

**ABC COMPANY  
FINANCIAL PRESENTATION  
TO OBTAIN FINANCING**

**ABC COMPANY**  
**FINANCIAL PRESENTATION**  
**INDEX**

**Adele Smith Biography**

**George Jones Biography**

**ABC Company Description of Business Operations & Choice of Location**

**Market Analysis of the Location & Description of Competition**

**Schedule of Financing & Capital Contributed**

**Schedule of Assets Being Purchased & Use of Funds**

**Schedule of Rental Income & Expense**

**Schedule of Rental Income & Unit Description**

**Explanation of Income Cash Flow Projections**

**Description of Collateral Offered**

**Adele Smith Personal Financial Statement**

**ABC Company Opening Financial Statement Opening Balance Sheet**

**Two years of Profit & Loss and Cash Flow Projections**

## **ADELE SMITH**

### **BIOGRAPHY**

Adele Smith was born on May 26, 1968 in Souderton, Pennsylvania to a middle class blue-collar family; she is the youngest of four girls. Adele graduated from Souderton Area High School in 1986. She attended Montgomery County Community College from 1992-1996. Her major areas of studies were General Studies and Early Childhood Education, earning a 4.0 GPA. She continued her studies at Gwynedd-Mercy College. During the period 1992-2002 she worked as an educator for various daycares and private schools as a preschool and music educator.

While on a break from teaching Adele began working part-time at the Last Gasp Pub. She started an early morning breakfast shift. This was a new endeavor for this establishment. Adele cooked and managed the kitchen for this shift. She built this endeavor to a profitable level from scratch. This shift quadrupled its first six months net profit in the second six months.

Adele took the opportunity to build on this success and moved into a managerial position during the normal operations of this business. This enabled her to gain the experience she would need to pursue this business in the future. She began working a 60-hour weekly shift and, by September of 2003, had worked herself into a full-time managerial position. Her job responsibilities consisted of the ordering of beer and liquor for the entire bar and restaurant business, advertising and signage, the staffing and scheduling, as well as the repairs and maintenance.

As her time in this position continued, she assumed many additional responsibilities. These additional responsibilities included all kitchen shift management, purchasing of the food inventory, staffing of the wait staff and menu planning. Adele also started to do the entertainment scouting, scheduling of the music events and the budgets required to support them.

Adele started hosting and performing at the pub. She also started an Open Mic night to increase the business by attracting new clientele to the pub. Starting the music venue addition enabled her to cross-promote this business with the local recording studio.

As the business at the Pub increased, her duties increased; she started handling the daily bookkeeping chores to include the general ledger, accounts payable and accounts receivable functions. Adele also started managing the six rental units above the Pub. These duties included renting the units, collecting the rents, and supervision of the renovations and repairs. During the period of her management of these operations, she increased the net profits by 30 percent in the first few months and by 50 percent within six months of assuming management.

**(Page 2) Adele Smith Biography**

**In September of 2005, Adele left the employ of the Last Gasp Pub to pursue her own business interests. She started to pursue the acquisition of ABC Company. This business is located within blocks of her former employer, Last Gasp Pub, making this a volatile and ambitious endeavor. Her passion for the bar, restaurant and entertainment business led to her desire to purchase and own her own business of this kind.**

**Adele Smith possesses a strong personal following – both in the bar clientele and in the music entertainment business. Adele will bring to this business impeccable organization and budgeting skills. She has a complete and current knowledge of bar trends and popular activities for the current bar clientele. From her years of management at the Pub she is familiar and has good relationships with many of the local vendors and purveyors. She has the ability to aggressively prevent and handle all problems as they relate to the bar business and management of rental real estate. She also has a full knowledge and understanding of all Pennsylvania Liquor Control Board laws, guidelines and restrictions.**

**All of the above qualifications and experiences have prepared Adele to successfully own and operate ABC Company.**

## **GEORGE JONES**

### **BIOGRAPHY**

George Jones was born in Concord, California on February 5, 1968. He is the only child of Japanese immigrants. His father teaches film making at Swarthmore College in Swarthmore, Pennsylvania. George traveled extensively in his youth, living in Italy for two years as a young child.

George started his formal musical training at the age of five, on the violin and later, the clarinet. Through his adolescent years, he traveled worldwide with youth orchestras before leaving on scholarship for Oberlin Music College. He graduated from Strath Haven High School in 1986 before going to Oberlin Music College. While at Oberlin, he concentrated his studies in performance and sound engineering.

After completing his education, George picked up the guitar and self crafted a unique style of playing the guitar. He toured with various popular local bands and further developed his unique playing style. During this period, he also worked on achieving an appreciation and deep understanding of sound quality, both live and in the studio.

In the 1990s, when computers were taking the recording industry to a new level, George stayed current with the times and studied computers at the Allentown School of Business. He later incorporated these skills and partnered with another local musician in a successful basement-recording studio. It was in this recording studio that George met the members of his longest running and most successful work band, Cleetus, which he is still a member of today. He remains a dominant force in this band, offering them unsurpassed composition skills for their original music and a signature guitar sound.

In 2004, George's passion for the music and recording industry had to break from the standard "9 to 5" non-musical employment. When the opportunity to become the head sound engineer, producer and co-owner of Lansdale's first dedicated, professional recording studio presented itself, George left his day job to pursue it on a full time basis. His partner in this new venture is Baird Parker, the son of jazz legend Charlie Parker. In its first year of business, George has had the opportunity to build and utilize a state of the art facility with the latest, top of the line production equipment.

Birdland has been booked with recording and production projects since it first opened. George continues to expand his musical experiences by helping develop new, younger rock and alternative bands. In the past year he has recorded and assisted in almost every musical genre. He helps promote the talents from Birdland Studios by offering them performance opportunities in venues to which he is connected. His future plans include the purchase of a musical venue and partnering with other established personalities in the local music industry for networking.

George Jones partnering with Adele Smith in the purchase of ABC Company will be the first step in the achievement of that goal.

**ABC COMPANY**  
**DESCRIPTION OF BUSINESS OPERATIONS & CHOICE OF LOCATION**

The ABC Company is located at the intersection of Anywhere Street and North First Street in the City of Philadelphia. This establishment has existed for over 30 years. It has been under the operation of the current ownership for the last ten years. During this time, it has been mainly a local corner pub type establishment. It has provided the local area with a place to drink, relax and to enjoy all of the sporting events, which are shown on its array of five televisions.

It lives up to its reputation serving a wide range of beers both on tap and by the bottle. The kitchen serves a variety of bar foods for the enjoyment of its patrons. The bar also provides the latest in bar games and has the latest technology in dartboards. The ABC Company sponsors teams in the local dart leagues, bringing the patrons in to practice. The other teams compete in the ABC Company when its turn comes up in the league schedule.

The ABC Company is open 7 days a week. It opens at eleven in the A.M. for the lunch hour and stays open until 2:00 A.M. when all bars in Pennsylvania are required to close.

The change in ownership will bring a new vitality to the ABC Company. As the new owner, Adele will revitalize the kitchen. She will enhance and expand the menu. This will bring in new patrons not formerly acquainted with the ABC Company.

The main change that will be made to the operational mode of the ABC Company, after the enhancement of the kitchen and menu, will be the addition of music. The new owner plans to make a new music venue of this establishment.

The ABC Company has enjoyed a substantial clientele. The changes to be made by the new owner Adele, enhancing the kitchen, the new expanded menu and the addition of a regular music program will serve to increase the business from its current level.

The decision to buy this location was based on two factors; Adele was looking to stay in the general vicinity and ABC Company had recently come on the market. Having worked in the area and managed one of their competitors she was very familiar with the market and its area. This was a good choice for her to buy. The business does well and has a good customer base, and rooms upstairs to generate additional revenue.

## Page 2 Description of Business Operations

The rental income from the real estate would generate sufficient income to make the mortgage payment. The purchase of the real estate and the business in two separate entities offer the best operational method from an operations standpoint and a tax standpoint.

This business and real estate are in very good condition. The six units upstairs have been maintained in good condition and do not need any major repair or remodeling. The bar and everything in it has also been maintained, and is in serviceable order. The changes in the kitchen will be minimal, and not immediate. This will be paid, in part, with the operating loan obtained from The Amusement Company, operating income when the work is done and additional capital from the principals.

The dimensions of the bar are as follows:

Pool Room is 27' x 13'

Dart Room 25' x 15'

Beer Storage Main Floor 13' x 8'

Basement 25' x 14' w/beer box measuring 9' x 7'

Basement office and liquor storage 14' x 6'

Main Bar Room 44' x 23'

Kitchen 17' x 11'

## **ABC COMPANY**

### **MARKET ANALYSIS OF THE LOCATION & DESCRIPTION OF COMPETITION**

The ABC Company is located at the corner of Anywhere Street and North First Street in the City of Philadelphia, Pennsylvania. This establishment has been here for over thirty years operating as a Pub, Sports bar, and corner bar atmosphere for the local area residence. Adele and George will be introducing live music on a regular basis. This will serve to enhance and change the market mix of the existing clientele. It is located in the middle of a residential section of the city. The main thoroughfare of Philadelphia is not within walking distance of ABC Company.

The most probable competition will be the Sports Bar called Rim Shot. This establishment is two blocks from ABC Company on 610 N. Third Street. In its present venue it operates more as a restaurant with a bar. Rim Shot has a regular restaurant liquor license and is open to the general public. They are what can be termed slightly upscale with a very extensive restaurant menu.

The Last Gasp Pub is the establishment where Adele worked and managed prior to pursuing this venture. It is located within 1/2 mile of ABC Company. Its operations can be termed almost a dive. The food menu is minimal if at all. When Adele was involved they had live music on a regular basis. There is no regular live music at the current time. However they have recently started to have live music again on a sporadic basis.

The other drinking establishments located nearby are all of the private club variety. A private club in Pennsylvania has what is called a "C" liquor license. They are required to be restricted to members only and their guests. They must meet private club criteria and are subject to state audit of their membership practices. Private clubs in Pennsylvania are not required to have a special "Sunday Sales License" to be open on Sunday. A Private Club is also allowed to remain open until 3:00 A.M. instead of the 2:00 A.M. that is the closing time for all other liquor establishments in Pennsylvania.

The private club license system in this state when created was originally intended for the use of true "non profit" and "not for profit" social establishments such as the ones we will detail next, i.e. the American Legion and the VFW type establishments. However, these type licenses have been purchased by "for profit" companies operating under the guise of a private club. We will discuss two of these type establishments in this analysis.

(Page 2) Market Analysis

The Downtown VFW, Inc. is located in the next block. This is a true private club intended for the use of its membership. The American Legion post, which is located next to the Last Gasp Pub, is also a true "not for profit" social club. These two establishments follow the rules as originally designated by the enactment of the private club regulations.

The two other private clubs nearby are the Ravenswood Club and the Buckminister Club. These two establishments are operating under the guise of the private club rules, but are really for profit establishments. They do not restrict their membership as is required by the rules established for the operation of a private club. These two clubs take advantage of the increased operating hours offered by the guise of being a private club.

The ABC Company will offer more as previously stated in the way of food and entertainment to enable it to complete effectively in this area of the city.

**ADELE SMITH**  
**SCHEDULE OF FINANCING & CAPITAL CONTRIBUTED**

31-Jan-06

Mortgage for Real Estate & Liquor License	\$ 495,000.00
Total Financing	<u>\$ 495,000.00</u>
Capital Contributed by Adele	\$ 30,000.00
Capital Contributed by George	<u>25,000.00</u>
Total Capital Being Contributed	<u>\$ 55,000.00</u>
Total Financing and Capital Contributed	<u><u>\$ 550,000.00</u></u>

**Note:** A working capital loan from The Amusement Company in the amount of \$20,000 will be made in the form of advance commissions.

This loan will be made subsequent to the settlement.

**ABC COMPANY**  
**SCHEDULE OF ASSETS BEING PURCHASED & USE OF FUNDS**  
31-Jan-06

Restaurant Building Located on Anywhere Street in Philadelphia		<b>\$ 350,000.00</b>
Assets Related to Purchase of Bar		
Liquor License	\$ 100,000.00	
Furniture & Equipment	50,000.00	
Covenant not to Compete	25,000.00	
Goodwill	<u>25,000.00</u>	
Total Restaurant Asset Purchases		<u><b>\$ 200,000.00</b></u>
Total Assets Being Purchased		<u><b>\$ 550,000.00</b></u>
Funding Provided		
SBA Guaranteed Loan Provided by Hometown Bank		<b>\$ 495,000.00</b>
Capital Contributed by Adele Smith		<b>\$ 30,000.00</b>
Capital Contributed by George Jones		<u><b>\$ 25,000.00</b></u>
Total Funds Provided		<u><b>\$ 550,000.00</b></u>

**Adele Smith**

**Schedule of Rental Income & Expense**

**2006**

<b>Six Units Annual Rental Income (Rent Schedule 2)</b>	<b>\$34,200.00</b>
<b>Rental Income Bar</b>	<b><u>14,400.00</u></b>
<b>Total Rental Income</b>	<b><u>\$ 48,600.00</u></b>
<b>Rental Unit Expenses</b>	
<b>Loan Payments</b>	<b>\$31,617.00</b>
<b>Real Estate Taxes</b>	<b>3,782.00</b>
<b>General Repairs</b>	<b><u>2,752.00</u></b>
<b>Total Expenses</b>	<b><u>\$38,151</u></b>
<b>Net Cash Flow</b>	<b><u>\$10,449</u></b>

**Note: Loan payments on line 27 are based on the assumption of financing being obtained for 90% of the purchase price at 8% per annum for 20 years.**

**ADELE SMITH**  
**SCHEDULE OF RENTAL INCOME AND UNIT DESCRIPTION**  
 As of December 31, 2005  
 Rental Schedule #2

<u>Unit #</u>	<u>Unit Description</u>	<u>Month Rent</u>	<u>New Rental Rates</u>	<u>Annual Rent</u>	<u>New Annual Rent</u>
Unit # 1	Efficiency with Bath	\$ 450.00	\$ 495.00	\$ 5,400.00	\$ 5,940.00
Unit # 2	Single Room	420.00	465.00	5,040.00	5,580.00
Unit # 3	Efficiency with Bath	450.00	495.00	5,400.00	5,940.00
Unit # 4	Single Room	420.00	465.00	5,040.00	5,580.00
Unit # 5	Single Room	340.00	465.00	4,080.00	5,580.00
Unit # 6	Single Room	<u>420.00</u>	<u>465.00</u>	<u>5,040.00</u>	<u>5,580.00</u>
		<u>\$ 2,500.00</u>	<u>\$ 2,850.00</u>	<u>\$ 30,000.00</u>	<u>\$ 34,200.00</u>

**Note:** All tenants will be required to sign a lease of an indeterminable nature and the rents will be increased as indicated in this schedule.

**ABC COMPANY**  
**EXPLANATION OF INCOME & CASH FLOW PROJECTIONS**

The assumptions made in the accompanying Profit and Loss and Cash Flow projections were based on the numbers provided by the current operator. We reviewed these numbers and made adjustments as we could best estimate for the objectives we plan on obtaining.

The current operator has been operating ABC Company for the past ten years. We relied on his operating information as a basis for starting the projections. Such information as the vending income was provided in detail by the vendor. Payroll was derived by taken the amount of employees needed to operate at the current level and the projected increase in the second year. We applied standard payroll computation methods and rates to determine the actual payroll estimate. Payroll taxes were based on a percentage of payroll expense.

The balance of the expense information was calculated as an average percentage of sales from published averages for business of this type. Cost of sales was based on the current percentages of the operator with some upward adjustment for initial increases for a new operator.

Amortization of the loan balances was based on the amortization tables for these loans as calculated.

**ABC COMPANY**  
**DESCRIPTION OF COLLATERAL OFFERED**

The primary collateral offered will be the building housing the bar and the rooms. This building is in good operating order and the related costs and rental income is described adequately in the related attached schedule "Schedule of Rental Income and Expense." This building will be used by giving the lender a first mortgage

The "H" liquor license has a fixed value in this area of \$ 100,000. Liquor license values in the state of Pennsylvania are fixed by market conditions of supply and demand. A liquor license in Pennsylvania is a viable asset. It is very marketable and cannot be cancelled. This will also be used by giving the vender a first lien.

The residence of Adele Smith has a marketable value of \$367,000 as established by the recent appraisal for the refinance that she did. The balance of the equity after the refinance is available for a second mortgage.

**ADELE SMITH  
PERSONAL FINANCIAL STATEMENT  
JUNE 30, 2006**

**ADELE SMITH**  
**PERSONAL FINANCIAL STATEMENT**  
**JUNE 30, 2006**

**INDEX**

<b>Compilation Letter</b>	<b>1</b>
<b>Personal Financial Statement (Assets )</b>	<b>2 (A)</b>
<b>Personal Financial Statement (Liabilities and Net Worth )</b>	<b>2 (B)</b>
<b>Schedule of Real Estate Owned (Schedule I )</b>	<b>3</b>
<b>Schedule of Business Investments (Schedule II )</b>	<b>4</b>
<b>Schedule of Notes Receivable (Schedule III )</b>	<b>5</b>
<b>Schedule of Mortgages (Schedule IV)</b>	<b>6</b>
<b>Schedule of Income (Schedule V )</b>	<b>7</b>

**DERSHOWITZ & COMPANY**  
Accountants and Auditors  
209 Leedom Street  
Jenkintown, Pa. 19046-3235  
215-887-0344 Fax 215-887-3099

E-mail [dandcoinc@dershowitzcompany.biz](mailto:dandcoinc@dershowitzcompany.biz)

[www.dershowitzcompany.biz](http://www.dershowitzcompany.biz)

27 Years of Continuing Service

October 23, 2006

Adele Smith  
708 Doe Lane  
Glenside, PA 19038

Dear Ms. Smith,

We have compiled the accompanying Personal Financial Statement of Adele Smith for the period ended December 31, 2005. These statements have been prepared in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of the individuals. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Very truly yours,

DERSHOWITZ & COMPANY



ADELE SMITH  
PERSONAL FINANCIAL STATEMENT  
JUNE 30, 2006

LIABILITIES AND NET WORTH

Liabilities:	
Mortgages ( See Schedule IV)	\$ 536,476
Net Worth	<u>2,836,834</u>
Total Liabilities & Net Worth	<u>\$ 3,373,310</u>

2 (B)

See Accountant's Accompanying Compilation Letter.

DERSHOWITZ & COMPANY, ACCOUNTANTS AND AUDITORS

**ADELE SMITH**  
**PERSONAL FINANCIAL STATEMENT**  
**JUNE 30, 2006**  
**SCHEDULE OF BUSINESS INVESTMENTS**

**SCHEDULE II**

Hartman Haviland, Inc.	\$ 300,000
R. Townsend Company, Inc.	110,000
RFP Gaston, Inc.	125,000
1363 Grovane Street, Inc.	<u>300,000</u>
Total Value of Business Investments	\$ <u>835,000</u>

See Accountant's Accompanying Compilation Letter.

DERSHOWITZ & COMPANY, ACCOUNTANTS AND AUDITORS

**ADELE SMITH**  
**PERSONAL FINANCIAL STATEMENT**  
**JUNE 30, 2006**

**SCHEDULE OF NOTES RECEIVABLE**

**SCHEDULE III**

705 Tower Run Lane Seller Mortgage	\$ 34,769
Hartman Haviland, Inc.	104,919
R. Townsend Company, Inc.	83,315
RFP Gaston, Inc.	72,164
1363 Grovane Street, Inc.	<u>147,143</u>
Total Value of Business Investments	\$ <u><u>442,310</u></u>

See Accountant's Accompanying Compilation Letter.

DERSHOWITZ & COMPANY, ACCOUNTANTS AND AUDITORS

**ADELE SMITH**  
**PERSONAL FINANCIAL STATEMENT**  
**JUNE 30, 2006**

**SCHEDULE OF MORTGAGES**

**Schedule IV**

Personal Residence Glenside, PA	\$ 221,476
999 Deerpath Circle Philadelphia, PA	90,000
6305 Stafford Philadelphia, PA	40,000
6402 Stafford Philadelphia, PA	25,000
1363 Grovane Street Philadelphia, PA	<u>160,000</u>
 Total Mortgages	 <u>\$ 536,476</u>

ADELE SMITH  
PERSONAL FINANCIAL STATEMENT  
JUNE 30, 2006

SCHEDULE OF INCOME

Schedule V

Adele Smith Earned Income	<u>28,300</u>
Rental Income	<u>110,224</u>
Total Income	<u>\$ 138,524</u>

See Accountant's Accompanying Compilation Letter.

DERSHOWITZ & COMPANY, ACCOUNTANTS AND AUDITORS

**DERSHOWITZ & COMPANY**  
Accountants and Auditors  
209 Leedom Street  
Jenkintown, Pa. 19046-3235

215-887-0344 Fax 215-887-3099

27 Years of Continuing Service  
[www.dershowitzcompany.biz](http://www.dershowitzcompany.biz)

October 23, 2006

Board of Directors  
ABC Company  
150 Anywhere Street  
Philadelphia, Pa. 19103

Gentlemen:

We have compiled the accompanying Opening Financial Statement, the Balance Sheet of 5<sup>th</sup> Street Pub, Inc. as of January 31, 2006. These Statements have been prepared in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Sincerely,

**DERSHOWITZ & COMPANY**

**ABC COMPANY**  
**Opening Financial Statement**  
**Balance Sheet**  
**31-Jan-06**

**UNAUDITED**

**ASSETS**

**CURRENT ASSETS**

Cash In Bank	\$ 20,000.00
Inventory	4,513.00
Incorporation Costs	7,000.00
Fixed Assets	100,000.00
Liquor License	<u>100,000.00</u>
Total Current Assets	<u><u>\$ 231,513.00</u></u>

**See Accountants Accompanying compilation letter.**

**ABC COMPANY**  
**Opening Financial Statement**  
**Balance Sheet**  
**31-Jan-06**

**UNAUDITED**

**LIABILITIES & SHAREHOLDERS EQUITY**

**LIABILITIES**

SBA Loan Business Portion	\$ 180,000.00
The Amusement Company Loan	20,000.00
Loan From Shareholders	<u>11,513.00</u>
<b>Total Liabilities</b>	<b><u>\$ 211,513.00</u></b>
Shareholders Equity	<u>\$ 20,000.00</u>
<b>Total Liabilities &amp; Shareholders Equity</b>	<b><u><u>\$ 231,513.00</u></u></b>

See Accountants Accompanying compilation letter.

**DERSHOWITZ & COMPANY**

Accountants and Auditors  
209 Leedom Street  
Jenkintown, Pa. 19046-3235

215-887-0344 Fax 215-887-3099

27 Years of Continuing Service  
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January 24, 2006

Board of Directors  
ABC Company  
150 Anywhere Street  
Philadelphia, PA 19103

Gentlemen:

We have compiled the accompanying Projected Profit and Loss and Cash Flow Statement of ABC Company as of December 31, 2006. These Statements have been prepared in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

These statements have not been audited or reviewed by us and accordingly we do not express any opinion or other form assurances on them.

Sincerely,

DERSHOWITZ & COMPANY

## Profit & Loss For The Periods Ending Jan 31, 2006 Through Dec 31, 2006

Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	%
Sales	32,145	33,895	34,988	34,452	35,877	34,412	34,999	33,124	34,888	32,557	34,114	39,444	414,895	100.00
Cost of Sales	12,215	12,880	13,295	13,092	13,633	13,077	13,300	12,587	13,257	12,372	12,963	14,989	157,660	38.00
Gross profit	19,930	21,015	21,693	21,360	22,244	21,335	21,699	20,537	21,631	20,185	21,151	24,455	257,235	62.00
Advertising-Promotion	964	1,017	1,050	1,034	1,076	1,032	1,050	994	1,047	977	1,023	1,183	12,447	3.00
Carbonator Rental	207	207	207	207	207	207	207	207	207	207	207	207	2,484	0.60
Cell Phone	99	99	99	99	99	99	99	99	99	99	99	99	1,188	0.29
Contributions	75	75	75	75	75	75	75	75	75	75	75	75	900	0.22
Depreciation	915	915	915	915	915	915	915	915	915	915	915	915	10,980	2.65
Interest Expense	865	865	865	865	865	865	865	865	865	865	865	865	10,380	2.50
Linen Rental	48	48	48	48	48	48	48	48	48	48	48	48	576	0.14
Machine Rental	153	153	153	153	153	153	153	153	153	153	153	153	1,836	0.44
Payroll Management	2,500	2,000	2,000	2,000	2,500	2,000	2,500	2,000	2,000	2,500	2,000	2,000	26,000	6.27
Payroll Sub-Dept 2	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	29,120	7.02
Payroll taxes	616	553	553	553	616	553	616	553	553	616	553	553	6,890	1.66
Rent	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	3.47
Repairs & Maintenance	839	839	839	839	839	839	839	839	839	839	839	839	10,068	2.43
Telephone	101	123	115	116	98	103	105	114	118	121	125	136	1,375	0.33
Utilities-Electric & Gas	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	16,920	4.08
Utilities Water	187	187	187	187	187	187	187	187	187	187	187	187	2,244	0.54
801-845	12,608	12,118	12,143	12,128	12,715	12,113	12,695	12,086	12,143	12,638	12,126	12,297	147,808	35.63
Alarm System	43	43	43	43	43	43	43	43	43	43	43	43	516	0.12
Amortization	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	13,332	3.21
Auto Expenses	115	98	101	105	106	107	103	121	118	117	114	112	1,317	0.32
Band/DJ	250	350	551	450	325	425	375	355	360	375	555	65	4,436	1.07
Bank & Credit Card Charges	98	98	98	98	98	98	98	98	98	98	98	98	1,176	0.28
Bar Supplies and Expenses	353	315	321	333	298	257	303	312	341	333	357	321	3,844	0.93
Casual Labor	500	500	500	500	500	500	500	500	500	500	500	500	6,000	1.45
Coil Cleaning	77	77	77	77	77	77	77	77	77	77	77	77	924	0.22
Exterminator	35	35	35	35	35	35	35	35	35	35	35	35	420	0.10
Insurance Expense	555	555	555	555	555	555	555	555	555	555	555	555	6,660	1.61
Kitchen Expense	199	189	173	178	197	195	193	192	188	185	184	182	2,255	0.54
Legal and Accounting	285	285	285	285	285	285	285	285	285	285	285	285	3,420	0.82
Liquor License Renewal	0	0	0	750	0	0	0	0	0	0	0	0	750	0.18
Maintenance Supplies	221	225	199	204	209	211	212	233	224	226	245	188	2,597	0.63
Misc Expense	236	236	236	236	236	236	236	236	236	236	236	236	2,832	0.68
Misc Taxes & Licenses	52	52	52	52	52	52	52	52	52	52	52	52	624	0.15
Office Expense	104	104	104	104	104	104	104	104	104	104	104	104	1,248	0.30
Payroll Sub Dept. 3	1,024	1,024	1,280	1,024	1,024	1,280	1,024	1,280	1,024	1,024	1,024	1,280	13,312	3.21
Payroll taxes	128	128	160	128	128	160	128	160	128	128	128	160	1,664	0.40
Restaurant Supplies and Ex	251	256	189	199	194	212	234	245	222	215	216	233	2,666	0.64
Trash Removal	329	329	329	329	329	329	329	329	329	329	329	329	3,948	0.95
846-872	5,966	6,010	6,399	6,796	5,906	6,272	5,997	6,323	6,030	6,028	6,248	5,966	73,941	17.82
Interest on term debt	1,200	1,198	1,196	1,194	1,192	1,190	1,188	1,185	1,183	1,181	1,179	1,177	14,262	3.44
Total Department No 4	1,200	1,198	1,196	1,194	1,192	1,190	1,188	1,185	1,183	1,181	1,179	1,177	14,262	3.44
Total Expenses	19,772	19,326	19,738	20,117	19,813	19,575	19,880	19,594	19,356	19,847	19,553	19,440	236,012	56.88
Other income	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	33,132	7.99
Net before tax	2,919	4,450	4,716	4,004	5,192	4,521	4,580	3,704	5,036	3,099	4,358	7,776	54,355	13.10
Income tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Net Income/Loss	2,919	4,450	4,716	4,004	5,192	4,521	4,580	3,704	5,036	3,099	4,358	7,776	54,355	13.10
EBITDA	4,119	5,648	5,912	5,198	6,384	5,711	5,768	4,889	6,219	4,280	5,537	8,953	68,618	0.00

## Profit & Loss For The Periods Ending Jan 31, 2007 Through Dec 31, 2007

Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	%
Sales	35,360	37,285	38,487	37,897	39,465	37,853	38,499	36,436	38,377	35,813	37,525	43,388	456,385	100.00
Cost of Sales	13,437	14,168	14,625	14,401	14,997	14,384	14,630	13,846	14,583	13,609	14,260	16,488	173,426	38.00
Gross profit	21,923	23,116	23,862	23,496	24,468	23,469	23,869	22,591	23,794	22,204	23,266	26,901	282,958	62.00
Advertising-Promotion	1,238	1,305	1,347	1,326	1,381	1,325	1,347	1,275	1,343	1,253	1,313	1,519	15,973	3.50
Carbonator Rental	207	207	207	207	207	207	207	207	207	207	207	207	2,484	0.54
Cell Phone	99	99	99	99	99	99	99	99	99	99	99	99	1,188	0.26
Contributions	125	125	125	125	125	125	125	125	125	125	125	125	1,500	0.33
Depreciation	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	13,380	2.93
Employee-Benefits	350	350	350	350	350	350	350	350	350	350	350	350	4,200	0.92
Interest Expense	150	150	150	150	150	150	150	150	150	150	150	150	1,800	0.39
Linen Rental	48	48	48	48	48	48	48	48	48	48	48	48	576	0.13
Machine Rental	153	153	153	153	153	153	153	153	153	153	153	153	1,836	0.40
Payroll Management	3,500	2,500	2,500	3,500	2,500	2,500	3,500	2,500	2,500	3,500	2,500	3,500	35,000	7.67
Payroll Sub-Dept. 2	2,876	3,033	3,130	3,082	3,210	3,079	3,131	2,964	3,121	2,913	3,052	3,529	37,120	8.13
Payroll taxes	797	692	704	823	714	697	829	683	703	802	664	879	9,015	1.98
Rent	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	3.94
Repairs & Maintenance	839	839	839	839	839	839	839	839	839	839	839	839	10,068	2.21
Telephone	101	123	115	116	98	103	105	114	118	121	125	136	1,375	0.30
Utilities-Electric & Gas	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	18,600	4.08
Utilities-Water	187	187	187	187	187	187	187	187	187	187	187	187	2,244	0.49
801-845	14,835	13,975	14,119	15,171	14,226	14,027	15,236	13,859	14,108	14,912	14,008	15,885	174,359	38.20
Alarm System	43	43	43	43	43	43	43	43	43	43	43	43	516	0.11
Amortization	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	13,332	2.92
Auto Expenses	115	98	101	105	106	107	103	121	118	117	114	112	1,317	0.29
Band/DJ	250	350	551	450	325	425	375	355	360	375	555	465	4,836	1.06
Bank & Credit Card Charges	125	125	125	125	125	125	125	125	125	125	125	125	1,500	0.33
Bar Supplies and Expenses	353	353	353	353	353	353	353	353	353	353	353	353	4,236	0.93
Casual Labor	500	500	500	500	500	500	500	500	500	500	500	500	6,000	1.31
Coil Cleaning	77	77	77	77	77	77	77	77	77	77	77	77	924	0.20
Exterminator	35	35	35	35	35	35	35	35	35	35	35	35	420	0.09
Insurance Expense	555	555	555	555	555	555	555	555	555	555	555	555	6,660	1.46
Kitchen Expense	225	226	245	265	253	242	243	244	255	236	242	275	2,951	0.65
Legal and Accounting	285	285	285	285	285	285	285	285	285	285	285	285	3,420	0.75
Liquor License Renewal	0	0	0	750	0	0	0	0	0	0	0	0	750	0.16
Maintenance Supplies	255	233	225	224	229	221	232	244	245	246	265	251	2,870	0.63
Misc. Expense	236	236	236	236	236	236	236	236	236	236	236	236	2,832	0.62
Misc. Taxes & Licenses	52	52	52	52	52	52	52	52	52	52	52	52	624	0.14
Office Expense	104	104	104	104	104	104	104	104	104	104	104	104	1,248	0.27
Payroll Sub-Dept 3	1,969	2,076	2,143	2,110	2,197	2,108	2,144	2,029	2,137	1,994	2,089	2,416	25,412	5.57
Payroll taxes	246	260	268	264	275	263	268	254	267	249	261	302	3,177	0.70
Restaurant Supplies and Lx	261	325	215	265	221	212	265	277	245	235	226	233	2,980	0.65
Trash Removal	329	329	329	329	329	329	329	329	329	329	329	329	3,948	0.87
846-872	7,126	7,373	7,553	8,238	7,411	7,383	7,435	7,328	7,432	7,257	7,558	7,859	89,953	19.71
Interest on term debt	1,200	1,190	1,180	1,170	1,160	1,150	1,140	1,130	1,120	1,110	1,100	1,090	13,737	3.01
Total Department No. 4	1,200	1,190	1,180	1,170	1,160	1,150	1,140	1,130	1,120	1,110	1,100	1,090	13,737	3.01
Total Expenses	23,161	22,538	22,852	24,578	22,797	22,560	23,810	22,317	22,660	23,279	22,665	24,834	278,049	60.92
Other income	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	33,132	7.26
Net before tax	1,523	3,340	3,771	1,679	4,432	3,670	2,820	3,035	3,895	1,686	3,362	4,828	38,041	8.34
Income tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Net Income/Loss	1,523	3,340	3,771	1,679	4,432	3,670	2,820	3,035	3,895	1,686	3,362	4,828	38,041	8.34
EBITDA	2,723	4,530	4,951	2,849	5,592	4,820	3,960	4,164	5,014	2,796	4,462	5,918	51,778	11.34

## Cash Flow For The Periods Ending Jan 31, 2006 Through Dec 31, 2006

Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Collections	32,145	33,895	34,988	34,452	35,877	34,412	34,999	33,124	34,888	32,557	34,114	39,444	414,895
Purchases	12,215	12,880	13,295	13,092	13,633	13,077	13,300	12,587	13,257	12,372	12,963	14,989	157,660
Subtotal	12,215	12,880	13,295	13,092	13,633	13,077	13,300	12,587	13,257	12,372	12,963	14,989	157,660
Advertising-Promotion	964	1,017	1,050	1,034	1,076	1,032	1,050	994	1,047	977	1,023	1,183	12,447
Carbonator Rental	207	207	207	207	207	207	207	207	207	207	207	207	2,484
Cell Phone	99	99	99	99	99	99	99	99	99	99	99	99	1,188
Contributions	75	75	75	75	75	75	75	75	75	75	75	75	900
Depreciation	915	915	915	915	915	915	915	915	915	915	915	915	10,980
Interest Expense	865	865	865	865	865	865	865	865	865	865	865	865	10,380
Linen Rental	48	48	48	48	48	48	48	48	48	48	48	48	576
Machine Rental	153	153	153	153	153	153	153	153	153	153	153	153	1,836
Payroll Management	2,500	2,000	2,000	2,000	2,500	2,000	2,500	2,000	2,000	2,500	2,000	2,000	26,000
Payroll Sub Dept 2	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	2,427	29,120
Payroll taxes	616	553	553	553	616	553	616	553	553	616	553	553	6,890
Rent	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
Repairs & Maintenance	839	839	839	839	839	839	839	839	839	839	839	839	10,068
Telephone	101	123	115	116	98	103	105	114	118	121	125	136	1,375
Utilities-Electric & Gas	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	16,920
Utilities-Water	187	187	187	187	187	187	187	187	187	187	187	187	2,244
801-845	12,606	12,118	12,143	12,128	12,715	12,113	12,695	12,086	12,143	12,638	12,126	12,297	147,808
Alarm System	43	43	43	43	43	43	43	43	43	43	43	43	516
Amortization	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	13,332
Auto Expenses	115	98	101	105	106	107	103	121	118	117	114	112	1,317
Band/DJ	250	350	551	450	325	325	375	355	360	375	555	65	4,435
Bank & Credit Card Charges	98	98	98	98	98	98	98	98	98	98	98	98	1,176
Bar Supplies and Expenses	353	315	321	333	298	257	303	312	341	333	357	312	3,844
Casual Labor	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Coil Cleaning	77	77	77	77	77	77	77	77	77	77	77	77	924
Exterminator	35	35	35	35	35	35	35	35	35	35	35	35	420
Insurance Expense	555	555	555	555	555	555	555	555	555	555	555	555	6,660
Kitchen Expense	199	189	173	178	197	195	193	192	188	185	184	182	2,255
Legal and Accounting	285	285	285	285	285	285	285	285	285	285	285	285	3,420
Liquor License Renewal	0	0	0	750	0	0	0	0	0	0	0	0	750
Maintenance Supplies	221	225	199	204	209	211	212	233	224	226	245	188	2,597
Misc. Expense	236	236	236	236	236	236	236	236	236	236	236	236	2,832
Misc. Taxes & Licenses	52	52	52	52	52	52	52	52	52	52	52	52	624
Office Expense	104	104	104	104	104	104	104	104	104	104	104	104	1,248
Payroll Sub-Dept 3	1,024	1,024	1,280	1,024	1,024	1,280	1,024	1,280	1,024	1,024	1,024	1,280	13,312
Payroll taxes	128	128	160	128	128	160	128	160	128	128	128	160	1,664
Restaurant Supplies and Ex	251	256	189	199	194	212	234	245	222	215	216	233	2,666
Trash Removal	329	329	329	329	329	329	329	329	329	329	329	329	3,948
846-872	5,966	6,010	6,399	6,796	5,906	6,272	5,997	6,323	6,030	6,028	6,248	5,966	73,941
Interest on term debt	1,200	1,198	1,196	1,194	1,192	1,190	1,188	1,185	1,183	1,181	1,179	1,177	14,262
Total Department No. 4	1,200	1,198	1,196	1,194	1,192	1,190	1,188	1,185	1,183	1,181	1,179	1,177	14,262
Total Cashout	31,987	32,206	33,033	33,209	33,446	32,652	33,180	32,181	32,613	32,219	32,517	34,429	393,672
Other income	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	33,132
Total receipts	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	33,132
Equipment	0	0	0	0	5,000	0	5,000	5,000	0	5,000	0	0	20,000
Term loan paid	1,806	1,808	1,810	1,812	1,814	1,816	1,818	1,821	1,823	1,825	1,827	1,829	21,810
Other payouts	1,806	1,808	1,810	1,812	6,814	1,816	6,818	6,821	1,823	6,825	1,827	1,829	41,810
Net cash change	1,113	2,642	2,906	2,192	(1,622)	2,705	(2,238)	(3,117)	3,213	(3,726)	2,531	5,947	12,546
Beginning cash balance	30,000	31,113	33,755	36,661	38,852	37,230	39,935	37,697	34,580	37,793	34,067	36,599	30,000
Ending Cash	31,113	33,755	36,661	38,852	37,230	39,935	37,697	34,580	37,793	34,067	36,599	42,546	42,546

## Cash Flow For The Periods Ending Jan 31, 2007 Through Dec 31, 2007

Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Collections	35,360	37,285	38,487	37,897	39,465	37,853	38,499	36,436	38,377	35,813	37,525	43,388	456,385
Purchases	12,137	14,168	14,625	14,401	14,997	14,384	14,630	13,846	14,583	13,609	14,260	16,488	172,126
Subtotal	12,137	14,168	14,625	14,401	14,997	14,384	14,630	13,846	14,583	13,609	14,260	16,488	172,126
Advertising-Promotion	1,238	1,305	1,347	1,326	1,381	1,325	1,347	1,275	1,343	1,253	1,313	1,519	15,973
Carbonator Rental	207	207	207	207	207	207	207	207	207	207	207	207	2,484
Cell Phone	99	99	99	99	99	99	99	99	99	99	99	99	1,188
Contributions	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Depreciation	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	13,380
Employee-Benefits	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Interest Expense	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Linen Rental	48	48	48	48	48	48	48	48	48	48	48	48	576
Machine Rental	153	153	153	153	153	153	153	153	153	153	153	153	1,836
Payroll Management	3,500	2,500	2,500	3,500	2,500	2,500	3,500	2,500	2,500	3,500	2,500	3,500	35,000
Payroll Sub-Dept. 2	2,876	3,033	3,130	3,082	3,210	3,079	3,131	2,964	3,121	2,913	3,052	3,529	37,120
Payroll taxes	797	692	704	823	714	697	829	683	703	802	694	879	9,015
Rent	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Repairs & Maintenance	839	839	839	839	839	839	839	839	839	839	839	839	10,068
Telephone	101	123	115	116	98	103	105	114	118	121	125	136	1,375
Utilities-Electric & Gas	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	18,600
Utilities Water	187	187	187	187	187	187	187	187	187	187	187	187	2,244
801-845	14,835	13,975	14,119	15,171	14,226	14,027	15,236	13,859	14,108	14,912	14,008	15,885	174,359
Alarm System	43	43	43	43	43	43	43	43	43	43	43	43	516
Amortization	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	13,332
Auto Expenses	115	98	101	105	106	107	103	121	118	117	114	112	1,317
Band/DJ	250	350	551	450	325	425	375	355	360	375	555	465	4,836
Bank & Credit Card Charges	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Bar Supplies and Expenses	353	353	353	353	353	353	353	353	353	353	353	353	4,236
Casual Labor	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Coil Cleaning	77	77	77	77	77	77	77	77	77	77	77	77	924
Exterminator	35	35	35	35	35	35	35	35	35	35	35	35	420
Insurance Expense	555	555	555	555	555	555	555	555	555	555	555	555	6,660
Kitchen Expense	225	226	245	265	253	242	243	244	255	236	242	275	2,951
Legal and Accounting	285	285	285	285	285	285	285	285	285	285	285	285	3,420
Liquor License Renewal	0	0	0	750	0	0	0	0	0	0	0	0	750
Maintenance Supplies	255	233	225	224	229	221	232	244	245	246	265	251	2,870
Misc Expense	236	236	236	236	236	236	236	236	236	236	236	236	2,832
Misc Taxes & Licenses	52	52	52	52	52	52	52	52	52	52	52	52	624
Office Expense	104	104	104	104	104	104	104	104	104	104	104	104	1,248
Payroll Sub-Dept 3	1,969	2,076	2,143	2,110	2,197	2,108	2,144	2,029	2,137	1,994	2,089	2,416	25,412
Payroll taxes	246	260	268	264	275	263	268	254	267	249	261	302	3,177
Restaurant Supplies and Ex	261	325	215	265	221	212	265	277	245	235	226	233	2,980
Trash Removal	329	329	329	329	329	329	329	329	329	329	329	329	3,948
846-872	7,126	7,373	7,553	8,238	7,411	7,383	7,435	7,328	7,432	7,257	7,558	7,859	89,953
Interest on term debt	1,200	1,190	1,180	1,170	1,160	1,150	1,140	1,130	1,120	1,110	1,100	1,090	13,737
Total Department No 4	1,200	1,190	1,180	1,170	1,160	1,150	1,140	1,130	1,120	1,110	1,100	1,090	13,737
Total Cashout	35,297	36,706	37,477	38,979	37,793	36,944	38,440	36,163	37,243	36,888	36,924	41,321	450,175
Other income	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	33,132
Total receipts	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	2,761	33,132
Equipment	5,000	0	5,000	5,000	0	5,000	0	5,000	0	5,000	0	0	30,000
Term loan paid	1,506	1,506	1,506	1,506	1,506	1,506	1,506	1,506	1,506	1,506	1,506	1,506	18,072
Other payouts	6,506	1,506	6,506	6,506	1,506	6,506	1,506	6,506	1,506	6,506	1,506	1,506	48,072
Net cash change	(3,683)	1,834	(2,735)	(4,827)	2,926	(2,836)	1,314	(3,471)	2,389	(4,820)	1,856	3,322	(8,731)
Beginning cash balance	42,546	38,863	40,697	37,962	33,135	36,061	33,225	34,540	31,068	33,457	28,637	30,493	42,546
Ending Cash	38,863	40,697	37,962	33,135	36,061	33,225	34,540	31,068	33,457	28,637	30,493	33,815	33,815