

Timberville Electronics, Inc.  
**Profit & Loss**  
July through December 2001

	<u>Jul - Dec 01</u>
Ordinary Income/Expense	
Income	
Commissions Income	253,779.80
Sales	
Crown Mall	
PHOTO2ART	830.10
Total Crown Mall	<u>830.10</u>
Video Kingdom	75,095.56
Timberville Electronics	
Concessions	488.30
Timberville Electronics - Other	<u>402,269.05</u>
Total Timberville Electronics	<u>402,757.35</u>
Total Sales	478,683.01
Sales Discounts	-13,404.58
Sales Returns	<u>-128.95</u>
Total Income	718,929.28
Cost of Goods Sold	
Cost of Goods Sold	
PHOTO TO ART MERCHANDISE	534.00
COMPUTERS	17,542.16
Parts	1,636.56
Programming	3,315.73
Antenna	2,336.46
TV/VCR/Other	6,235.11
Merchandise	93.38
Satellite Equip	209,634.81
Cost of Goods Sold - Other	<u>-2,860.67</u>
Total Cost of Goods Sold	<u>238,467.54</u>
Total COGS	<u>238,467.54</u>
Gross Profit	480,461.74
Expense	
Penalties	60.85
Internet	3,599.42
Payroll Expenses	
Qual Choice of Virginia	-1,731.25
Advances	-3,294.51
Benefits	1,772.00
Bonuses	3,924.23
Gross Wages	252,986.17
Vacation Pay	2,450.00
Sick Pay	603.00
Uniforms	473.04
Payroll Expenses - Other	<u>-608.75</u>
Total Payroll Expenses	256,573.93
Bad Debts Expense	5,601.56
Discrepancies	
Shortages	-0.01
Discrepancies - Other	<u>-285.54</u>
Total Discrepancies	-285.55
Concessions Expense	1,425.19

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	<u>Jul - Dec 01</u>
Advertising	
Special Promotions	4,538.37
News Paper	13,845.80
Radio	-4,500.00
Yellow Pages	312.75
Printing and Reproduction	528.46
Advertising - Other	-2,350.90
Total Advertising	<u>12,374.48</u>
Bank Charges	2,900.52
Cash Discounts	62,213.60
Commissions	80.00
Donations	50.00
Dues and Subscriptions	901.30
Fixed Assets	
Vehicle	396.60
Total Fixed Assets	<u>396.60</u>
Freight Expense	4,470.27
Insurance	
Auto & Truck	2,142.77
Business Insurance	3,753.00
Worker's Comp	319.35
Total Insurance	<u>6,215.12</u>
Interest Expense	2,474.36
Licenses and Permits	187.00
Miscellaneous	1,083.71
Office	
Office	185.00
Postage & Delivery	2,643.16
Supplies	8,281.36
Office - Other	14.42
Total Office	<u>11,123.94</u>
Payroll Taxes	
FICA	19,984.17
SUTA	0.00
Payroll Taxes - Other	2,085.37
Total Payroll Taxes	<u>22,069.54</u>
Professional Fees	
Accounting	1,070.00
Collections	1,363.60
Total Professional Fees	<u>2,433.60</u>
Refund	389.69
Rent	16,961.05
Rental Equip.	144.00
Repairs	
Building Repairs	2,771.72
Equipment Repairs	3,000.46
Vehicle Repairs	2,220.08
Total Repairs	<u>7,992.26</u>

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	<u>Jul - Dec 01</u>
Taxes	
Quarterly Taxes	112.24
CORP TAXES	1,290.00
1120	2,450.00
Taxes - Other	<u>2,226.19</u>
Total Taxes	6,078.43
Telephone	9,597.93
Transportation	4,184.30
Utility	
Electric	1,852.33
Gas-Heating	218.15
Water & Trash & Sewer	457.56
Utility - Other	<u>77.62</u>
Total Utility	<u>2,605.66</u>
Total Expense	<u>443,902.76</u>
Net Ordinary Income	36,558.98
Other Income/Expense	
Other Income	
BAD DEBT RECOVERIES	68.58
Rebates, Warr. & Other	633.06
Finance Charges & Collect. Fees	
Notice to Suit	435.00
Collections Fee	1,602.81
Finance Charges & Collect. Fees - Ot...	<u>2,764.67</u>
Total Finance Charges & Collect. Fees	4,802.48
Interest Income	371.56
Check Return Charge	<u>140.00</u>
Total Other Income	6,015.68
Other Expense	
VOID	<u>0.00</u>
Total Other Expense	<u>0.00</u>
Net Other Income	<u>6,015.68</u>
Net Income	<u><u>42,574.66</u></u>

Timberville Electronics, Inc.  
**Balance Sheet**  
As of December 31, 2001

	<u>Dec 31, 01</u>
ASSETS	
Current Assets	
Checking/Savings	
Timberville Electronics	-2,194.26
Video Kingdom	106.24
Payroll	1,636.17
Southern Financial	13,916.57
E*TRADE-ASSET ACCT	47,953.90
SECURITY DEPOSITS	2,675.00
Cash on Hand	550.00
Total Checking/Savings	<u>64,643.62</u>
Accounts Receivable	
Accounts Receivable	87,952.34
Total Accounts Receivable	<u>87,952.34</u>
Other Current Assets	
Suspended Capital Losses	7,072.82
Inventory Mdse.	30,279.00
Inventory Parts	17,327.81
Undeposited Funds	-100.00
Total Other Current Assets	<u>54,579.63</u>
Total Current Assets	207,175.59
Fixed Assets	
Fixtures	
Cost	15,932.73
Accumulated Depreciation	-15,752.64
Total Fixtures	<u>180.09</u>
Office Equip-Computers	
Cost	27,996.08
Accumulated Depreciation	-25,004.46
Office Equip-Computers - Other	28.00
Total Office Equip-Computers	<u>3,019.62</u>
Video Tapes	
Cost	272,167.70
Accumulated Depreciation	-184,002.73
Total Video Tapes	<u>88,164.97</u>
Equipment	
Cost	15,684.79
Accumulated Depreciation	-15,416.00
Total Equipment	<u>268.79</u>
Vehicles	
Cost	131,513.63
Accumulated Depreciation	-126,626.99
Total Vehicles	<u>4,886.64</u>
Total Fixed Assets	<u>96,520.11</u>
TOTAL ASSETS	<u><u>303,695.70</u></u>

Timberville Electronics, Inc.  
**Balance Sheet**  
As of December 31, 2001

	<u>Dec 31, 01</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-5,447.16
Total Accounts Payable	<u>-5,447.16</u>
Credit Cards	
Credit Card	
HRS USA	1,126.00
CAPITAL ONE	419.63
CITIBANK	-4,866.29
CITI	4,866.29
PLATINUM PLUS FOR BUSINES...	139.89
PLATINUM PLUS FOR BUSINES...	232.77
Credit Card - Other	-1,374.28
Total Credit Card	<u>544.01</u>
Total Credit Cards	544.01
Other Current Liabilities	
Floor Plan	
MICROSOFT - HRS USA	1,525.00
Transamerica	27,909.76
Total Floor Plan	<u>29,434.76</u>
Payroll Liabilities	
FORT DEARBORN LIFE	-53.60
Qual Health Ins.	4,875.70
State Withholding	962.00
Federal Withholding	1,197.00
FICA	
Company	-444.32
Employee	586.78
FICA - Other	1,031.10
Total FICA	<u>1,173.56</u>
Medicare	
Company	137.22
Employee	137.22
Total Medicare	<u>274.44</u>
Payroll Liabilities - Other	<u>2,841.03</u>
Total Payroll Liabilities	11,270.13
Sales Tax Payable	<u>6,767.94</u>
Total Other Current Liabilities	<u>47,472.83</u>
Total Current Liabilities	42,569.68

Timberville Electronics, Inc.  
**Balance Sheet**  
As of December 31, 2001

	<u>Dec 31, 01</u>
Long Term Liabilities	
Loan Payable	
2001 VEC- FARMERS & MERCHA...	16,617.68
GUY CROTEAU 2001	39,000.00
2000 VEC-FARMERS & MERCHA...	7,244.13
FARMERS & MERCHANTS	1,722.13
GMAC PAYMENT PROCESSING C...	4,032.31
Southern Financial	10,145.14
Guy C.	49,671.76
Total Loan Payable	<u>128,433.15</u>
Total Long Term Liabilities	<u>128,433.15</u>
Total Liabilities	171,002.83
Equity	
Retained Earnings	75,118.21
Opening Bal Equity	
Common Stock	<u>15,000.00</u>
Total Opening Bal Equity	15,000.00
Net Income	<u>42,574.66</u>
Total Equity	<u>132,692.87</u>
TOTAL LIABILITIES & EQUITY	<u><u>303,695.70</u></u>