 231,172</u>
Reconciliation of net income (loss) to net cash flows from operating activities		
Net income (loss)	\$ 119,252	\$ (23,747)
Adjustments of net income (loss) to net cash flows from operating activities:		
Depreciation	158,837	158,879
(Gain) loss on sale of assets	825	(11,544)
Deferred income taxes	18,800	(4,700)
Changes in:		
Accounts receivable	(72,546)	154,059
Prepaid expenses	(3,000)	(4,088)
Refundable Federal income tax	3,800	(6,275)
Accounts payable and accrued expenses	(55,488)	(29,521)
Customer deposits	—	(500)
	<u>\$ 170,480</u>	<u>\$ 232,563</u>

See accountants' compilation report

Rains Wiring, Inc.
Statement of Cash Flows
For the Year Ended March 31, 2008

OPERATING ACTIVITIES:

Net income	\$ 46,613
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	110,385
Bad debt expense	5,937
Increase (decrease) in net cash from operating activities:	
Trade accounts receivable, retainage, and other receivables	(160,409)
Accounts receivable, related parties	1,396
Inventory	(3,061)
Costs and estimated earnings in excess of billings on uncompleted contracts	(73,178)
Bid deposits	642
Accounts payable	72,337
Payroll, state and local taxes payable	5,879
Federal income taxes payable	376
Union benefits payable	7,189
Retirement plan payable	<u>58,043</u>
Net cash provided by operating activities	72,149

INVESTING ACTIVITIES:

Purchase of equipment and vehicles	(108,509)
Purchase of certificate of deposit	(97,400)
Proceeds from certificate of deposit	<u>90,000</u>
Net cash used by investing activities	(115,909)

FINANCING ACTIVITIES:

Proceeds from loans from stockholders	70,191
Principal payments stockholder loans	<u>(159,452)</u>
Net cash used by financing activities	<u>(89,261)</u>

DECREASE IN CASH AND CASH EQUIVALENTS (133,021)

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 389,337

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 256,316

SUPPLEMENTAL DISCLOSURES:

Interest paid	\$ 20,645
Income taxes paid	<u>\$ 9,044</u>

See accompanying accountants' review report
See note to financial statements

Rimbey Fabrication, Inc.
STATEMENTS OF CASH FLOWS
For the years ended September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income	\$ 263,766	\$ 419,164
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	286,926	247,892
Increase in cash value of life insurance and other	(2,985)	(5,102)
(Gain) loss on sale of equipment	(7,487)	(3,940)
Deferred compensation	57,753	28,562
Deferred income taxes	26,108	112,600
Contract receivables	(462,379)	336,724
Inventory	(28,405)	(38,198)
Prepays and other	(6,148)	(1,665)
Accounts payable and accrued expenses	342,469	416,855
Net billings related to costs and estimated earnings on uncompleted contracts	142,301	(502,041)
Net provided by operating activities	<u>611,919</u>	<u>1,010,851</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of equipment	10,950	5,759
Fixed asset purchases and construction in progress	(272,266)	(455,078)
Net cash used in investing activities	<u>(261,316)</u>	<u>(449,319)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net borrowings (payments) on revolving secured credit agreement	300,000	(647,804)
Principal payments on long-term debt	(828,475)	(127,857)
Proceeds from issuance of long-term debt	1,102,983	169,592
Net cash provided by (used in) financing activities	<u>574,508</u>	<u>(606,069)</u>
Net increase (decrease) in cash	925,111	(44,537)
Cash at beginning of year	12,509	57,046
Cash at End of Year	<u>\$ 937,620</u>	<u>\$ 12,509</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	\$ 101,135	\$ 94,894
Income taxes paid	<u>\$ 163,880</u>	<u>\$ —</u>

See accompanying notes and accountants' report.

MORGAN CONTRACTORS, LLC
STATEMENTS OF CASH FLOWS—INCOME TAX BASIS

	<u>Year Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES		
Net income	\$ 164,447	\$ 270,945
Cash from (for) operating assets and liabilities:		
Accounts receivable	0	34,479
Construction in progress	460,065	(361,323)
Refundable city income tax	(2,311)	0
Other current assets	(1,627)	0
Accounts payable	(18,085)	18,085
State and local taxes payable	(4,840)	3,694
Customer deposits on sales	25,000	(50,000)
Interest payable	0	(4,520)
	<u>622,649</u>	<u>(88,640)</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
	622,649	(88,640)
FINANCING ACTIVITIES		
Capital contributions from members	10,865	1,064
Distributions to members	(76,901)	(208,860)
Interest reserve account established	(11,375)	0
Net borrowings on line of credit	188,284	0
Borrowings on construction loans	0	302,022
Repayments on construction loans	(740,959)	0
	<u>(630,086)</u>	<u>94,226</u>
NET CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES		
	(630,086)	94,226
NET INCREASE (DECREASE) IN CASH	(7,437)	5,586
Cash at beginning of year	<u>10,504</u>	<u>4,918</u>
CASH AT END OF YEAR	<u>\$ 3,067</u>	<u>\$ 10,504</u>
OTHER CASH FLOW DISCLOSURES:		
City income tax paid	\$ 8,971	\$ 3,170
Interest paid	\$ 74,453	\$ 116,187
Interest capitalized	\$ 74,453	\$ 101,363

See accountants' compilation report and notes to financial statements

LOUIS INDUSTRIES, INC and SUBSIDIARY
Consolidated Statements of Cash Flows
Years Ended October 31, 2008 and 2007

	2008	2007
Cash Flows from Operating Activities	\$ 2,250,958	\$ 5,110,636
Net income		
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	472,092	363,507
(Gain) Loss on sale of assets	50,667	(175,667)
Changes in assets and liabilities:		
Increase in accounts receivable	(2,172,295)	(1,450,276)
(Increase) decrease in inventory	(826,634)	226,148
Increase in other assets	(56,860)	(104,120)
Increase (decrease) in accounts payable	2,104,162	(991,759)
Increase in accrued expense	51,159	129,959
Net Cash Provided from Operating Activities	1,873,249	3,108,428
Cash Flows from Investing Activities		
Proceeds from sale of assets	183,692	274,885
Purchase of property and equipment	(1,565,168)	(880,064)
Net Cash Used in Investing Activities	(1,381,476)	(605,179)
Cash Flows from Financing Activities		
Proceeds from borrowings	33,628,444	32,519,802
Principal repayments of debt	(30,969,182)	(32,488,713)
Distributions	(2,877,718)	(2,855,965)
Net Cash Used in Financing Activities	(218,456)	(2,824,876)
Net Increase (Decrease) in Cash and Cash Equivalents	273,317	(321,627)
Cash at Beginning of Year	670,042	991,669
Cash at End of Year	\$ 943,359	\$ 670,042
SUPPLEMENTAL DISCLOSURE		
Cash paid during the year for:		
Interest	\$ 548,273	\$ 871,744

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

CalVino Winery, LLC

Statements of Cash Flows
Years Ended December 31, 2008 and 2007
See Accountants' Review Report

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net income	\$ 2,830,289	\$ 1,682,760
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	29,993	9,633
Changes in operating assets and liabilities:		
Accounts receivable—wine sales	(3,090,306)	(375,135)
Accounts receivable—grape sales	2,566,759	290,878
Inventories	1,519,134	(62,816)
Prepaid expenses	—	74,519
Deposits	2,556	3,964
Accounts payable	23,511	257,521
Accrued processing fees, affiliate	(8,302)	(5,228)
Other accrued liabilities	(52,897)	(238,948)
Interest payable, affiliate	98,960	—
Due to affiliate	7,865	—
	<u>3,927,562</u>	<u>1,637,148</u>
Net cash provided by operating activities		
Cash flows from investing activities:		
Purchase of property and equipment	<u>(20,958)</u>	<u>(12,480)</u>
Cash flows from financing activities:		
Net proceeds (payments) on lines of credit	\$ 3,018,403	\$ (627,545)
Payments on notes payable, related party	(1,400,000)	(1,000,000)
Proceeds from note payable, affiliate	8,477,564	—
Payments on note payable, affiliate	(400,000)	—
Payments on capital lease obligation	(63,064)	—
Distributions to members	<u>(12,777,563)</u>	<u>—</u>
	<u>(3,144,660)</u>	<u>(1,627,545)</u>
Net cash used in financing activities		
Net increase (decrease) in cash	761,944	(2,877)
Cash, beginning of year	<u>125,212</u>	<u>128,089</u>
Cash, end of year	<u>\$ 887,156</u>	<u>\$ 125,212</u>
Supplementary disclosures of cash flow information:		
Interest paid	<u>\$ 66,438</u>	<u>188,094</u>
Taxes paid	<u>\$ 13,777</u>	<u>13,647</u>
Noncash investing and financing activities:		
Purchase of equipment through capital lease obligation	<u>\$ 234,494</u>	<u>\$ —</u>

See Notes To Financial Statements.

ABC, INC.
STATEMENTS OF CASH FLOWS

	<u>Years Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 276,299	\$ 706,394
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	21,355	19,667
(Increase) decrease in:		
Accounts receivable	828,917	99,928
Inventories	(22,707)	83,321
Other current assets	(6,716)	300
Increase (decrease) in:		
Accounts payable	19,930	(77,634)
Commissions payable	1,818	(257,399)
Accrued profit sharing	(60,000)	(45,706)
Customer deposits	(43,401)	1,888
	<u>739,196</u>	<u>(175,635)</u>
Net Cash Provided By Operating Activities	1,015,495	530,759
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture, equipment and vehicles	(30,990)	(20,534)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid	(672,161)	(1,320,000)
Proceeds from note payable bank—secured	192,611	60,000
Net Cash Used In Financing Activities	<u>(479,550)</u>	<u>(1,260,000)</u>
NET INCREASE (DECREASE) IN CASH	504,955	(749,775)
Cash at beginning of year	<u>59,656</u>	<u>809,431</u>
CASH AT END OF YEAR	<u>\$ 564,611</u>	<u>\$ 59,656</u>
SUPPLEMENTAL DISCLOSURE CASH FLOW INFORMATION:		
Interest paid	<u>\$ 92,018</u>	<u>\$ 88,757</u>

See accountant's review report and notes to financial statements.

ROSS PETROLEUM, INC. and HINKLE-JONES G.P.
COMBINED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2008 and 2007
See Accountants' Report

	2008	2007
Cash Flows from Operating Activities		
Cash received from customers	\$ 276,301,261	\$ 196,627,717
Rent received	193,279	115,901
Interest and dividends received	933,047	813,059
Cash paid to suppliers and employees	(266,362,830)	(190,113,791)
Rent paid	—	33,866
Interest paid	(1,669,465)	(2,677,306)
Income taxes paid	(36,392)	(1,075)
Net cash provided by operating activities	9,358,900	4,798,371
Cash Flows from Investing Activities		
Proceeds from sales of property and equipment	606,190	106,811
Purchases of trading securities	(3,170,980)	—
Proceeds from sales of trading securities	3,674,675	—
Payments received on notes receivable	62,493	31,966
Disbursement to stockholder on note receivable	300,000	3,809,389
Payments from stockholder on note receivable	(1,142,415)	(980,109)
Purchase of property and equipment	(6,875,042)	(17,251,725)
Net cash (used in) investing activities	(6,545,079)	(14,283,668)
Cash Flows from Financing Activities		
Net payments on margin payable	(894,452)	(110,140)
(Payments on) proceeds from short-term debt	(1,187,186)	3,000,000
Proceeds from long-term debt	2,411,653	9,332,250
Principal payments on long-term debt	(4,105,662)	(2,680,352)
Principal payments to stockholders and partners	(224,462)	(940,866)
Proceeds on loan from stockholders and partners	200,000	—
Net cash provided by (used in) financing activities	(3,800,109)	8,600,892
Net (decrease) increase in cash	(986,288)	(884,405)
Cash:		
Beginning	1,140,607	2,025,012
Ending	\$ 154,319	\$ 1,140,607
Cash		
Excess outstanding checks over bank balances	\$ 1,195,122	\$ 1,724,654
	(1,040,803)	(584,047)
	\$ 154,319	\$ 1,140,607

See Notes to Financial Statements

	2008	2007
Reconciliation of Net Income to Net Cash		
Provided by (Used in) Operating Activities		
Net income	\$ 4,401,937	\$ 3,448,391
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,385,906	2,865,272
Loss on disposition of property and equipment	192,240	25,886
Unrealized (gain) loss on trading securities	1,471,080	(1,967,799)
Impairment of goodwill	530,000	—
(Gain) loss on sale of trading securities	(651,363)	—
Changes in working capital components:		
Accounts receivable	1,950,287	(1,484,465)
Federal excise tax receivable	3,401	1,781
Inventories	240,742	(1,489,561)
Prepaid expenses and deposits	367,094	269,508
Increase (decrease) in:		
Accounts payable	(3,150,621)	2,719,779
Deferred revenue	732,718	—
Accrued salaries and wages	65,059	12,355
Accrued truck, mileage, fuel, sales and use taxes	(83,345)	308,636
Accrued interest payable	(87,813)	56,851
Accrued income taxes	3,550	—
Accrued and withheld payroll taxes	(11,972)	31,737
Net cash provided by operating activities	\$ 9,358,900	\$ 4,798,371

Supplemental schedules of noncash investing and financing activities

Decrease in notes receivable	\$ 4,847	\$ 4,847
Decrease in notes payable	(22,223)	(19,978)
	\$ (17,376)	\$ (15,131)

See Notes to Financial Statements

Jenkins Distribution, Inc.
(A wholly owned subsidiary)
Statements of Cash Flows
For the Years Ended December 31,

	2008	2007*
Cash flows from operating activities		
Cash received from customers	\$ 20,374,367	\$ 22,481,415
Cash paid to suppliers and employees	(19,821,303)	(24,311,916)
Interest and finance charges paid	(135,978)	(113,237)
Net cash provided by (used in) operating activities	417,086	(1,943,738)
Cash flows used in investing activities		
Purchase of property and equipment		(13,318)
Cash flows from financing activities		
Proceeds from borrowings		2,000,000
Payment of debt	(7,790)	(6,889)
Net cash provided by (used in) financing activities	(7,790)	1,993,111
Net changes in cash and cash equivalents	409,296	36,055
Cash and cash equivalents—beginning of year	196,181	160,126
Cash and cash equivalents—end of year	\$ 605,477	\$ 196,181
Net loss may be reconciled to net cash provided by (used in) operating activities as follows:		
Net loss	\$ (23,534)	\$ (29,459)
Add back items that do not affect cash:		
Depreciation	17,499	16,396
Deferred income taxes	(12,801)	(52,669)
Changes in operating assets and liabilities:		
Accounts receivable—trade	(1,372,515)	(465,620)
Inventory	2,243,890	(7,283,250)
Prepaid expenses	6,391	11,701
Deposits and other assets	(372)	(1,599)
Accounts payable—trade	(148,480)	100,496
—parent company	(442,769)	5,116,473
Accrued expenses and other current liabilities	71,320	(63,069)
Due to parent company	78,457	706,862
Net cash provided by (used in) operating activities	\$ 417,086	\$ (1,943,738)
Non-cash transactions:		
Acquisition of equipment with a capitalized lease		\$ 43,402

* Certain numbers have been reclassified for financial statement purposes

Attention is directed to independent auditors' report and notes to financial statements.

PARKER DISTRIBUTION, INC.**STATEMENTS OF CASH FLOWS**

	Year Ended December 31,	
	2008	2007
OPERATING ACTIVITIES	\$ 113,076	\$ (61,156)
Net income (loss)		
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	57,079	71,969
Loss on disposal of assets	2,561	0
Increase in cash value of life insurance	(22,085)	(34,069)
Cash from (for) operating assets and liabilities:		
Accounts receivable	(48,212)	246,818
Inventory	(19,065)	27,838
Prepaid expenses	2,004	1,520
Accounts payable	(13,006)	(206,523)
Accrued and withheld expenses	48,455	(5,219)
NET CASH PROVIDED BY OPERATING ACTIVITIES	120,807	41,178
INVESTING ACTIVITIES	(19,273)	(34,698)
Purchases of property and equipment	(49,208)	0
Purchases of software	(68,481)	(34,698)
NET CASH USED FOR INVESTING ACTIVITIES		
FINANCING ACTIVITIES	(32,909)	(31,185)
Principal payments on long-term debt	1,270	0
Deposit applied toward capital lease buy-out settlement	(31,639)	(31,185)
NET CASH USED FOR FINANCING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH	20,687	(24,705)
Cash at beginning of year	31,594	56,299
CASH AT END OF YEAR	\$ 52,281	\$ 31,594
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES:		
Acquisition of vehicle through a term loan	\$ 0	\$ 14,798

See accountants' review report and notes to financial statements

PHOENIX INTERNATIONAL PRIVATE BANK

Statements of Cash Flows

Years ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net (loss)/income	\$ (44,428)	116,569
Adjustments to reconcile net (loss)/income to net cash used by operating activities:		
Depreciation	44,700	2,224
Loss/(gain) on sale of securities	86,553	(79,140)
Net accretion of discounts on investment securities	(87,377)	(102,736)
Increase in accrued interest receivable	(82,211)	—
Decrease/(increase) in other assets	26,661	(82,800)
Increase in interest payable	440	44
(Decrease)/Increase in accrued expense	(5,485)	14,985
	<u>(61,147)</u>	<u>(130,854)</u>
Net cash used by operating activities		
Cash flows from investing activities:		
Purchase of investment securities available-for-sale	(9,633,538)	(4,722,171)
Proceeds from sale of investment securities available-for-sale	1,252,628	788,256
Principal repayments and redemptions of securities available-for-sale	1,882,522	—
Increase in restricted cash and restricted interest bearing deposit	(648,787)	(301,213)
Capital expenditure	(6,277)	(91,197)
	<u>(7,153,452)</u>	<u>(4,326,325)</u>
Net cash used in investing activities		
Cash flows from financial activities:		
Net increase in deposits	9,500,535	102,864
(Decrease)/increase in due to related party	(75,001)	7,008
Proceeds from issuance of common stock	—	5,109,000
	<u>9,425,534</u>	<u>5,218,872</u>
Net cash provided by financing activities		
Net increase in cash	2,210,935	761,693
Cash and cash equivalents at beginning of year	<u>761,693</u>	<u>—</u>
Cash and cash equivalents at end of year	<u>\$ 2,972,628</u>	<u>761,693</u>

See accompanying notes to financial statements.

OK PLAINS FEDERAL CREDIT UNION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES	\$ 106,487	\$ 109,790
Net Income		
Adjustments to Reconcile Net Income to		
Net Cash Provided by Operating Activities:	11,571	13,905
Depreciation	(699)	(11,231)
Provision for Loan Losses		
Changes in Operating Assets and Liabilities:	(1,556)	11,887
(Increase) Decrease in Accrued Investment Interest	(22,617)	(166)
(Increase) in Prepaid Expenses	13,184	813
Increase in Accounts Payable	(6,922)	1,709
Increase (Decrease) in Accrued Taxes and Expenses	(45,136)	(46,528)
(Decrease) in Dividends Payable	54,312	80,179
Net Cash Provided By Operating Activities		
CASH FLOWS FROM INVESTING ACTIVITIES	550,000	950,000
Maturity of Securities Held-to-Maturity	(2,198,000)	(2,207,000)
Purchase of Other Investments Held-to-Maturity	10,516	(268,947)
(Increase) Decrease in Loans Receivable	(9,755)	1,120
(Increase) Decrease in NCUSIF Deposit	(12,299)	(1,100)
(Increase) in Restricted Cash	(73,820)	—
Purchase of Property and Equipment	(1,733,358)	(1,525,927)
Net Cash (Used In) Investing Activities		
CASH FLOWS FROM FINANCING ACTIVITIES	1,598,238	1,164,124
Net Increase in Members' Share Accounts		
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(80,808)	(281,624)
CASH AND CASH EQUIVALENTS—BEGINNING OF YEAR	617,462	899,086
CASH AND CASH EQUIVALENTS—END OF YEAR	<u>\$ 536,654</u>	<u>\$ 617,462</u>

See accompanying notes to the financial statements

BUSINESS LABELS ETC., INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income/(Loss)	\$ (256,497)
Adjustments to reconcile net income/(loss) to net cash from operating activities:	
Depreciation and amortization	164,090
Decrease in non-controlling interest	(95)
Decrease/(increase) in assets:	
Accounts receivable	166,705
Inventory	35,899
Other current assets	8,413
Increase/(decrease) in liabilities:	
Accounts payable	(66,649)
Other current liabilities	(12,863)
Net Cash Provided by/(Used In) Operating Activities	<u>39,003</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of fixed assets	<u>(117,411)</u>
Net Cash Provided by/(Used In) Investing Activities	(117,411)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from line of credit—net	80,267
Proceeds from long-term debt	100,000
Payments on long-term debt	(77,744)
Payments on capital lease obligations	(50,690)
Distribution to shareholders	(5,440)
Loans from shareholder—net	15,000
Net Cash Provided by/(Used In) Financing Activities	<u>61,393</u>
NET INCREASE/(DECREASE) IN CASH	(17,015)
CASH—BEGINNING OF PERIOD	<u>44,033</u>
CASH—END OF PERIOD	<u><u>\$ 27,018</u></u>

The accompanying notes and accountants' report are an integral part of these financial statements.

BRAZOS INJECTION MOLDING, INC.
 STATEMENTS OF CASH FLOWS

	<u>Year Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES	\$ 1,422,726	\$ 123,792
Net income		
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,104,250	955,712
Gains on sale of assets	(1,146)	(250,719)
Loss on foreign currency exchange contract	216,694	0
Loss on interest rate swap	321,621	0
Deferred income taxes	679,900	82,700
Cash from (for) operating assets and liabilities:		
Accounts receivable	784,519	(876,764)
Employee advances	0	501
Other receivables	163,704	5,467
Inventories	154,414	147,868
Refundable income taxes	7,562	(7,562)
Prepaid expenses	26,147	(61,489)
Checks in process	146,440	0
Accounts payable	(171,338)	735,681
Accrued expenses	156,092	(94,060)
Income taxes payable	5,387	(13,226)
Interest payable	(14,525)	(11,092)
Customer deposits	(194,631)	(221,614)
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,807,816	515,195
INVESTING ACTIVITIES	(3,467,122)	(1,160,148)
Capital expenditures	2,800	632,000
Proceeds from sales of fixed assets		
NET CASH USED FOR INVESTING ACTIVITIES	(3,464,322)	(528,148)
FINANCIAL ACTIVITIES	(3,361,056)	877,223
Net borrowings (repayments) on line of credit	3,100,525	0
Borrowings on long-term debt	(1,094,139)	(1,071,466)
Payments on long-term debt		
NET CASH USED FOR FINANCING ACTIVITIES	(1,354,670)	(194,243)
NET DECREASE IN CASH	(11,176)	(207,196)
Cash at beginning of year	12,152	219,348
CASH AT END OF YEAR	\$ 976	\$ 12,152

See accountants' review report and notes to financial statements

Open Door, Inc.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED OCTOBER 31, 2008 AND 2007
See Accountant's Compilation Report

	2008	2007
Cash Flows From Operating Activities		
Net Income for the Years	\$ 597,512	\$ 1,488,446
Adjustments to Reconcile Net Income to Net Cash Flows		
From Operating Activities		
Non-Cash Charges (Credits) to Net Income		
Depreciation and Amortization	283,333	256,072
Expenses Paid Through Financing		12,840
Increase (Decrease) in Allowance for Doubtful Accounts	2,500	(7,500)
(Increase) Decrease in Current Assets		
Accounts Receivable	106,979	(636,629)
Inventory	(615,020)	(95,326)
Other Current Assets	(56,794)	(82,926)
Increase (Decrease) in Current Liabilities		
Checks Issued in Excess of Balance	(488,176)	488,176
Accounts Payable	476,693	(87,166)
Customer Deposits	286,025	9,034
Accrued Expenses	45,828	(14,946)
Net Cash Flows From Operating Activities	<u>638,880</u>	<u>1,330,075</u>
Cash Flows From Investing Activities		
Fixed Assets Purchased	(424,865)	(222,259)
(Increase) Decrease in Due From Related Parties	(127,827)	335,421
Increase in Patent Costs		(2,365)
Net Cash Flows From Investing Activities	<u>(552,692)</u>	<u>110,797</u>
Cash Flows From Financing Activities		
Net Change in Short-Term Debt	1,250,000	(62,212)
Distributions to Owner	(1,053,017)	(1,490,814)
Proceeds From Long-Term Debt		200,000
Principal Payments Made on Long-Term Debt	(195,292)	(223,636)
Net Cash Flows From Financing Activities	<u>1,691</u>	<u>(1,576,662)</u>
Net Increase (Decrease) in Cash	87,879	(135,790)
Cash at October 31, 2007 and 2006	<u>985</u>	<u>136,775</u>
Cash at October 31, 2008 and 2007	<u>\$ 88,864</u>	<u>\$ 985</u>

See Notes to Financial Statements

Chem Products, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
Years Ended September 30, 2008 and 2007
See Accountants' Review Report

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net income	\$ 11,813,174	\$ 6,900,429
Adjustments to reconcile net income to net cash provided by operating activities:		
Minority interest in income of consolidated subsidiaries	4,068,565	2,108,517
Depreciation	612,023	564,768
Loss on asset disposals	257,323	8,587
Loss on GV investment	24	7,747
Loss on impairment of GV investment and receivables	775,367	—
Changes in operating assets and liabilities:		
Accounts receivable	(5,276,846)	(1,689,277)
Inventories	(2,394,998)	(102,629)
Prepaid expenses and other assets	(42,212)	40,158
Prepaid federal tax deposit	(309,329)	—
Due from owners	(646,358)	(453,671)
Notes receivable, related party	24,685	(40,399)
Bank overdraft	—	(3,769)
Accounts payable	2,713,716	421,448
Accrued expenses	786,086	618,123
Due to owners	64,038	—
Net cash provided by operating activities	<u>12,445,258</u>	<u>8,380,032</u>
Cash flows from investing activities:		
Purchases of property and equipment	(731,365)	(912,024)
Proceeds from sale of assets	7,000	—
Net cash used in investing activities	<u>(724,365)</u>	<u>(912,024)</u>

See Notes to Consolidated Financial Statements.

Chem Products, Inc. and Subsidiaries

Consolidated Statements of Cash Flows—Continued
Years Ended September 30, 2008 and 2007

See Accountants' Review Report

	<u>2008</u>	<u>2007</u>
Cash flows from financing activities:		
Net borrowings (payments) on lines of credit	\$ 693,433	\$ (741,244)
Payments on related party notes payable	(1,020,815)	(410,834)
Principal borrowings from related party notes payable	14,537	4,356
Payments on capital lease obligations	(88,121)	(18,334)
Principal borrowings on capital lease obligations for reimbursement of prior year asset additions	365,062	—
Distributions to minority interests	(2,349,876)	(648,195)
Contributions received	—	105,206
Distributions	<u>(7,801,477)</u>	<u>(2,243,933)</u>
Net cash used in financing activities	<u>(10,187,257)</u>	<u>(3,952,978)</u>
Net increase in cash and cash equivalents	1,533,636	3,515,030
Cash and cash equivalents, beginning of year	<u>3,515,030</u>	<u>—</u>
Cash and cash equivalents, end of year	<u>\$ 5,048,666</u>	<u>\$ 3,515,030</u>
Supplemental disclosures of cash flow information:		
Interest paid	<u>\$ 268,293</u>	<u>\$ 350,096</u>
Income tax paid	<u>\$ 299,693</u>	<u>\$ 43,502</u>
Non-cash investing and financing activities:		
Purchase of assets through capital lease obligations	<u>\$ 248,250</u>	<u>\$ —</u>

See Notes to Consolidated Financial Statements.

COMMERCIAL SYSTEMS, INC., AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2008 AND 2007

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2008</u>	<u>2007</u>
Net income	\$ 862,807	DETAILS OMITTED
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	733,639	
Loss on disposal of property and equipment	2,242	
Loss on foreign exchange rate	24	
Changes in operating assets and liabilities:		
Decrease (increase) in accounts receivable	454,107	
Increase in inventories	(1,298,330)	
Increase in prepaid expenses and other current assets	(18,839)	
Decrease (increase) in deposits and other long-term assets	15,053	
Increase in accounts payable	838,522	
(Decrease) increase in accrued expenses	(487,297)	
Increase in accrued income taxes	10,329	
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,112,257</u>	
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(978,055)	
Trade in of property and equipment	4,995	
NET CASH USED BY INVESTING ACTIVITIES	<u>(973,060)</u>	
 CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of capital leases	(135,333)	
Paydown of preferred stock	(300,000)	
Preferred stock dividends declared and paid	(42,633)	
NET CASH (USED) BY FINANCING ACTIVITIES	<u>(477,966)</u>	
 (DECREASE) IN CASH	 (338,769)	
 CASH, BEGINNING OF PERIOD	 <u>1,318,399</u>	
 CASH, ENDING OF PERIOD	 <u>\$ 979,630</u>	

Additional information:

Taxes actually paid by the Company during the year ended December 31, 2008, amounted to \$19,241. Interest expense actually paid by the Company during the year ended December 31, 2008, amounted to \$3,827,232.

(REMAINING DETAILS OMITTED)

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

XYZ COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended April 30,	
	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 5,150,481	\$ 1,699,876
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	584,489	509,415
Gain on sale of marketable securities available for sale	(306,679)	(1,209,421)
Loss (gain) on disposal of assets	(15,500)	39,577
(Increase) decrease in:		
Accounts receivable	643,795	(704,416)
Inventories	(1,528,253)	(8,435)
Other current assets	(5,133)	59,778
Increase (decrease) in:		
Accounts payable	696,681	(55,221)
Customer deposits	(978,589)	(1,632,818)
Accrued compensation and payroll taxes	191,297	(86,749)
Accrued profit sharing and 401(k) matching contribution	149,906	(97,443)
	<u>(567,986)</u>	<u>(3,185,733)</u>
Net Cash (Used In) Provided By Operating Activities	4,582,495	(1,485,857)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of assets	3,500	15,000
Purchase of equipment and leasehold improvements	(578,102)	(1,095,661)
Purchase of marketable securities available for sale	(17,523,511)	(16,330,257)
Proceeds from the sale of marketable securities available for sale	15,556,586	20,383,224
Federal tax deposit payment	—	(150,073)
	<u>(2,541,527)</u>	<u>2,822,233</u>
Net Cash (Used In) Provided By Investing Activities	(2,541,527)	2,822,233
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of Common Stock	23,240	23,809
Payments on redemption of Common Stock	(2,822)	(2,490)
Proceeds from (payments on) note payable—bank	(625,034)	625,034
Payments on note payable—financial services organization	(268,144)	(45,409)
Proceeds from note payable—financial services organization	—	850,000
Dividends paid	(1,798,960)	(1,404,538)
	<u>(2,671,720)</u>	<u>46,406</u>
Net Cash Provided By (Used In) Financing Activities	(2,671,720)	46,406
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(630,752)	1,382,782
Cash and cash equivalents at beginning of year	<u>2,540,319</u>	<u>1,157,537</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,909,567</u>	<u>\$ 2,540,319</u>

See notes to financial statements.

MALONES EQUIPMENT, INC.
COMPARATIVE STATEMENT OF CASH FLOWS

	For the Years Ended December 31,	
	2008	2007
Cash flows from operating activities		
Cash received from customers	\$ 12,488,380	\$ 14,525,360
Expenditure to suppliers and employees	(12,596,277)	(13,117,651)
Interest received	134,302	268,376
Miscellaneous income	3,298	1,176
Income taxes refunded	10,050	—
	<u>39,753</u>	<u>1,677,261</u>
Cash flows from investing activities		
Expenditures for short term investments	(1,942,020)	(868,010)
Proceeds from the sale of short term investments	—	813,914
Expenditures for property and equipment	(68,888)	(49,910)
Expenditures for long term investments	—	(106,000)
Expenditures for officers' life insurance	(4,371)	(1,107)
	<u>(2,015,279)</u>	<u>(211,113)</u>
Cash flows from financing activities		
Distributions and dividends paid	(279,288)	(2,123,534)
	<u>(279,288)</u>	<u>(2,123,534)</u>
Net cash used in investing activities	(2,254,814)	(657,386)
Net decrease in cash and cash equivalents		
Cash and cash equivalents, at beginning of year	5,091,333	5,748,719
Cash and cash equivalents, at end of year	<u>\$ 2,836,519</u>	<u>\$ 5,091,333</u>

See accompanying notes and accountants' review report

	For the Years Ended December 31,	
	2008	2007
Reconciliation of net income to net cash flows from operating activities		
Net income	\$ 737,000	\$ 925,313
Adjustments of net income to net cash flows from operating activities:		
Change in allowance for doubtful accounts	—	(9,895)
Depreciation	52,213	52,361
(Increase) in CSV of officers' life insurance	—	203
Changes in:		
Accounts receivable	(525,828)	831,081
Inventory	(114,077)	374,929
Prepaid expenses	26,727	(21,742)
Deposits	(11,579)	(15,200)
Other assets	(483,258)	—
Accounts payable and accrued expenses	50,002	(446,653)
Accrued franchise taxes	10,050	—
Customer deposits	298,503	(13,136)
	<u>\$ 39,753</u>	<u>\$ 1,677,261</u>

See accompanying notes and
accountants' review report

Perkins Custom Craft, Inc.
STATEMENTS OF CASH FLOWS

	June 30,	
	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES	\$ 369,306	\$ 219,517
Net income		
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	140,866	130,136
Gains on sales of fixed assets	(15,000)	(500)
Deferred income tax	53,800	24,500
Cash from (for) operating assets and liabilities:		
Accounts receivable—trade	191,011	(190,787)
Inventory	65,140	130,693
Employee loans receivable	9,150	150
Prepaid expenses	2,174	(1,174)
Deposits	0	35,088
Checks in process	(78,314)	18,578
Accounts payable	54,533	(12,934)
Accrued and withheld taxes and expenses	31,132	47,001
Income tax payable	(1,460)	41,374
	<u>822,338</u>	<u>441,642</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	822,338	441,642
INVESTING ACTIVITIES	(333,015)	(247,757)
Purchases of fixed assets	15,000	500
Proceeds from sales of fixed assets	9,694	9,314
Principal repayments from shareholders		
	<u>(308,321)</u>	<u>(237,943)</u>
NET CASH USED FOR INVESTING ACTIVITIES	(308,321)	(237,943)
FINANCING ACTIVITIES	(201,963)	(18,037)
Net repayments on lines of credit	(62,995)	(65,807)
Principal payments on term notes	0	(10,000)
Repayment to shareholder	28,156	(1,715)
Net borrowings from (repayments to) affiliated company		
	<u>(236,802)</u>	<u>(95,559)</u>
NET CASH USED FOR FINANCING ACTIVITIES	(236,802)	(95,559)
NET INCREASE IN CASH	277,215	108,140
Cash at beginning of year	<u>108,640</u>	<u>500</u>
CASH AT END OF YEAR	\$ <u>385,855</u>	\$ <u>108,640</u>

See accountants compilation and notes to financial statements

**PETERS CUSTOM METALS AND PLASTICS, INC.
STATEMENTS OF CASH FLOWS**

	Years Ended September 30,	
	<u>2008</u>	<u>2007</u>
Cash Flows From Operating Activities		
Net income	\$ 316,273	\$ 449,064
Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation	155,422	121,930
Deferred income taxes	210,675	10,656
(Gain) loss on sale of asset	(800)	1,551
(Increase) decrease in accounts receivable—trade	(235,512)	56,820
(Increase) decrease in accounts receivable—employees	386	(1,597)
(Increase) in inventory	(587,695)	(144,037)
Decrease in prepaid expenses	—	2,325
Increase (decrease) in accounts payable—trade	505,126	(71,367)
Increase in accrued payroll	2,532	36,237
Decrease in taxes payable	(51,998)	(21,558)
	<u>314,409</u>	<u>440,024</u>
Net cash flows provided by operating activities		
Cash Flows From Investing Activities		
Deposits on equipment	1,000	(1,000)
Proceeds from sale of equipment	800	5,322
Property and equipment purchased	(146,962)	(167,071)
	<u>(145,162)</u>	<u>(162,749)</u>
Net cash flows (used in) investing activities		
Cash Flows From Financing Activities		
Proceeds from bank loans	1,757,145	1,460,202
Payments on notes payable	(1,750,446)	(2,089,998)
Dividends paid	(2,500)	(2,500)
	<u>4,199</u>	<u>(632,296)</u>
Net cash flows provided by (used in) financing activities		
Increase (decrease) in cash and cash equivalents	<u>173,446</u>	<u>(355,021)</u>
Cash and Cash Equivalents at beginning of year	<u>175,405</u>	<u>530,426</u>
Cash and Cash Equivalents at end of year	<u>\$ 348,851</u>	<u>\$ 175,405</u>

See accompanying notes and accountant's report.

JM FORGING, INC.

STATEMENTS OF CASH FLOWS

	<u>Year Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES	\$ (11,490)	\$ 149,562
Net income (loss)		
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Deferred income taxes	3,800	77,900
Depreciation and amortization	191,885	178,982
Loss on disposal of equipment	4,962	2,735
Loss on interest rate swaps	28,142	0
Cash from (for) operating assets and liabilities:		
Accounts receivable	(665,528)	(164,138)
Inventory	(221,787)	150,280
Refundable income taxes	0	10,000
Prepaid expenses	14,893	(10,618)
Accounts payable	793,379	(252,755)
Accrued and withheld expenses	(35,982)	47,749
Customer deposits	0	(4,171)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>102,274</u>	<u>185,526</u>
INVESTING ACTIVITIES	(291,322)	(215,420)
Purchases of property and equipment	1,100	0
Proceeds on sales of equipment		
NET CASH USED FOR INVESTING ACTIVITIES	<u>(290,222)</u>	<u>(215,420)</u>
FINANCING ACTIVITIES	2,517	0
Net borrowings on line of credit	(9,826)	0
Payment of loan fees	239,207	54,064
Borrowings on long-term bank debt	(140,705)	(134,322)
Principal payments on long-term bank debt	114,200	253,300
Proceeds from related party debt obligations	(12,000)	(136,250)
Repayments on related party debt obligations		
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>193,393</u>	<u>36,792</u>
NET INCREASE IN CASH	5,445	6,898
Cash at beginning of year	<u>24,273</u>	<u>17,375</u>
CASH AT END OF YEAR	<u>\$ 29,718</u>	<u>24,273</u>

See accountants' review report and notes to financial statements

**COOL MEADOWS GOLF CLUB, INC.
COMPARATIVE STATEMENT OF CASH FLOWS**

	<u>December 31,</u>	
	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Cash received from customers	\$ 562,754	\$ 603,074
Expenditure to suppliers and employees	(674,812)	(619,635)
Interest received	17,158	18,083
Interest paid	(148,481)	(121,146)
Miscellaneous income	<u>10,018</u>	<u>67,817</u>
Net cash used in operating activities	<u>(233,363)</u>	<u>(51,807)</u>
Cash flows from investing activities		
Cash received under notes receivable—officer	16,743	15,027
Expenditures for property and equipment	<u>(16,000)</u>	<u>(942)</u>
Net cash provided by investing activities	<u>743</u>	<u>14,085</u>
Cash flows from financing activities		
Proceeds from notes payable—shareholder	131,611	77,833
Proceeds from notes payable—related party	118,585	—
Payments on long-term debt	<u>(30,271)</u>	<u>(39,869)</u>
Net cash provided by financing activities	<u>219,925</u>	<u>37,964</u>
Net increase (decrease) in cash and cash equivalents	(12,695)	242
Cash and cash equivalents, at beginning of year	<u>14,095</u>	<u>13,853</u>
Cash and cash equivalents, at end of year	<u>\$ 1,400</u>	<u>\$ 14,095</u>
Reconciliation of net income (loss) to net cash flows used in operating activities		
Net income (loss)	\$ 102,932	\$ (102,225)
Adjustments of net income (loss) to net cash flows from operating activities:		
Depreciation	42,884	28,956
Other non-cash items	—	2,649
Cancellation of debt	(360,000)	—
Changes in:		
Accounts receivable	31,351	(29,843)
Inventory	(9,504)	(5,990)
Prepaid expenses	5,226	(26,130)
Accounts payable and accrued expenses	(47,570)	42,028
Customer deposits	<u>1,318</u>	<u>38,748</u>
	<u>\$ (233,363)</u>	<u>\$ (51,807)</u>

See accompanying notes and accountants' compilation report

CITYPARK TECHNOLOGIES, INC.
(A Development Stage Company)

Statements of Cash Flows

Years Ended December 31, 2008 and 2007, and Period from July 24, 2003 to December 31, 2008

	Year Ended 12/31/08	Year Ended 12/31/07	07/24/03 to 12/31/08
Cash flows from operating activities:			
Net loss	\$ (881,319)	\$ (1,411,819)	\$ (6,826,333)
Adjustments to reconcile net loss to cash used in operating activities:			
Depreciation	7,950	8,030	34,050
Subscription receivable interest (accrued) cancelled	8,510	(8,510)	—
Increase (decrease) in cash resulting from changes in:			
Accounts receivable	71,901	(70,400)	(99)
Inventory	44,763	79,776	(20,050)
Prepaid expenses and advances	(18,646)	(27,519)	(58,527)
Accrued interest on notes receivable	(10)	(2,067)	(3,756)
Accounts payable and accrued expenses	(6,422)	(39,083)	71,526
Customer-related liabilities	14,064	47,541	99,358
Net cash used in operating activities	<u>(759,209)</u>	<u>(1,424,051)</u>	<u>(6,703,831)</u>
Cash flows from investing activities:			
Property and equipment acquisitions	(847)	—	(4,075)
Notes receivable (advances) recoupment	15,000	(15,000)	(25,000)
Refundable deposit (advances) recoupment	329	(120)	(2,482)
Net cash provided by (used in) investing activities	<u>14,482</u>	<u>(15,120)</u>	<u>(31,557)</u>
Cash flows from financing activities:			
Long-term debt repayments	(1,455)	(11,183)	(36,269)
Proceeds from issuance of preferred stock, Series A (new)	775,220	—	775,220
Proceeds from issuance of preferred stock, Series A (old)	—	—	2,001,473
Proceeds from issuance of preferred stock, Series A-1	—	—	1,050,000
Proceeds from issuance of preferred stock, Series A-2	—	1,001	1,588,503
Proceeds from issuance of preferred stock, Series B	—	1,537,953	1,537,953
Proceeds from issuance of common stock	—	2,971	10,571
Payments for cancellation of common stock	(2)	—	(2)
Net cash provided by financing activities	<u>773,763</u>	<u>1,530,742</u>	<u>6,927,449</u>
Net increase in cash	29,036	91,571	192,061
Cash, beginning of period	<u>163,025</u>	<u>71,454</u>	<u>—</u>
Cash, end of period	<u>\$ 192,061</u>	<u>\$ 163,025</u>	<u>\$ 192,061</u>

(continued on next page)

See accountants' compilation report and accompanying notes to financial statements.

CITYPARK TECHNOLOGIES, INC.
 (A Development Stage Company)

Statements of Cash Flows (continued)

Years Ended December 31, 2008 and 2007, and Period from July 24, 2003 to December 31, 2008

	Year Ended 12/31/08	Year Ended 12/31/07	07/24/03 to 12/31/08
Supplemental disclosure of cash flow information:			
Cash payments for interest expense	\$ 2,362	\$ 2,165	\$ 23,636
Cash payments for income and business taxes	\$ 6,770	\$ 5,900	\$ 23,962
Supplemental disclosure of non-cash investing and financing activities:			
Financed acquisitions of property and equipment	\$ —	\$ —	\$ 36,922
Exercise (cancellation) of common stock options	\$ (104,000)	\$ 166,250	\$ 62,250

See accountants' compilation report and accompanying notes to financial statements.

Luxury Homeowners Association, Inc.
Statement of Cash Flows (with Comparative Totals for 2007)

Year ended December 31,	2008			2007	
	Operating Fund	Replacement Fund	Tornado Fund	Total	Total
Cash flows from Operating Activities					
Excess (deficit) of revenues over expenses	\$ (19,148)	\$ (16,999)	\$ —	\$ (36,147)	\$ 87,030
Adjustments to reconcile excess (deficit) of revenue over expenses to net cash provided by operating activities					
Increase (decrease) in interfund balances	(583)	585	(2)	—	—
Depreciation	2,768	—	—	2,768	4,226
Reinvestment of interest earnings	—	(4,346)	(1,763)	(6,109)	(3,686)
(Increase) decrease in:					
Assessments receivable	(3,422)	—	—	(3,422)	(5,500)
Prepaid expenses	22,987	—	(11,886)	11,101	(8,877)
Increase (decrease) in:					
Accounts payable	8,322	11,900	157,475	177,697	(48,751)
Prepaid assessments	10,589	—	—	10,589	(5,577)
Deferred revenue	—	—	(1,110,183)	(1,110,183)	(336,378)
Accrued liabilities	58	—	—	58	(20,694)
Net cash provided by (used in) operating activities	21,571	(8,860)	(966,359)	(953,648)	(338,207)
Cash flows from Investing Activities					
Purchase of certificates of deposit	—	(100,000)	(300,000)	(400,000)	—
Net cash used in investing activities	—	(100,000)	(300,000)	(400,000)	—
Net increase (decrease) in cash	21,571	(108,860)	(1,266,359)	(1,353,648)	(338,207)
Cash at beginning of year	34,659	162,519	1,330,504	1,527,682	1,865,889
Cash at end of year	\$ 56,230	\$ 53,659	\$ 64,145	\$ 174,034	\$ 1,527,682
Supplemental Disclosure:					
Income taxes paid	\$ —	\$ —	\$ 8,601	\$ 8,601	\$ 16,200

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

ABC INVESTMENT, L.P.
STATEMENT OF CASH FLOWS
Year Ended December 31, 2008

Cash Flows From Operating Activities	
Net increase in partners' capital resulting from operations	\$ 1,536,072
Adjustments to reconcile net increase in partners' capital to net cash provided by operating activities—	
Realized loss on sale of investments	462,660
Changes in operating assets and liabilities	
Purchase of investments	(975,000)
Proceeds from disposition of investments	250,000
(Increase) in interest receivable	(42,764)
Decrease in due diligences receivable	962
(Increase) in payment-in-kind interest receivable	(348,052)
Decrease in prepaid management fee	62,444
(Decrease) in accounts payable	(60)
Increase in accrued interest	1,502
(Decrease) in unearned loan closing fees	<u>(76,607)</u>
Net Cash Flows Provided by Operating Activities	<u>871,157</u>
Cash Flows from Financing Activities	
Partner withdrawals	(2,105,000)
Line of credit net borrowings	<u>1,239,517</u>
Net Cash Used by Financing Activities	<u>(865,483)</u>
Net Increase in Cash and Cash Equivalents	5,674
Cash and Cash Equivalents, Beginning of year	<u>457,381</u>
Cash and Cash Equivalents, End of year	<u>\$ 463,055</u>
Supplemental Disclosures of Cash Flow Information	
Cash paid for interest	<u>\$ 625,784</u>

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

NEW MEXICO HEALTH PROFESSIONALS EDUCATION SERVICES, INC.

**STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2008**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from grants	\$ 872,530	
Cash received from other revenues	22,492	
Cash paid for program and supporting services	(854,299)	
Interest received	<u>5</u>	

Net Cash Provided by Operating Activities \$ 40,728

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of fixed assets	<u>(26,895)</u>	
Net Cash Used in Investing Activities		<u>(26,895)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS, beginning of year		<u>13,833</u>
CASH AND CASH EQUIVALENTS, end of year		<u><u>\$ 88,308</u></u>

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES

Decrease in Net Assets		\$ (1,678)
Adjustment to reconcile net loss to net cash provided by operating activities:		
Depreciation	\$ 20,836	
Investment loss	6,699	
Changes in assets and liabilities:	17,738	
Decrease in prepaid expenses	54,534	
Decrease in accounts receivable—grants	(56,206)	
Decrease in accounts payable	278	
Increase in accrued wages	(1,566)	
Decrease in accrued payroll taxes and deductions	71	
Increase in accrued vacation	<u>22</u>	
Increase in accrued pension		<u>42,406</u>

Net Cash Provided by Operating Activities \$ 40,728

(See Independent Auditors' Report and Notes to Financial Statements)

BRONSON RICE PRODUCTS, INC.
STATEMENT OF CASH FLOWS
YEAR (52 WEEKS) ENDED DECEMBER 27, 2008

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 367,037
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation	248,478
Amortization	166
Loss on sale of fixed assets	2,276
Changes in assets and liabilities:	
Increase in accounts receivable	(455,129)
Increase in inventory	(1,381,560)
Increase in prepaid expenses	(50,918)
Increase in accounts payable	317,992
Increase in accrued expenses	209,676
Increase in accrued income taxes	13,840
Net Cash Used in Operating Activities	<u>(728,142)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of assets	10,000
Purchase of property and equipment	<u>(414,039)</u>
Net Cash Used in Investing Activities	(404,039)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from borrowings	5,328,710
Principal repayments of debt	<u>(4,224,346)</u>
Net Cash Provided by Financing Activities	<u>1,104,364</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(27,817)
CASH AT BEGINNING OF YEAR	<u>114,408</u>
CASH AT END OF YEAR	<u><u>\$ 86,591</u></u>
SUPPLEMENTAL DISCLOSURE	
Cash paid during the year for:	
Interest	<u>\$ 64,446</u>
Taxes	<u>\$ 868</u>

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

TCP, LLC
STATEMENT OF CASH FLOWS
For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 1,340,943	\$ 1,207,290
Cash Paid for Goods and Services	(1,835,589)	(1,680,233)
Cash Received for Interest	—	7
Cash Paid for Interest	<u>(2,373)</u>	<u>(5,612)</u>
Net Cash Used In Operating Activities	<u>(497,019)</u>	<u>(478,548)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property and Equipment	<u>(13,775)</u>	<u>(35,498)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Member Notes Payable, Net	221,841	232,500
Payment of Notes Payable	(868)	(52,150)
Proceeds from Member Subscriptions	—	200,000
Proceeds from Sale of Class D Non-voting Units	—	260,000
Redemption of Class D Non-voting Units	—	(150,000)
Proceeds from Sale of Class E Non-voting Units	299,997	—
Payment of Dividends	<u>(10,176)</u>	<u>—</u>
Net Cash Provided by Financing Activities	<u>510,794</u>	<u>490,350</u>
CHANGE IN CASH	—	(23,696)
CASH, Beginning of Year	<u>—</u>	<u>23,696</u>
CASH, End of Year	<u>\$ —</u>	<u>\$ —</u>
Reconciliation of Net Loss to Net Cash Used In Operating Activities		
Net Loss	\$ (381,448)	\$ (533,495)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation & Amortization	20,212	15,838
Change in:		
Accounts Receivable	(38,126)	(87,525)
Inventory	(103,895)	—
Other Assets	(1,451)	13,225
Outstanding Checks in Excess of Cash on Deposit	(9,573)	41,149
Accounts Payable	(22,638)	66,895
Accrued Expenses	<u>39,900</u>	<u>5,365</u>
Net Cash Used In Operating Activities	<u>\$ (497,019)</u>	<u>\$ (478,548)</u>

See Accompanying Notes to the Financial Statements

MELLON AIRCRAFT, INC.

STATEMENTS OF CASH FLOWS
For the Years Ended January 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES		
Net Income (Loss)	\$ 97,248	\$ (78,064)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	84,633	147,994
Deferred income taxes	(19,000)	(25,000)
Gain on sale of assets	(19,706)	(3,000)
Changes in operating assets and liabilities:		
Accounts receivable	(82,081)	(19,915)
Inventory	15,569	712,164
Other current assets	20,920	112,472
Other current liabilities	<u>96,889</u>	<u>(82,052)</u>
Net Cash Provided by Operating Activities	<u>194,472</u>	<u>764,599</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(40,885)	(139,339)
Collections (advances on) notes receivable	88,592	(129,883)
Proceeds from sale of assets	<u>53,595</u>	<u>3,000</u>
Net Cash Provided (Used) by Investing Activities	<u>101,302</u>	<u>(266,222)</u>
FINANCING ACTIVITIES		
Repayment of (proceeds from) short-term notes payable	(290,000)	20,000
Proceeds from (repayment of note payable) due to officer	60,000	(100,000)
Proceeds from long-term borrowings	0	586,900
Payments on long-term notes payable	<u>(193,310)</u>	<u>(881,710)</u>
Net Cash Used by Financing Activities	<u>(423,310)</u>	<u>(374,810)</u>
Net Change in Cash and Cash Equivalents	(127,536)	123,567
Cash and Cash Equivalents at Beginning of Year	<u>130,085</u>	<u>6,518</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,549</u>	<u>\$ 130,085</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	<u>\$ 272,394</u>	<u>\$ 262,612</u>
Income taxes	<u>7,632</u>	<u>\$ 0</u>
Non-cash investing and financing information:		
Investment land traded for business property	<u>\$ 0</u>	<u>\$ 24,492</u>

See Accountants' Compilation Report and Accompanying Notes

HOWARD REAL ESTATE, INC.
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2008

	<u>2008</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Loans to related companies	\$ (835,205)
Loans to shareholders	(8,820)
Distributions from partnerships (Note 5)	1,194,880
Tenant improvements	<u>(413,839)</u>
NET CASH USED BY INVESTING ACTIVITIES	(62,984)
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayment on long-term notes	(249,906)
Dividends paid	(1,258,400)
NET CASH USED BY FINANCING ACTIVITIES	<u>(1,508,306)</u>
NET DECREASE IN CASH	(640,018)
CASH AT BEGINNING OF YEAR	1,236,808
CASH AT END OF YEAR	<u>\$ 596,790</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Cash paid during the year for interest	\$ 404,321
Cash paid during the year for income taxes	—

See accompanying notes and accountants' report.

HOWARD REAL ESTATE, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2008

	<u>2008</u>
Net income (Loss)	\$ 1,090,466
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	178,305
Partnership (income) losses (Note 5)	(422,509)
Amortization of loan fees	2,927
Amortization of lease commissions	3,538
(Increase) decrease in:	
Accounts receivable related companies	1,777
Prepaid state income tax	9,562
Accounts receivable	1,770
Increase (decrease) in:	
Accounts payable—related company	26,101
Prepaid rents	29,543
Tenant security deposits	—
State income tax payable	9,792
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>\$ 931,272</u>

See accompanying notes and accountants' report.

Portland Recycled Paper Products, Inc.
 (An S Corporation)
 Statement of Cash Flows—Income Tax Basis
 For the Twelve Months Ended December 31, 2008

12/31/08

CASH FLOWS FROM OPERATING ACTIVITIES:	\$12,018,408
Cash Received from Customers	(121,964)
Interest Paid	<u>(11,742,850)</u>
Cash Paid to Employees and Suppliers of Goods and Services	153,594
Net Cash Provided by Operating Activities	<u>153,594</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	41,300
Proceeds from Sale of Assets	(121,877)
Purchase of Equipment	<u>(80,577)</u>
Net Cash (Used) by Investing Activities	<u>(80,577)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	1,209,962
Proceeds from Notes Payable	(45,290)
Distributions to Shareholder	(13,599)
Shareholder Loan Activity—net	<u>(1,047,234)</u>
Principal Reductions on Notes Payable	103,839
Net Cash Provided (Used) by Financing Activities	<u>103,839</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	176,856
BEGINNING CASH AND CASH EQUIVALENTS	<u>230,267</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 407,123</u>

See Accountant's Review Report and Notes to the Financial Statements

Portland Recycled Paper Products, Inc.
(An S Corporation)
Statement of Cash Flows—Income Tax Basis
For the Twelve Months Ended December 31, 2008

	<u>12/31/08</u>
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Net Income	\$ 58,699
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation & Amortization	345,439
Gain/Loss on Sale of Assets	3,514
(Increase) Decrease in:	
Contracts Receivable	(55,640)
Inventory	159,214
Accounts Receivable, trade	129,481
Prepaid Expenses and Other Assets	82,874
Due to Related Entity	94,830
Increase (Decrease) in:	
Accounts Payable	(619,443)
Accrued Expenses	<u>(45,374)</u>
Net Cash Provided by Operating Activities	<u>\$ 153,594</u>

See Accountant's Review Report and Notes to the Financial Statements

COMMERCIAL TRANSPORT SALES, INC.
STATEMENT OF CASH FLOWS
FOR THE PERIOD JANUARY 1, 2008 TO DECEMBER 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES		\$ 654,837.27
NET INCOME		
ADJUSTMENTS TO RECONCILE NET INCOME TO		
NET CASH PROVIDED—OPERATING ACTIVITIES:		
AMORTIZATION	28,999.92	
DEPRECIATION	58,872.08	
DEFERRED INCOME TAX BENEFIT	(18,373.00)	
(INCREASE) DECREASE IN:		
ACCOUNTS RECEIVABLE	178,346.62	
INVENTORY	(2,192,255.69)	
WARRANTIES RECEIVABLE	142,431.83	
EMPLOYEE ADVANCES	(6,153.43)	
PREPAID EXPENSES	23,087.32	
INCOME TAX REFUND RECEIVABLE	2,885.00	
INCREASE (DECREASE) IN:		
ACCOUNTS PAYABLE	(74,237.09)	
CUSTOMER DEPOSITS	550.00	
ACCRUED EXPENSES	<u>82,631.14</u>	
TOTAL ADJUSTMENTS		<u>(1,773,215.30)</u>
NET CASH USED—OPERATING ACTIVITIES		(1,119,378.03)
CASH FLOWS FROM INVESTING ACTIVITIES		
PURCHASES OF PROPERTY & EQUIPMENT	<u>(19,408.11)</u>	
NET CASH USED—INVESTING ACTIVITIES		(19,408.11)
CASH FLOWS FROM FINANCING ACTIVITIES		
SHORT-TERM DEBT INCREASE	2,109,915.97	
LONG-TERM DEBT REPAYMENTS	<u>(329,788.92)</u>	
NET CASH PROVIDED—FINANCING ACTIVITIES		<u>1,780,127.05</u>
NET INCREASE (DECREASE) IN CASH		642,340.91
CASH AT BEGINNING OF YEAR		<u>584,828.71</u>
CASH AT END OF YEAR		<u>\$ 1,227,169.62</u>

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REPORT.

Texas Medical Products, Inc. and Subsidiaries

**Consolidated Statements of Cash Flows
Years Ended September 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net income	\$ 1,687,075	\$ 4,445,969
Adjustments to reconcile net income to net cash provided by operating activities, net of effects from spin-off of Sun Vision, Inc. in 2008 and purchase of Aero Consulting, Inc. in 2007:		
Depreciation and amortization	784,042	880,880
Loss on disposal of equipment	3,647	71,799
Increase in deferred income taxes	2,293,721	1,163,708
Extraordinary gain	—	(2,247,024)
Change in operating assets and liabilities:		
Trade accounts receivable	(858,799)	(1,429,730)
Related party receivable, Sun Vision, Inc.	(419,242)	12,482
Related party receivable, Tiera Properties, LLC	38,834	—
Other receivables	(709)	3,124
Inventories	544,560	(728,731)
Prepaid expenses	18,202	(90,864)
Deposits	16,585	192,751
Accounts payable	(251,846)	669,223
Payable, Sun Vision, Inc.	23,147	—
Accrued profit sharing	43,157	41,248
Accrued payroll and bonus	311,066	59,561
Accrued expenses, other	722,516	(277,871)
Income taxes payable	418	(1,344,318)
Net cash provided by operating activities	<u>4,956,374</u>	<u>1,422,207</u>
Cash flows from investing activities:		
Spin-off of Sun Vision, Inc., cash balance	(180,061)	—
Purchase of property and equipment	(370,337)	(795,552)
Purchase of intangible assets	(240,800)	(253,542)
Proceeds from sale of equipment	66,617	—
Payment for purchase of Aero Consulting, Inc., net of cash acquired	—	(230,903)
Net cash used in investing activities	<u>(724,581)</u>	<u>(1,279,997)</u>

See Notes to Consolidated Financial Statements.

	<u>2008</u>	<u>2007</u>
Cash flows from financing activities:		
Proceeds from draws on line of credit	\$ 4,000,000	\$ 2,575,000
Payments on line of credit	(5,000,000)	(2,590,770)
Proceeds from issuance of notes payable	—	404,266
Principal payments on notes payable	(191,799)	(216,045)
Proceeds from issuance of notes payable, related party	—	389,862
Principal payments on notes payable, related party	(743,862)	(109,000)
Principal payments on capital lease obligations	(68,429)	(93,669)
	<u>(2,004,090)</u>	<u>359,644</u>
Net cash provided by (used in) financing activities	2,227,703	501,854
Net increase in cash and cash equivalents	<u>3,302,053</u>	<u>2,800,199</u>
Cash and cash equivalents at beginning of year	<u>\$ 5,529,756</u>	<u>\$ 3,302,053</u>
Cash and cash equivalents at end of year		
Supplemental disclosures of cash flow information:		
Income taxes paid	<u>\$ 407,872</u>	<u>\$ 1,718,928</u>
Interest paid	<u>\$ 220,089</u>	<u>\$ 190,250</u>
Supplemental disclosures of non-cash investing and financing activities:		
Capital lease borrowings for purchase of equipment	<u>\$ —</u>	<u>\$ 290,337</u>
Aero Consulting, Inc. acquisition:		
Fair value of net assets acquired	\$ —	\$ 2,622,024
Less: Cash paid for the acquisition	—	(375,000)
Extraordinary gain	<u>\$ —</u>	<u>\$ 2,247,024</u>
Sun Vision, Inc. spin-off:		
Total assets spun-off	\$ 2,915,019	\$ —
Total liabilities spun-off	(1,083,410)	—
Impact on consolidated equity	<u>\$ 1,831,609</u>	<u>\$ —</u>

PUEBLO TELEPHONY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended October 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Cash received from customers	\$ 10,178,808	\$ 10,359,795
Cash paid to suppliers and employees	(9,264,091)	(9,360,600)
Interest received	27,065	50,176
Interest paid	(228,410)	(166,354)
Income taxes paid	<u>(22,336)</u>	<u>(523,061)</u>
Net cash provided by operating activities	<u>691,036</u>	<u>359,956</u>
Cash flows from investing activities:		
Purchases of equipment	(142,686)	(133,054)
Proceeds from sale of equipment	1,000	4,150
Payments received on note receivable—stockholder	62,344	60,705
Advances to stockholder	<u>(80,000)</u>	<u>(318,072)</u>
Net cash used in investing activities	<u>(159,342)</u>	<u>(386,271)</u>
Cash flows from financing activities:		
Repayments on long-term debt	(583,391)	(85,609)
Member distributions paid	(90,000)	(90,000)
Net payment on repurchase of common stock	<u>—</u>	<u>(357,834)</u>
Net cash used in financing activities	<u>(673,391)</u>	<u>(533,443)</u>
Net decrease in cash	(141,697)	(559,758)
Cash at beginning of year	<u>1,450,231</u>	<u>2,009,989</u>
Cash at end of year	<u>\$ 1,308,534</u>	<u>\$ 1,450,231</u>

See accompanying notes to consolidated financial statements.

PUEBLO TELEPHONY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended October 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Reconciliation of net income to net cash provided by operating activities:		
Net income	\$ 501,779	\$ 483,457
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	137,793	124,682
Gain on sale of assets	(1,000)	(4,150)
Deferred income taxes	(2,067)	42,266
Amortization	91	1,320
Issuance of stock for services rendered		61,644
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable—trade	(180,769)	114,704
Accounts receivable—employees	2,499	(2,755)
Interest receivable		(10,104)
Refundable income taxes	180,726	(187,647)
Inventory	(261,233)	551,507
Prepaid expenses	12,966	(44,663)
Increase (decrease) in:		
Customer deposits	(46,685)	(498,913)
Accounts payable—trade	184,551	(8,978)
Accounts payable—sales tax	14,412	(31,135)
Accrued expenses	55,537	(222,562)
Deferred revenue	88,302	(8,717)
	<u>189,257</u>	<u>(123,501)</u>
Net cash provided by operating activities	<u>\$ 691,036</u>	<u>\$ 359,956</u>

Supplemental disclosure of non cash investing and financing activities:

During the year ended October 31, 2007, the stock redemption of one of the stockholders was offset by the stockholder's receivable and related interest receivable balances totaling \$1,642,165 and a note payable to the stockholder for \$1,050,000.

See accompanying notes to consolidated financial statements.

**Werner and Peabody Architects, Inc.
Consolidated Statements of Cash Flows
For the Years Ended October 31**

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net income	\$ 66,108	\$ 87,963
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation	109,187	52,980
Amortization of leasehold improvements	68,530	114,129
Cash value of officer's life insurance	(35,869)	(14,264)
Gain (loss) on marketable securities	(15,052)	(7,285)
Deferred taxes	300,582	40,257
Decrease (Increase) in Operating Assets:		
Net accounts receivable (trade, stockholders, other)	1,012,304	2,778,648
Costs and estimated earnings in excess of billing	(265,385)	(765,286)
Prepaid expenses	(1,748)	14,880
Deposit	(14,534)	(20,701)
Increase (Decrease) in Operating Liabilities:		
Bank overdraft	(31,352)	284,274
Liabilities to stockholders	31,463	35,613
Accounts and consultants payable	(985,841)	(2,375,262)
Billings in excess of earned revenue	(1,449,624)	43,336
Accrued taxes and expenses	(132,533)	408,589
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(1,343,764)</u>	<u>677,871</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Note receivable—stockholder	(5,125)	(2,500)
Acquisition of furniture, computers, software and leasehold improvements	(491,190)	(73,737)
Proceed from sales of investments	324,367	109,510
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(171,948)</u>	<u>33,273</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net payments on long-term debt	(158,189)	(159,281)
Net proceeds from line of credit	15,521,290	15,103,515
Net payments on line of credit	(14,372,000)	(15,263,515)
Proceeds from sale of additional shares of stock	457,215	171,756
Dividends paid	(1,106)	(962)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>1,447,210</u>	<u>(148,487)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(68,502)	562,657
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>575,757</u>	<u>13,100</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 507,255</u>	<u>\$ 575,757</u>

See accountant's report and accompanying notes

TWO GUYS MARINE SERVICES, LLC**STATEMENTS OF CASH FLOWS**
For the years ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 313,153	\$ 7,241
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	97,699	107,251
Amortization	14,500	76,851
(Gain) Loss on disposal of assets	(19,406)	30,554
(Increase) decrease in assets:		
Accounts receivable	(7,970)	(8,691)
Prepaid expenses	22,265	(18,731)
Due to/from affiliate	9,051	(26,741)
Increase (decrease) in liabilities:		
Accounts payable, trade	39,215	(20,896)
Unearned revenues	61,602	39,296
Accrued expenses	(37,853)	(7,688)
Sales tax payable	—	(199)
	<u>492,256</u>	<u>178,247</u>
Net cash provided by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(225,956)	(101,563)
Proceeds from sale of property	22,286	35,690
Distributions to members	(141,111)	(148,050)
	<u>(344,781)</u>	<u>(213,923)</u>
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on member loans	—	(61,268)
Net borrowing—short term notes	—	(50,000)
Additional borrowing—long-term debt	—	199,724
Payments on long-term debt	(118,899)	(70,131)
	<u>(118,899)</u>	<u>18,325</u>
Net cash provided by (used in) financing activities		
NET INCREASE (DECREASE) IN CASH	28,576	(17,351)
CASH AT BEGINNING OF YEAR	<u>27,525</u>	<u>44,876</u>
CASH AT END OF YEAR	<u>\$ 56,101</u>	<u>\$ 27,525</u>
Supplemental Disclosure of Cash Flow Information:		
Interest paid	<u>\$ 82,220</u>	<u>\$ 82,220</u>
Non-cash investing and financing:		
Cost of new asset	\$ 65,893	
Debt issued for asset acquisition	\$ 45,068	

See accompanying notes and accountants' review report.

RHODES INSURANCE, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash Flows from Operating Activities		
Net Loss	\$ (42,910)	\$ (29,708)
Adjustments to reconcile net loss		
to net cash used in operating activities:		
Depreciation	44,164	35,304
Gain on disposition of fixed assets	(13,714)	(7,664)
Deferred income taxes	5,242	—
(Increase) Decrease in:		
Accounts receivable	—	12,725
Prepaid insurance	(799)	2,165
Increase (Decrease) in:		
Company accounts payable	(14,625)	16,811
Income taxes payable	(7,505)	(3,602)
Employee pension withholding	3,023	1,409
Deferred income	3,505	(45,386)
	<u>(23,619)</u>	<u>(17,946)</u>
Net Cash Used In Operating Activities		
Cash Flows from Investing Activities		
Collection of note receivable	8,899	45,737
Amounts loaned on note receivable	(17,000)	—
Proceeds from disposition of property and equipment	56,934	—
Acquisition of property and equipment	(687)	(27,483)
	<u>48,146</u>	<u>18,254</u>
Net Cash Provided by Investing Activities		
Cash Flows from Financing Activities		
Debt reduction	(79,859)	(59,224)
New borrowings	101,487	35,130
Issuance of common stock	28,530	37,732
Purchase of treasury stock	(67,188)	(74,506)
	<u>(17,030)</u>	<u>(60,868)</u>
Net Cash Used In Financing Activities		
Net Increase (Decrease) in Cash	\$ 7,497	\$ (60,560)
Cash at beginning of year	23,092	83,652
Cash at end of year	<u>\$ 30,589</u>	<u>\$ 23,092</u>
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for:		
Income taxes	\$ 500	\$ 500
Interest	<u>\$ 12,410</u>	<u>\$ 11,865</u>

See Accompanying Notes and Accountants' Report

LANDSCAPE KING, INC.
STATEMENT OF CASH FLOWS
(See Accountants' Review Report)
For the Years Ended December 31,

	<u>2008</u>	<u>2007</u>
<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>		
Cash Flows from Operating Activities		
Cash Received from Customers	3,240,914	2,962,217
Cash Paid to Suppliers and Employees	(3,237,107)	(2,784,455)
Interest Income	438	0
Interest Paid	(15,774)	(35,802)
Income Taxes (Paid) Refunded	<u>(6,576)</u>	<u>4,500</u>
Net Cash Provided by (Used in) Operating Activities	(18,105)	146,460
Cash Flows from Investing Activities		
Purchase of Fixed Assets	(179,131)	(58,859)
Advance to Employee (Net of Repayments)	<u>(6,792)</u>	<u>0</u>
Net Cash Used in Investing Activities	(185,923)	(58,859)
Cash Flows from Financing Activities		
Proceeds from Line-of-Credit (net of payments)	110,125	(81,572)
Proceeds from Equipment Loan	294,129	33,305
Principle Payments on Installment Loans	<u>(164,935)</u>	<u>(128,549)</u>
Net Cash Provided by (Used in) Financing Activities	<u>239,319</u>	<u>(176,816)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	35,291	(89,215)
Cash and Cash Equivalents at Beginning of Year	<u>33,370</u>	<u>122,585</u>
Cash and Cash Equivalents at End of Year	<u><u>68,661</u></u>	<u><u>33,370</u></u>

The notes to the financial statements are an integral part hereof.

LANDSCAPE KING, INC.
STATEMENT OF CASH FLOWS
(See Accountants' Review Report)
For the Years Ended December 31,

	<u>2008</u>	<u>2007</u>
<u>RECONCILIATION OF NET INCOME (LOSS) TO CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</u>		
Net Income (Loss)	(71,200)	28,266
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Depreciation	115,960	152,767
Deferred Taxes	(7,100)	(1,700)
Changes in Assets and Liabilities		
(Increase) Decrease in Accounts Receivable	(76,838)	(126,265)
(Increase) Decrease in Inventory	(64,500)	4,500
(Increase) Decrease in Taxes on Income	(14,558)	11,076
Increase (Decrease) in Accounts Payable	98,838	101,268
Increase (Decrease) in Accrued Expenses	<u>1,293</u>	<u>(23,452)</u>
Total Adjustments	<u>53,095</u>	<u>118,194</u>
Net Cash Provided by (Used in) Operating Activities	<u>(18,105)</u>	<u>146,460</u>

The notes to the financial statements are an integral part hereof.

RAND ARCHITECTS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008

Cash flows from operating activities:	
Net income (loss)	\$ (1,032,830)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation and amortization	592,991
Impairment of goodwill	290,000
Loss on sale or abandonment	497,788
(Increase) decrease in:	
Accounts receivable, net	1,868,255
Work-in-process	716,578
Prepaid expenses	21,578
Deposits and other, net	46,697
Increase (decrease) in:	
Accounts payable	361,307
Consultants payable	(1,237,264)
Accrued expenses	(662,749)
Customer deposits	(84,654)
Stock appreciation rights	<u>(254,594)</u>
Total adjustments	<u>2,155,933</u>
Net cash provided by operating activities	1,123,103
Cash flows from investing activities:	
Purchases of property and equipment	(597,572)
Purchase of intangible assets	(114,148)
Proceeds from sales of assets	<u>94,557</u>
Net cash provided (used) by investing activities	(617,163)
Cash flows from financing activities:	
Proceeds of long-term debt	633,325
Payments on long-term debt	(212,376)
Distributions to shareholders	<u>(542,369)</u>
Net cash provided (used) by financing activities	<u>(121,420)</u>
Net increase in cash	384,520
Cash, beginning of year	<u>129,448</u>
Cash, end of year	<u>\$ 513,968</u>

See accompanying notes and accountants' review report.

TRM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income from operations	\$ 1,825,033	\$ 730,607
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	240,921	268,236
(Increase) decrease in accounts receivable	(9,512)	67,896
Decrease in prepaid State excise tax	3,782	2,153
Decrease in prepaid expense	4,907	66,875
Increase (decrease) in accounts payable	64,930	(328,478)
Decrease in accrued State excise tax	—	(4,200)
Increase in accrued expenses	131,879	45,990
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,261,940</u>	<u>849,079</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of bank term notes	<u>(487,782)</u>	<u>(1,325,300)</u>
NET CASH USED BY FINANCING ACTIVITIES	<u>(487,782)</u>	<u>(1,325,300)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Stockholder distributions	(1,200,000)	(240,000)
Purchases of building and plant equipment	(110,176)	(170,320)
Unrecognized gain on investment	—	(51,591)
Investment in Red Rocks, LLC	—	12,500
Investment in High Desert, LLC	—	12,500
Settlement of equipment cost	(22,272)	792,581
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(1,332,448)</u>	<u>355,670</u>
INCREASE (DECREASE) IN CASH	441,710	(120,551)
CASH, BEGINNING OF YEAR	<u>1,055,524</u>	<u>1,176,075</u>
CASH, END OF YEAR	<u>\$ 1,497,234</u>	<u>\$ 1,055,524</u>

Additional information:

Taxes actually paid during the year amounted to \$7,149 in 2008 and \$5,460 in 2007. Interest expense actually paid during the year amounted to \$215,298 in 2008 and \$377,656 in 2007. Depreciation expense charged to income amounted to \$240,921 in 2008 and \$268,236 in 2007.

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

XYZ, P.C.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash Flows From Operating Activities:		
Net income	\$ 33,067	\$ 72,874
Adjustments to reconcile net income to net cash provided by operating activities—		
Depreciation	37,458	32,686
(Increase) decrease in:		
Accounts receivable	(20,942)	(46,251)
Prepaid expenses	(1,730)	(6,524)
Increase (decrease) in:		
Accounts payable	22,575	8,408
Accrued expenses	(45,330)	3,918
Franchise tax payable	575	—
Net cash provided by operating activities	<u>25,673</u>	<u>65,111</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	(23,194)	(105,572)
Net advances made to employees	(3,345)	(921)
Net cash required by investing activities	<u>(26,539)</u>	<u>(106,493)</u>
Cash Flows From Financing Activities:		
Net proceeds from short-term debt	40,000	93,000
Payments on long-term debt	(19,669)	(31,821)
Dividends paid	(30,100)	(30,500)
Net cash provided (required) by financing activities	<u>(9,769)</u>	<u>30,679</u>
(Decrease) In Cash	<u>(10,635)</u>	<u>(10,703)</u>
Cash At Beginning Of Year	<u>22,301</u>	<u>33,004</u>
Cash At End Of Year	<u>\$ 11,666</u>	<u>\$ 22,301</u>

See accountants' compilation report and accompanying notes to financial statements.

MAGEE CLINICAL MANAGEMENT, INC.
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 For the Years Ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Cash received from customers	\$ 22,414,046	\$ 21,828,807
Cash paid to suppliers and employees	(22,283,581)	(20,552,385)
Interest paid	(76,158)	(143,563)
Income taxes paid	<u>(87,427)</u>	<u>(133,807)</u>
Net cash (used in) provided by operating activities	<u>(33,120)</u>	<u>999,052</u>
Cash flows from investing activities:		
Purchases of property and equipment	(55,337)	(151,201)
Proceeds from disposal of property and equipment	<u>19,175</u>	<u>25,600</u>
Net cash used in investing activities	<u>(36,162)</u>	<u>(125,601)</u>
Cash flows from financing activities:		
Net advances (to) from line of credit	349,000	(567,000)
Repayments on long-term debt and capital leases	<u>(285,774)</u>	<u>(363,840)</u>
Net cash provided by (used in) financing activities	<u>63,226</u>	<u>(930,840)</u>
Net decrease in cash	(6,056)	(57,389)
Cash at beginning of year	<u>79,289</u>	<u>136,678</u>
Cash at end of year	<u>\$ 73,233</u>	<u>\$ 79,289</u>

See accountants' review report.
 See accompanying notes to consolidated financial statements.

MAGEE CLINICAL MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Reconciliation of net income to net cash (used in) provided by operating activities:		
Net income	\$ 423,829	\$ 69,859
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation	378,364	398,449
Loss on disposal of property and equipment	11,389	29,721
Deferred income taxes	153,700	189,000
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	836,495	38,428
Accounts receivable—related parties	7,088	71,647
Prepaid expenses	(2,643)	(29,993)
Increase (decrease) in:		
Trade accounts payable	(64,605)	36,433
Accounts payable—related parties	(1,504,658)	213,659
Payroll withholding	(32,490)	(1,086,065)
Accrued expenses	(192,354)	1,139,934
Income taxes payable	(86,588)	13,470
Other	39,353	(85,490)
	<u>(456,949)</u>	<u>929,193</u>
Net cash (used in) provided by operating activities	<u>\$ (33,120)</u>	<u>\$ 999,052</u>

Supplemental disclosure of non cash investing and financing activities:

During the years ended June 30, 2008 and 2007 notes payable totaling \$246,161 and \$219,254, respectively, were entered into for the purchase of property and equipment.

See accountants' review report.
See accompanying notes to consolidated financial statements.

TEST PLUS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Cash received from customers	\$ 8,148,888	\$ 6,400,656
Cash paid to suppliers and employees	(6,332,858)	(6,392,110)
Interest received	26,642	28,099
Interest paid		(1,095)
Income taxes refunded	65,444	
Income taxes paid	<u>59,225</u>	<u>(234,910)</u>
Net cash provided by (used in) operating activities	<u>1,967,341</u>	<u>(199,360)</u>
Cash flows from investing activities:		
Purchases of equipment	<u>(61,258)</u>	<u>(168,413)</u>
Net cash used in investing activities	<u>(61,258)</u>	<u>(168,413)</u>
Net increase (decrease) in cash	1,906,083	(367,773)
Cash at beginning of year	<u>690,942</u>	<u>1,058,715</u>
Cash at end of year	<u>\$ 2,597,025</u>	<u>\$ 690,942</u>

See accompanying notes to consolidated financial statements.

TEST PLUS, INC.
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 For the Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Reconciliation of net income to net cash provided by (used in) operating activities:		
Net income	\$ <u>424,031</u>	\$ <u>4,021</u>
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	95,714	53,678
Amortization of deferred compensation	10,000	10,000
Deferred income taxes	73,271	4,181
Changes in assets and liabilities:		
(Increase) decrease in:		
Trade accounts receivable	116,870	(325,255)
Refundable income taxes	336,445	(229,102)
Prepaid expenses	(6,549)	(1,942)
Deposits	7,454	(22,645)
Increase (decrease) in:		
Trade accounts payable	879,353	9,184
Accrued expenses	66,221	196,980
Deferred rent	(11,726)	(9,547)
Deferred revenue	<u>(23,743)</u>	<u>111,087</u>
	<u>1,543,310</u>	<u>(203,381)</u>
Net cash provided by (used in) operating activities	\$ <u>1,967,341</u>	\$ <u>(199,360)</u>

See accompanying notes to consolidated financial statements.

Lonestar Water Transport, Inc.

STATEMENTS OF CASH FLOWS

December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Net income	\$ 3,610,457	\$ 4,686,661
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	409,071	492,841
Equity income of affiliated companies	(247,597)	(243,633)
Gain on sale of equipment	(27,400)	—
Change in current assets and liabilities:		
Accounts receivable	109,226	(1,036,804)
Claims receivable	(115,441)	33,230
Prepaid expenses and other current assets	(10,424)	(47,685)
Accounts payable and accrued liabilities	190,382	(591,857)
Deferred revenue	313,156	(111,521)
Net cash provided by operating activities	<u>\$ 4,231,430</u>	<u>\$ 3,181,232</u>
Cash flows from investing activities		
Purchase of property and equipment	\$ (3,469)	\$ (2,274)
Proceeds from sale of property and equipment	38,000	—
Refund of security deposit	—	1,800
Dividends received from affiliated companies	275,000	471,500
Capital contributed to affiliated companies	—	(485,401)
Loans to related parties	(29,000)	—
Net cash provided by (used in) investing activities	<u>\$ 280,531</u>	<u>\$ (14,375)</u>
Cash flows from financing activities		
Proceeds on loans from affiliated companies	\$ 410,000	\$ 625,000
Dividends paid to stockholders	(4,870,000)	(3,400,000)
Net cash (used in) financing activities	<u>\$ (4,460,000)</u>	<u>\$ (2,775,000)</u>
Net change in cash	\$ 51,961	\$ 391,857
Cash and cash equivalents—beginning of year	<u>3,275,945</u>	<u>2,884,088</u>
Cash and cash equivalents—end of year	<u>\$ 3,327,906</u>	<u>\$ 3,275,945</u>
Supplemental Disclosure of Cash Flow Information:		
Interest paid	<u>\$ 47,130</u>	<u>\$ 5,122</u>

See accompanying notes to financial statements and accountants' review report.