

Balance Sheet

11/30/2006 12/31/2006

Assets:

Current Assets:

Cash	376,284.22	310,652.53
Petty Cash	250.00	250.00
Prepaid Insurance	-	2,860.00
Supplies	252.54	525.00
Inventory	65,892.64	44,558.88
Accounts Receivable	42,558.21	70,058.21
Allowance for Doubtful Accounts	(1,734.55)	(3,836.30)
Leases Receivable	-	27,510.50
Interest Receivable	-	531.29
Trading Securities	-	3,800.00
Fair Value Adj.- TS	-	(1,140.00)
Investments- Available for Sale	-	16,000.00
Fair Value Adj.- AFS	-	(1,500.00)
Investments- Held tto Maturity	-	92,000.00
Premium- HTM	-	5,786.00
Total Current Assets	483,503.06	568,056.11

Fixed Assets:

Furniture, Fixtures & Equipment	142,326.41	143,132.91
Accumulated Depreciation	(81,836.82)	(74,090.84)
Total Fixed Assets	60,489.59	69,042.07
Total Assets	543,992.65	637,098.18

Liabilities & Equity:

Liabilities:

Current Liabilities:

Accounts Payable	17,828.31	73,874.19
Federal Withholding Tax Payable	3,131.13	5,498.13
Federal Unemployment Tax Payable	77.99	77.99
State Unemployment Tax Payable	89.42	89.42
Sales Tax Payable	-	10,816.60
Current Portion of Notes Payable	8,416.09	8,454.66
Credit Card Payable	2,158.20	483.64
Interest Payable	-	5.24
Total Current Liabilities	31,701.14	99,299.87

Long-Term Liabilities:

Notes Payable	79,167.90	78,445.49
Total Long-Term Liabilities	79,167.90	78,445.49
Total Liabilities	110,869.04	177,745.36

Equity:

Common Stock	50,000.00	47,500.00
Additional Paid-in-Capital	270,000.00	250,000.00
Additional Paid-in-Capital- Share Repurchase	3,000.00	1,500.00
Treasury Stock	(60,000.00)	(42,000.00)
Unrealized Gain on Investments	-	1,500.00
Current Earnings	138,191.80	171,421.01
Retained Earnings	31,931.81	29,431.81
Total Equity	<u>433,123.61</u>	<u>459,352.82</u>
Total Liabilities & Equity	<u>543,992.65</u>	<u>637,098.18</u>

Income Statement
For the Month Ended December 31, 2006

Revenues:	
Sales	831,006.58
Sales Revenue Refund	(652.28)
Leased Sales Refenue	<u>30,312.82</u>
Total Revenues	860,667.12
 Cost of Goods Sold	 <u>484,897.54</u>
Gross Margin	375,769.58
 Operating Expenses:	
Wages Expense	98,556.36
Federal Withholding Tax Expense	7,539.56
Federal Unemployment Tax Expense	224.00
State Unemployment Tax Expense	458.68
Rent Expense	48,000.00
Utilities Expense	6,398.77
Supplies Expense	1,563.21
Telephone Expense	1,826.33
Postage Expense	1,053.86
Courier Expense	483.06
Equipment Rental Expense	425.21
Advertising Expense	3,365.87
Vehicle Insurance Expense	2,750.00
Mealse/ Hospitality Expense	1,325.43
Training Expense	325.44
Depreciation Expense	16,853.52
Bad Debt Expense	<u>2,101.75</u>
Total Operating Expenses	193,251.05
 Other Income/(Expenses)	
Investment Income	326.25

Interest Income	114.63
Loss on Asset Disposal	(5,113.23)
Unrealized Loss on Asset	(1,140.00)
Interest Expense	<u>(5,285.17)</u>
Total Other Income/(Expenses)	(11,097.52)
Net Gain	<u><u>171,421.01</u></u>

% of
Total Assets

48.76% balance
0.04% balance
0.45% O
0.08% O
6.99% O
11.00% O
-0.60% O
4.32% O
0.08% O
0.60% O
-0.18% I
2.51% I
-0.24% F
14.44% I
0.91% I
89.16%

22.47% I
-11.63% O
10.84%
100.00%

11.60% O
0.86% O
0.01% O
0.01% O
1.70% O
1.33% F
0.08% F
0.00% O
15.59%

12.31% F
12.31%
27.90%

7.46% F
39.24% F
0.24% F
-6.59% F
0.24% O
26.91% starting
4.62%
72.10%
100.00%

Statement of Cash Flows
For the Month Ended December 31, 2006

Operating Activities	
Net Gain	33,229.21
Increase in Prepaid Insurance	(2,860.00)
Increase in Supplies	(272.46)
Increase in Inventory	21,333.76
Increase in Accounts Receivable	(27,500.00)
Increase in Allowance for Doubtful Accounts	2,101.75
Increase in Leases Receivable	(27,510.50)
Increase in Interest Receivable	(531.29)
Increase in Trading Securities	(3,800.00)
Decrease in Accumulated Depreciation	(7,745.98)
Increase in Accounts Payable	56,045.88
Increase in Federal Withholding Payable	2,367.00
Federal Unemployment Payable	-
State Unemployment Payable	-
Increase in Sales Tax Payable	10,816.60
Increase in Interest Payable	5.24
Increase in Unrealized Gain on Investments	1,500.00
Net Cash Inflow from Operating Activities	57,179.21
Investing Activities	
Increase in Available for Sale	(16,000.00)
Increase in Held-to-Maturity	(92,000.00)
Increase in Furniture, Fixtures & Equipment	(806.50)
Increase in Fair Value Adj.- TS	1,140.00
Increase in Premium- HTM	(5,786.00)
Net Cash Outflow from Investing Activities	(113,452.50)
Financing Activities	
Increase in Current Portion of Notes Payable	38.57
Decrease in Credit Card Payable	(1,674.56)
Decrease in Notes Payable	(722.41)
Decrease in Common Stock	(2,500.00)
Decrease in Additional Paid-in-Capital	(20,000.00)
Decrease in Additional Paid-in-Capital Share Repurchase	(1,500.00)
Decrease in Treasury Stock	18,000.00
Increase in Fair Value Adj.- AFS	1,500.00
Net Cash Outflow from Financing Activities	(6,858.40)
Total Net Cash Inflow	(63,131.69)

Add Beginning Cash
Ending Cash

376,534.22
<u>313,402.53</u>

2,500.00 off by