

**QuickBooks Financial Statement Reporter**  
**Financial Statement and Supporting Document Templates**  
**Examples from Rock Castle Construction**

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# **Financial Statements**

**of  
Rock Castle Construction  
For the Period Ended December 31, 2003**

**Sample Accountant  
1800 County Road  
Bayshore, CA 94326  
650-555-1234**

To the Board of Directors

Rock Castle Construction  
1735 County Road  
Bayshore, CA 94326

We have compiled the accompanying balance sheet of Rock Castle Construction as of December 31, 2003 and the related statements of income and cash flows for the period then ended, in accordance with Statements on 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 management. 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.

John Doe, CPA

February 21, 2003

**Sample Accountant  
1800 County Road  
Bayshore, CA 94326  
650-555-1234**

To the Board of Directors

Rock Castle Construction  
1735 County Road  
Bayshore, CA 94326

We have reviewed the accompanying balance sheet of Rock Castle Construction as of December 31, 2003, and the related statements of income and cash flows for the period then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Rock Castle Construction.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

John Doe, CPA

February 21, 2003

**Sample Accountant  
1800 County Road  
Bayshore, CA 94326  
650-555-1234**

To the Board of Directors

Rock Castle Construction  
1735 County Road  
Bayshore, CA 94326

We have audited the accompanying balance sheet of Rock Castle Construction as of December 31, 2003 and the related statements of income and cash flows for the period then ended. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rock Castle Construction as of December 31, 2003, and the results of its operations and its cash flows for the period then ended in conformity with generally accepted accounting principles.

John Doe, CPA

February 21, 2003

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**ASSETS**

**CURRENT ASSETS**

Checking	\$ 12,652.32
Savings	13,868.42
Accounts Receivable	76,610.00
Tools & Equipment	5,000.00
Inventory Asset	23,102.54
Retainage	2,461.80
Undeposited Funds	<u>36,982.34</u>

<b>Total Current Assets</b>	<u>170,677.42</u>
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**PROPERTY AND EQUIPMENT**

Trucks	33,852.91
Less: Accumulated Depreciation	<u>-9,750.00</u>

<b>Total Property and Equipment</b>	<u>24,102.91</u>
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<b>TOTAL ASSETS</b>	<u><u>\$ 194,780.33</u></u>
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# Rock Castle Construction

## BALANCE SHEET

December 31, 2003

### LIABILITIES AND STOCKHOLDERS' EQUITY

#### CURRENT LIABILITIES

Accounts Payable	\$	32,039.38
QuickBooks Credit Card		70.00
CalOil Card		71.02
Payroll Liabilities		3,302.06
Sales Tax Payable		<u>5,353.52</u>

**Total Current Liabilities** 40,835.98

#### LONG-TERM LIABILITIES

Note Payable		3,440.83
Truck Loan		<u>5,662.38</u>

**Total Long-Term Liabilities** 9,103.21

**Total Liabilities** 49,939.19

#### STOCKHOLDERS' EQUITY

Opening Bal Equity		1,509.00
Owner's Equity		19,000.00
Retained Earnings		78,200.20
Net Income (Loss)		<u>46,131.94</u>

**Total Stockholders' Equity** 144,841.14

**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY** \$ 194,780.33

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**ASSETS**

**CURRENT ASSETS**

Checking	\$ 12,652.32
Savings	13,868.42
Accounts Receivable	76,610.00
Tools & Equipment	5,000.00
Inventory Asset	23,102.54
Retainage	2,461.80
Undeposited Funds	<u>36,982.34</u>

**Total Current Assets**

170,677.42

**PROPERTY AND EQUIPMENT**

Trucks	33,852.91
Less: Accumulated Depreciation	<u>-9,750.00</u>

**Total Property and Equipment**

24,102.91

**TOTAL ASSETS**

\$ 194,780.33



# Rock Castle Construction

## BALANCE SHEET

December 31, 2003

### LIABILITIES AND STOCKHOLDERS' EQUITY

#### CURRENT LIABILITIES

Accounts Payable	\$	32,039.38
QuickBooks Credit Card		70.00
CalOil Card		71.02
Payroll Liabilities		3,302.06
Sales Tax Payable		<u>5,353.52</u>

#### Total Current Liabilities

40,835.98

#### LONG-TERM LIABILITIES

Note Payable		3,440.83
Truck Loan		<u>5,662.38</u>

#### Total Long-Term Liabilities

9,103.21

#### Total Liabilities

49,939.19

#### STOCKHOLDERS' EQUITY

Opening Bal Equity		1,509.00
Owner's Equity		19,000.00
Retained Earnings		78,200.20
Net Income (Loss)		<u>46,131.94</u>

#### Total Stockholders' Equity

144,841.14

#### TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

\$ 194,780.33

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**ASSETS**

	<u>2003</u>	<u>%</u>
<b>CURRENT ASSETS</b>		
Checking	\$ 12,652.32	6.50
Savings	13,868.42	7.12
Accounts Receivable	76,610.00	39.33
Tools & Equipment	5,000.00	2.57
Inventory Asset	23,102.54	11.86
Retainage	2,461.80	1.26
Undeposited Funds	<u>36,982.34</u>	<u>18.99</u>
<b>Total Current Assets</b>	170,677.42	87.63
<b>PROPERTY AND EQUIPMENT</b>		
Trucks	33,852.91	17.38
Less: Accumulated Depreciation	<u>-9,750.00</u>	<u>-5.01</u>
<b>Total Property and Equipment</b>	<u>24,102.91</u>	<u>12.37</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 194,780.33</u></u>	<u><u>100.00</u></u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>2003</u>	<u>%</u>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 32,039.38	16.45
QuickBooks Credit Card	70.00	0.04
CalOil Card	71.02	0.04
Payroll Liabilities	3,302.06	1.70
Sales Tax Payable	<u>5,353.52</u>	<u>2.75</u>
<b>Total Current Liabilities</b>	40,835.98	20.97
<b>LONG-TERM LIABILITIES</b>		
Note Payable	3,440.83	1.77
Truck Loan	<u>5,662.38</u>	<u>2.91</u>
<b>Total Long-Term Liabilities</b>	<u>9,103.21</u>	<u>4.67</u>
<b>Total Liabilities</b>	49,939.19	25.64
<b>STOCKHOLDERS' EQUITY</b>		
Opening Bal Equity	1,509.00	0.77
Owner's Equity	19,000.00	9.75
Retained Earnings	78,200.20	40.15
Net Income (Loss)	<u>46,131.94</u>	<u>23.68</u>
<b>Total Stockholders' Equity</b>	<u>144,841.14</u>	<u>74.36</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><u>\$ 194,780.33</u></u>	<u><u>100.00</u></u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**ASSETS**

	<u>2003</u>	<u>2002</u>
<b>CURRENT ASSETS</b>		
Checking	\$ 12,652.32	\$ 12,454.77
Savings	13,868.42	29,500.00
Accounts Receivable	76,610.00	1,924.40
Tools & Equipment	5,000.00	5,000.00
Inventory Asset	23,102.54	-468.90
Retainage	2,461.80	0.00
Undeposited Funds	<u>36,982.34</u>	<u>18,252.08</u>
<b>Total Current Assets</b>	170,677.42	66,662.35
<b>PROPERTY AND EQUIPMENT</b>		
Trucks	33,852.91	33,852.91
Less: Accumulated Depreciation	<u>-9,750.00</u>	<u>-6,000.00</u>
<b>Total Property and Equipment</b>	24,102.91	27,852.91
<b>OTHER ASSETS</b>		
Pre-paid Insurance	<u>0.00</u>	<u>4,050.00</u>
<b>Total Other Assets</b>	<u>0.00</u>	<u>4,050.00</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 194,780.33</u></u>	<u><u>\$ 98,565.26</u></u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>2003</u>	<u>2002</u>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 32,039.38	\$ 4,050.00
QuickBooks Credit Card	70.00	0.00
CalOil Card	71.02	65.88
Payroll Liabilities	3,302.06	0.00
Sales Tax Payable	<u>5,353.52</u>	<u>935.85</u>
<b>Total Current Liabilities</b>	40,835.98	5,051.73
<b>LONG-TERM LIABILITIES</b>		
Note Payable	3,440.83	20,500.00
Truck Loan	<u>5,662.38</u>	<u>11,451.43</u>
<b>Total Long-Term Liabilities</b>	<u>9,103.21</u>	<u>31,951.43</u>
<b>Total Liabilities</b>	49,939.19	37,003.16
<b>STOCKHOLDERS' EQUITY</b>		
Opening Bal Equity	1,509.00	13,505.69
Owner's Equity	19,000.00	25,000.00
Retained Earnings	78,200.20	-8,639.96
Net Income (Loss)	<u>46,131.94</u>	<u>31,696.37</u>
<b>Total Stockholders' Equity</b>	<u>144,841.14</u>	<u>61,562.10</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><u>\$ 194,780.33</u></u>	<u><u>\$ 98,565.26</u></u>

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

	ASSETS			
	2003	%	2002	%
<b>CURRENT ASSETS</b>				
Checking	\$ 12,652.32	6.50	\$ 12,454.77	12.64
Savings	13,868.42	7.12	29,500.00	29.93
Accounts Receivable	76,610.00	39.33	1,924.40	1.95
Tools & Equipment	5,000.00	2.57	5,000.00	5.07
Inventory Asset	23,102.54	11.86	-468.90	-0.48
Retainage	2,461.80	1.26	0.00	0.00
Undeposited Funds	36,982.34	18.99	18,252.08	18.52
<b>Total Current Assets</b>	170,677.42	87.63	66,662.35	67.63
<b>PROPERTY AND EQUIPMENT</b>				
Trucks	33,852.91	17.38	33,852.91	34.35
Less: Accumulated Depreciation	-9,750.00	-5.01	-6,000.00	-6.09
<b>Total Property and Equipment</b>	24,102.91	12.37	27,852.91	28.26
<b>OTHER ASSETS</b>				
Pre-paid Insurance	0.00	0.00	4,050.00	4.11
<b>Total Other Assets</b>	0.00	0.00	4,050.00	4.11
<b>TOTAL ASSETS</b>	<u>\$ 194,780.33</u>	<u>100.00</u>	<u>\$ 98,565.26</u>	<u>100.00</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>2003</u>	<u>%</u>	<u>2002</u>	<u>%</u>
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 32,039.38	16.45	\$ 4,050.00	4.11
QuickBooks Credit Card	70.00	0.04	0.00	0.00
CalOil Card	71.02	0.04	65.88	0.07
Payroll Liabilities	3,302.06	1.70	0.00	0.00
Sales Tax Payable	<u>5,353.52</u>	<u>2.75</u>	<u>935.85</u>	<u>0.95</u>
<b>Total Current Liabilities</b>	40,835.98	20.97	5,051.73	5.13
<b>LONG-TERM LIABILITIES</b>				
Note Payable	3,440.83	1.77	20,500.00	20.80
Truck Loan	<u>5,662.38</u>	<u>2.91</u>	<u>11,451.43</u>	<u>11.62</u>
<b>Total Long-Term Liabilities</b>	<u>9,103.21</u>	<u>4.67</u>	<u>31,951.43</u>	<u>32.42</u>
<b>Total Liabilities</b>	49,939.19	25.64	37,003.16	37.54
<b>STOCKHOLDERS' EQUITY</b>				
Opening Bal Equity	1,509.00	0.77	13,505.69	13.70
Owner's Equity	19,000.00	9.75	25,000.00	25.36
Retained Earnings	78,200.20	40.15	-8,639.96	-8.77
Net Income (Loss)	<u>46,131.94</u>	<u>23.68</u>	<u>31,696.37</u>	<u>32.16</u>
<b>Total Stockholders' Equity</b>	<u>144,841.14</u>	<u>74.36</u>	<u>61,562.10</u>	<u>62.46</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS'...</b>	<u>\$ 194,780.33</u>	<u>100.00</u>	<u>\$ 98,565.26</u>	<u>100.00</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

	<b>ASSETS</b>		
	<u>2003</u>	<u>2002</u>	<u>Variance</u>
<b>CURRENT ASSETS</b>			
Checking	\$ 12,652.32	\$ 12,454.77	\$ 197.55
Savings	13,868.42	29,500.00	-15,631.58
Accounts Receivable	76,610.00	1,924.40	74,685.60
Tools & Equipment	5,000.00	5,000.00	0.00
Inventory Asset	23,102.54	-468.90	23,571.44
Retainage	2,461.80	0.00	2,461.80
Undeposited Funds	<u>36,982.34</u>	<u>18,252.08</u>	<u>18,730.26</u>
<b>Total Current Assets</b>	170,677.42	66,662.35	104,015.07
<b>PROPERTY AND EQUIPMENT</b>			
Trucks	33,852.91	33,852.91	0.00
Less: Accumulated Depreciation	<u>-9,750.00</u>	<u>-6,000.00</u>	<u>-3,750.00</u>
<b>Total Property and Equipment</b>	24,102.91	27,852.91	-3,750.00
<b>OTHER ASSETS</b>			
Pre-paid Insurance	<u>0.00</u>	<u>4,050.00</u>	<u>-4,050.00</u>
<b>Total Other Assets</b>	<u>0.00</u>	<u>4,050.00</u>	<u>-4,050.00</u>
<b>TOTAL ASSETS</b>	<u>\$ 194,780.33</u>	<u>\$ 98,565.26</u>	<u>\$ 96,215.07</u>

See Accountants' Compilation Report



**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>2003</u>	<u>2002</u>	<u>Variance</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	\$ 32,039.38	\$ 4,050.00	\$ 27,989.38
QuickBooks Credit Card	70.00	0.00	70.00
CalOil Card	71.02	65.88	5.14
Payroll Liabilities	3,302.06	0.00	3,302.06
Sales Tax Payable	<u>5,353.52</u>	<u>935.85</u>	<u>4,417.67</u>
<b>Total Current Liabilities</b>	40,835.98	5,051.73	35,784.25
<b>LONG-TERM LIABILITIES</b>			
Note Payable	3,440.83	20,500.00	-17,059.17
Truck Loan	<u>5,662.38</u>	<u>11,451.43</u>	<u>-5,789.05</u>
<b>Total Long-Term Liabilities</b>	<u>9,103.21</u>	<u>31,951.43</u>	<u>-22,848.22</u>
<b>Total Liabilities</b>	49,939.19	37,003.16	12,936.03
<b>STOCKHOLDERS' EQUITY</b>			
Opening Bal Equity	1,509.00	13,505.69	-11,996.69
Owner's Equity	19,000.00	25,000.00	-6,000.00
Retained Earnings	78,200.20	-8,639.96	86,840.16
Net Income (Loss)	<u>46,131.94</u>	<u>31,696.37</u>	<u>14,435.57</u>
<b>Total Stockholders' Equity</b>	<u>144,841.14</u>	<u>61,562.10</u>	<u>83,279.04</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS'...</b>	<u><u>\$ 194,780.33</u></u>	<u><u>\$ 98,565.26</u></u>	<u><u>\$ 96,215.07</u></u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

	<b>ASSETS</b>			
	<u>2003</u>	<u>2002</u>	<u>Variance</u>	<u>%</u>
<b>CURRENT ASSETS</b>				
Checking	\$ 12,652.32	\$ 12,454.77	\$ 197.55	1.59
Savings	13,868.42	29,500.00	-15,631.58	-52.99
Accounts Receivable	76,610.00	1,924.40	74,685.60	3,880.98
Tools & Equipment	5,000.00	5,000.00	0.00	0.00
Inventory Asset	23,102.54	-468.90	23,571.44	-5,026.97
Retainage	2,461.80	0.00	2,461.80	0.00
Undeposited Funds	<u>36,982.34</u>	<u>18,252.08</u>	<u>18,730.26</u>	<u>102.62</u>
<b>Total Current Assets</b>	170,677.42	66,662.35	104,015.07	156.03
<b>PROPERTY AND EQUIPMENT</b>				
Trucks	33,852.91	33,852.91	0.00	0.00
Less: Accumulated Depreciation	<u>-9,750.00</u>	<u>-6,000.00</u>	<u>-3,750.00</u>	<u>62.50</u>
<b>Total Property and Equipment</b>	24,102.91	27,852.91	-3,750.00	-13.46
<b>OTHER ASSETS</b>				
Pre-paid Insurance	<u>0.00</u>	<u>4,050.00</u>	<u>-4,050.00</u>	<u>-100.00</u>
<b>Total Other Assets</b>	<u>0.00</u>	<u>4,050.00</u>	<u>-4,050.00</u>	<u>-100.00</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 194,780.33</u></u>	<u><u>\$ 98,565.26</u></u>	<u><u>\$ 96,215.07</u></u>	<u><u>97.62</u></u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**BALANCE SHEET**  
December 31, 2003

**LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>2003</u>	<u>2002</u>	<u>Variance</u>	<u>%</u>
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 32,039.38	\$ 4,050.00	\$ 27,989.38	691.10
QuickBooks Credit Card	70.00	0.00	70.00	0.00
CalOil Card	71.02	65.88	5.14	7.80
Payroll Liabilities	3,302.06	0.00	3,302.06	0.00
Sales Tax Payable	<u>5,353.52</u>	<u>935.85</u>	<u>4,417.67</u>	<u>472.05</u>
<b>Total Current Liabilities</b>	40,835.98	5,051.73	35,784.25	708.36
<b>LONG-TERM LIABILITIES</b>				
Note Payable	3,440.83	20,500.00	-17,059.17	-83.22
Truck Loan	<u>5,662.38</u>	<u>11,451.43</u>	<u>-5,789.05</u>	<u>-50.55</u>
<b>Total Long-Term Liabilities</b>	<u>9,103.21</u>	<u>31,951.43</u>	<u>-22,848.22</u>	<u>-71.51</u>
<b>Total Liabilities</b>	49,939.19	37,003.16	12,936.03	34.96
<b>STOCKHOLDERS' EQUITY</b>				
Opening Bal Equity	1,509.00	13,505.69	-11,996.69	-88.83
Owner's Equity	19,000.00	25,000.00	-6,000.00	-24.00
Retained Earnings	78,200.20	-8,639.96	86,840.16	-1,005.10
Net Income (Loss)	<u>46,131.94</u>	<u>31,696.37</u>	<u>14,435.57</u>	<u>45.54</u>
<b>Total Stockholders' Equity</b>	<u>144,841.14</u>	<u>61,562.10</u>	<u>83,279.04</u>	<u>135.28</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS'...</b>	<u>\$ 194,780.33</u>	<u>\$ 98,565.26</u>	<u>\$ 96,215.07</u>	<u>97.62</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
3 Months Ended December 31, 2003

<b>Revenue</b>	
Construction	\$ 174,840.32
<b>Total Revenue</b>	174,840.32
<b>Cost of Goods Sold</b>	
Cost of Goods Sold	8,657.87
<b>Total Cost of Goods Sold</b>	8,657.87
<b>Gross Profit</b>	166,182.45
<b>Operating Expenses</b>	
Automobile	967.66
Bank Service Charges	47.50
Depreciation Expense	750.00
Freight & Delivery	139.60
Insurance	4,050.00
Interest Expense	651.77
Job Expenses	83,925.07
Payroll Expenses	23,880.19
Professional Fees	250.00
Rent	2,400.00
Repairs	220.00
Tools and Machinery	1,160.00
Utilities	439.64
<b>Total Operating Expenses</b>	118,881.43
<b>Operating Income (Loss)</b>	47,301.02
<b>Other Income</b>	
Interest Income	93.42
Other Income	37.50
<b>Total Other Income</b>	130.92
<b>Income (Loss) Before Income Taxes</b>	47,431.94
<b>Income Taxes</b>	1,300.00
<b>Net Income (Loss)</b>	\$ 46,131.94

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended December 31, 2003</u>	<u>%</u>
<b>Revenue</b>		
Construction	\$ 174,840.32	100.00
<b>Total Revenue</b>	174,840.32	100.00
<b>Cost of Goods Sold</b>		
Cost of Goods Sold	<u>8,657.87</u>	<u>4.95</u>
<b>Total Cost of Goods Sold</b>	<u>8,657.87</u>	<u>4.95</u>
<b>Gross Profit</b>	166,182.45	95.05
<b>Operating Expenses</b>		
Automobile	967.66	0.55
Bank Service Charges	47.50	0.03
Depreciation Expense	750.00	0.43
Freight & Delivery	139.60	0.08
Insurance	4,050.00	2.32
Interest Expense	651.77	0.37
Job Expenses	83,925.07	48.00
Payroll Expenses	23,880.19	13.66
Professional Fees	250.00	0.14
Rent	2,400.00	1.37
Repairs	220.00	0.13
Tools and Machinery	1,160.00	0.66
Utilities	<u>439.64</u>	<u>0.25</u>
<b>Total Operating Expenses</b>	<u>118,881.43</u>	<u>67.99</u>
<b>Operating Income (Loss)</b>	47,301.02	27.05
<b>Other Income</b>		
Interest Income	93.42	0.05
Other Income	<u>37.50</u>	<u>0.02</u>
<b>Total Other Income</b>	<u>130.92</u>	<u>0.07</u>
<b>Income (Loss) Before Income Taxes</b>	47,431.94	27.13
<b>Income Taxes</b>	<u>1,300.00</u>	<u>0.74</u>
<b>Net Income (Loss)</b>	<u>\$ 46,131.94</u>	<u>26.39</u>

**Rock Castle Construction**  
**INCOME STATEMENT**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended Dec. 31, 2003</u>	<u>3 Months Ended Dec. 31, 2003</u>
<b>Revenue</b>		
Construction	\$ 174,840.32	\$ 174,840.32
<b>Total Revenue</b>	174,840.32	174,840.32
<b>Cost of Goods Sold</b>		
Cost of Goods Sold	<u>8,657.87</u>	<u>8,657.87</u>
<b>Total Cost of Goods Sold</b>	<u>8,657.87</u>	<u>8,657.87</u>
<b>Gross Profit</b>	166,182.45	166,182.45
<b>Operating Expenses</b>		
Automobile	967.66	967.66
Bank Service Charges	47.50	47.50
Depreciation Expense	750.00	750.00
Freight & Delivery	139.60	139.60
Insurance	4,050.00	4,050.00
Interest Expense	651.77	651.77
Job Expenses	83,925.07	83,925.07
Payroll Expenses	23,880.19	23,880.19
Professional Fees	250.00	250.00
Rent	2,400.00	2,400.00
Repairs	220.00	220.00
Tools and Machinery	1,160.00	1,160.00
Utilities	<u>439.64</u>	<u>439.64</u>
<b>Total Operating Expenses</b>	<u>118,881.43</u>	<u>118,881.43</u>
<b>Operating Income (Loss)</b>	47,301.02	47,301.02
<b>Other Income</b>		
Interest Income	93.42	93.42
Other Income	<u>37.50</u>	<u>37.50</u>
<b>Total Other Income</b>	<u>130.92</u>	<u>130.92</u>
<b>Income (Loss) Before Income Taxes</b>	47,431.94	47,431.94
<b>Income Taxes</b>	<u>1,300.00</u>	<u>1,300.00</u>
<b>Net Income (Loss)</b>	<u>\$ 46,131.94</u>	<u>\$ 46,131.94</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended Dec. 31, 2003</u>	<u>%</u>	<u>3 Months Ended Dec. 31, 2003</u>	<u>%</u>
<b>Revenue</b>				
Construction	\$ 174,840.32	100.00	\$ 174,840.32	100.00
<b>Total Revenue</b>	174,840.32	100.00	174,840.32	100.00
<b>Cost of Goods Sold</b>				
Cost of Goods Sold	<u>8,657.87</u>	4.95	<u>8,657.87</u>	4.95
<b>Total Cost of Goods Sold</b>	<u>8,657.87</u>	4.95	<u>8,657.87</u>	4.95
<b>Gross Profit</b>	166,182.45	95.05	166,182.45	95.05
<b>Operating Expenses</b>				
Automobile	967.66	0.55	967.66	0.55
Bank Service Charges	47.50	0.03	47.50	0.03
Depreciation Expense	750.00	0.43	750.00	0.43
Freight & Delivery	139.60	0.08	139.60	0.08
Insurance	4,050.00	2.32	4,050.00	2.32
Interest Expense	651.77	0.37	651.77	0.37
Job Expenses	83,925.07	48.00	83,925.07	48.00
Payroll Expenses	23,880.19	13.66	23,880.19	13.66
Professional Fees	250.00	0.14	250.00	0.14
Rent	2,400.00	1.37	2,400.00	1.37
Repairs	220.00	0.13	220.00	0.13
Tools and Machinery	1,160.00	0.66	1,160.00	0.66
Utilities	<u>439.64</u>	0.25	<u>439.64</u>	0.25
<b>Total Operating Expenses</b>	<u>118,881.43</u>	67.99	<u>118,881.43</u>	67.99
<b>Operating Income (Loss)</b>	47,301.02	27.05	47,301.02	27.05
<b>Other Income</b>				
Interest Income	93.42	0.05	93.42	0.05
Other Income	<u>37.50</u>	0.02	<u>37.50</u>	0.02
<b>Total Other Income</b>	<u>130.92</u>	0.07	<u>130.92</u>	0.07
<b>Income (Loss) Before Income Taxes</b>	47,431.94	27.13	47,431.94	27.13
<b>Income Taxes</b>	<u>1,300.00</u>	0.74	<u>1,300.00</u>	0.74
<b>Net Income (Loss)</b>	<u>\$ 46,131.94</u>	<u>26.39</u>	<u>\$ 46,131.94</u>	<u>26.39</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended Dec. 31, 2003</u>	<u>3 Months Ended Dec. 31, 2002</u>
<b>Revenue</b>		
Construction	\$ 174,840.32	\$ 34,091.33
<b>Total Revenue</b>	174,840.32	34,091.33
<b>Cost of Goods Sold</b>		
Cost of Goods Sold	8,657.87	468.90
<b>Total Cost of Goods Sold</b>	8,657.87	468.90
<b>Gross Profit</b>	166,182.45	33,622.43
<b>Operating Expenses</b>		
Automobile	967.66	712.56
Bank Service Charges	47.50	0.00
Depreciation Expense	750.00	0.00
Freight & Delivery	139.60	0.00
Insurance	4,050.00	0.00
Interest Expense	651.77	213.50
Job Expenses	83,925.07	1,000.00
Payroll Expenses	23,880.19	0.00
Professional Fees	250.00	0.00
Rent	2,400.00	0.00
Repairs	220.00	0.00
Tools and Machinery	1,160.00	0.00
Utilities	439.64	0.00
<b>Total Operating Expenses</b>	118,881.43	1,926.06
<b>Operating Income (Loss)</b>	47,301.02	31,696.37
<b>Other Income</b>		
Interest Income	93.42	0.00
Other Income	37.50	0.00
<b>Total Other Income</b>	130.92	0.00
<b>Income (Loss) Before Income Taxes</b>	47,431.94	31,696.37
<b>Income Taxes</b>	1,300.00	0.00
<b>Net Income (Loss)</b>	<u>\$ 46,131.94</u>	<u>\$ 31,696.37</u>



**Rock Castle Construction**  
**INCOME STATEMENT**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended Dec. 31, 2003</u>	<u>%</u>	<u>3 Months Ended Dec. 31, 2002</u>	<u>%</u>
<b>Revenue</b>				
Construction	\$ 174,840.32	100.00	\$ 34,091.33	100.00
<b>Total Revenue</b>	174,840.32	100.00	34,091.33	100.00
<b>Cost of Goods Sold</b>				
Cost of Goods Sold	<u>8,657.87</u>	4.95	<u>468.90</u>	1.38
<b>Total Cost of Goods Sold</b>	<u>8,657.87</u>	4.95	<u>468.90</u>	1.38
<b>Gross Profit</b>	166,182.45	95.05	33,622.43	98.62
<b>Operating Expenses</b>				
Automobile	967.66	0.55	712.56	2.09
Bank Service Charges	47.50	0.03	0.00	0.00
Depreciation Expense	750.00	0.43	0.00	0.00
Freight & Delivery	139.60	0.08	0.00	0.00
Insurance	4,050.00	2.32	0.00	0.00
Interest Expense	651.77	0.37	213.50	0.63
Job Expenses	83,925.07	48.00	1,000.00	2.93
Payroll Expenses	23,880.19	13.66	0.00	0.00
Professional Fees	250.00	0.14	0.00	0.00
Rent	2,400.00	1.37	0.00	0.00
Repairs	220.00	0.13	0.00	0.00
Tools and Machinery	1,160.00	0.66	0.00	0.00
Utilities	<u>439.64</u>	0.25	<u>0.00</u>	0.00
<b>Total Operating Expenses</b>	<u>118,881.43</u>	67.99	<u>1,926.06</u>	5.65
<b>Operating Income (Loss)</b>	47,301.02	27.05	31,696.37	92.97
<b>Other Income</b>				
Interest Income	93.42	0.05	0.00	0.00
Other Income	<u>37.50</u>	0.02	<u>0.00</u>	0.00
<b>Total Other Income</b>	<u>130.92</u>	0.07	<u>0.00</u>	0.00
<b>Income (Loss) Before Income Taxes</b>	47,431.94	27.13	31,696.37	92.97
<b>Income Taxes</b>	<u>1,300.00</u>	0.74	<u>0.00</u>	0.00
<b>Net Income (Loss)</b>	<u>\$ 46,131.94</u>	<u>26.39</u>	<u>\$ 31,696.37</u>	<u>92.97</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended Dec. 31, 2003</u>	<u>3 Months Ended Dec. 31, 2002</u>	<u>3 Months Ended Dec. 31, 2003</u>	<u>3 Months Ended Dec. 31, 2002</u>
<b>Revenue</b>				
Construction	\$ 174,840.32	\$ 34,091.33	\$ 174,840.32	\$ 34,091.33
<b>Total Revenue</b>	174,840.32	34,091.33	174,840.32	34,091.33
<b>Cost of Goods Sold</b>				
Cost of Goods Sold	<u>8,657.87</u>	<u>468.90</u>	<u>8,657.87</u>	<u>468.90</u>
<b>Total Cost of Goods Sold</b>	<u>8,657.87</u>	<u>468.90</u>	<u>8,657.87</u>	<u>468.90</u>
<b>Gross Profit</b>	166,182.45	33,622.43	166,182.45	33,622.43
<b>Operating Expenses</b>				
Automobile	967.66	712.56	967.66	712.56
Bank Service Charges	47.50	0.00	47.50	0.00
Depreciation Expense	750.00	0.00	750.00	0.00
Freight & Delivery	139.60	0.00	139.60	0.00
Insurance	4,050.00	0.00	4,050.00	0.00
Interest Expense	651.77	213.50	651.77	213.50
Job Expenses	83,925.07	1,000.00	83,925.07	1,000.00
Payroll Expenses	23,880.19	0.00	23,880.19	0.00
Professional Fees	250.00	0.00	250.00	0.00
Rent	2,400.00	0.00	2,400.00	0.00
Repairs	220.00	0.00	220.00	0.00
Tools and Machinery	1,160.00	0.00	1,160.00	0.00
Utilities	<u>439.64</u>	<u>0.00</u>	<u>439.64</u>	<u>0.00</u>
<b>Total Operating Expenses</b>	<u>118,881.43</u>	<u>1,926.06</u>	<u>118,881.43</u>	<u>1,926.06</u>
<b>Operating Income (Loss)</b>	47,301.02	31,696.37	47,301.02	31,696.37
<b>Other Income</b>				
Interest Income	93.42	0.00	93.42	0.00
Other Income	<u>37.50</u>	<u>0.00</u>	<u>37.50</u>	<u>0.00</u>
<b>Total Other Income</b>	<u>130.92</u>	<u>0.00</u>	<u>130.92</u>	<u>0.00</u>
<b>Income (Loss) Before Income Taxes</b>	47,431.94	31,696.37	47,431.94	31,696.37
<b>Income Taxes</b>	<u>1,300.00</u>	<u>0.00</u>	<u>1,300.00</u>	<u>0.00</u>
<b>Net Income (Loss)</b>	<u>\$ 46,131.94</u>	<u>\$ 31,696.37</u>	<u>\$ 46,131.94</u>	<u>\$ 31,696.37</u>

See Accountants' Compilation Report

# Rock Castle Construction

## INCOME STATEMENT

### 3 Months Ended December 31, 2003

	3 Months Ended Dec. 31, 2003	%	3 Months Ended Dec. 31, 2002	%	3 Months Ended Dec. 31, 2003	%	3 Months Ended Dec. 31, 2002	%
<b>Revenue</b>								
Construction	\$ 174,840.32	100.00	\$ 34,091.33	100.00	\$ 174,840.32	100.00	\$ 34,091.33	100.00
<b>Total Revenue</b>	174,840.32	100.00	34,091.33	100.00	174,840.32	100.00	34,091.33	100.00
<b>Cost of Goods Sold</b>								
Cost of Goods Sold	8,657.87	4.95	468.90	1.38	8,657.87	4.95	468.90	1.38
<b>Total Cost of Goods S...</b>	8,657.87	4.95	468.90	1.38	8,657.87	4.95	468.90	1.38
<b>Gross Profit</b>	166,182.45	95.05	33,622.43	98.62	166,182.45	95.05	33,622.43	98.62
<b>Operating Expenses</b>								
Automobile	967.66	0.55	712.56	2.09	967.66	0.55	712.56	2.09
Bank Service Charges	47.50	0.03	0.00	0.00	47.50	0.03	0.00	0.00
Depreciation Expense	750.00	0.43	0.00	0.00	750.00	0.43	0.00	0.00
Freight & Delivery	139.60	0.08	0.00	0.00	139.60	0.08	0.00	0.00
Insurance	4,050.00	2.32	0.00	0.00	4,050.00	2.32	0.00	0.00
Interest Expense	651.77	0.37	213.50	0.63	651.77	0.37	213.50	0.63
Job Expenses	83,925.07	48.00	1,000.00	2.93	83,925.07	48.00	1,000.00	2.93
Payroll Expenses	23,880.19	13.66	0.00	0.00	23,880.19	13.66	0.00	0.00
Professional Fees	250.00	0.14	0.00	0.00	250.00	0.14	0.00	0.00
Rent	2,400.00	1.37	0.00	0.00	2,400.00	1.37	0.00	0.00
Repairs	220.00	0.13	0.00	0.00	220.00	0.13	0.00	0.00
Tools and Machinery	1,160.00	0.66	0.00	0.00	1,160.00	0.66	0.00	0.00
Utilities	439.64	0.25	0.00	0.00	439.64	0.25	0.00	0.00
<b>Total Operating Expen...</b>	118,881.43	67.99	1,926.06	5.65	118,881.43	67.99	1,926.06	5.65
<b>Operating Income (...)</b>	47,301.02	27.05	31,696.37	92.97	47,301.02	27.05	31,696.37	92.97
<b>Other Income</b>								
Interest Income	93.42	0.05	0.00	0.00	93.42	0.05	0.00	0.00
Other Income	37.50	0.02	0.00	0.00	37.50	0.02	0.00	0.00
<b>Total Other Income</b>	130.92	0.07	0.00	0.00	130.92	0.07	0.00	0.00
<b>Income (Loss) Befor...</b>	47,431.94	27.13	31,696.37	92.97	47,431.94	27.13	31,696.37	92.97
<b>Income Taxes</b>	1,300.00	0.74	0.00	0.00	1,300.00	0.74	0.00	0.00
<b>Net Income (Loss)</b>	\$ 46,131.94	26.39	\$ 31,696.37	92.97	\$ 46,131.94	26.39	\$ 31,696.37	92.97

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended Dec. 31, 2003</u>	<u>3 Months Ended Dec. 31, 2002</u>	<u>Variance</u>	<u>%</u>
<b>Revenue</b>				
Construction	\$ 174,840.32	\$ 34,091.33	\$ 140,748.99	412.86
<b>Total Revenue</b>	174,840.32	34,091.33	140,748.99	412.86
<b>Cost of Goods Sold</b>				
Cost of Goods Sold	<u>8,657.87</u>	<u>468.90</u>	<u>8,188.97</u>	<u>1,746.42</u>
<b>Total Cost of Goods Sold</b>	<u>8,657.87</u>	<u>468.90</u>	<u>8,188.97</u>	<u>1,746.42</u>
<b>Gross Profit</b>	166,182.45	33,622.43	132,560.02	394.26
<b>Operating Expenses</b>				
Automobile	967.66	712.56	255.10	35.80
Bank Service Charges	47.50	0.00	47.50	0.00
Depreciation Expense	750.00	0.00	750.00	0.00
Freight & Delivery	139.60	0.00	139.60	0.00
Insurance	4,050.00	0.00	4,050.00	0.00
Interest Expense	651.77	213.50	438.27	205.28
Job Expenses	83,925.07	1,000.00	82,925.07	8,292.51
Payroll Expenses	23,880.19	0.00	23,880.19	0.00
Professional Fees	250.00	0.00	250.00	0.00
Rent	2,400.00	0.00	2,400.00	0.00
Repairs	220.00	0.00	220.00	0.00
Tools and Machinery	1,160.00	0.00	1,160.00	0.00
Utilities	<u>439.64</u>	<u>0.00</u>	<u>439.64</u>	<u>0.00</u>
<b>Total Operating Expenses</b>	<u>118,881.43</u>	<u>1,926.06</u>	<u>116,955.37</u>	<u>6,072.26</u>
<b>Operating Income (Loss)</b>	47,301.02	31,696.37	15,604.65	49.23
<b>Other Income</b>				
Interest Income	93.42	0.00	93.42	0.00
Other Income	<u>37.50</u>	<u>0.00</u>	<u>37.50</u>	<u>0.00</u>
<b>Total Other Income</b>	<u>130.92</u>	<u>0.00</u>	<u>130.92</u>	<u>0.00</u>
<b>Income (Loss) Before Income Taxes</b>	47,431.94	31,696.37	15,735.57	49.64
<b>Income Taxes</b>	<u>1,300.00</u>	<u>0.00</u>	<u>1,300.00</u>	<u>0.00</u>
<b>Net Income (Loss)</b>	<u>\$ 46,131.94</u>	<u>\$ 31,696.37</u>	<u>\$ 14,435.57</u>	<u>45.54</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
12 Month Comparison Ended September 30, 2003

	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Total</u>
<b>Revenue</b>													
Construction	\$ 18,171.82	\$ 10,331.51	\$ 5,588.00	\$ 4,532.84	\$ 5,127.75	\$ 7,940.25	\$ 6,278.80	\$ 8,315.66	\$ 13,335.31	\$ 16,166.10	\$ 17,117.65	\$ 23,621.20	\$ 136,526.89
<b>Total Revenue</b>	18,171.82	10,331.51	5,588.00	4,532.84	5,127.75	7,940.25	6,278.80	8,315.66	13,335.31	16,166.10	17,117.65	23,621.20	136,526.89
<b>Cost of Goods Sold</b>													
Cost of Goods Sold	381.90	87.00	0.00	0.00	0.00	1,560.00	111.36	60.00	105.00	0.00	0.00	210.00	2,515.26
<b>Total Cost of Goods Sold</b>	381.90	87.00	0.00	0.00	0.00	1,560.00	111.36	60.00	105.00	0.00	0.00	210.00	2,515.26
<b>Gross Profit</b>	17,789.92	10,244.51	5,588.00	4,532.84	5,127.75	6,380.25	6,167.44	8,255.66	13,230.31	16,166.10	17,117.65	23,411.20	134,011.63
<b>Operating Expenses</b>													
Automobile	712.56	0.00	0.00	712.56	0.00	942.90	712.56	0.00	0.00	712.56	0.00	0.00	3,793.14
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00	3,000.00
Freight & Delivery	0.00	0.00	0.00	0.00	-45.00	0.00	0.00	45.00	0.00	-120.00	-30.00	150.00	0.00
Insurance	0.00	0.00	0.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	6,075.00
Interest Expense	73.81	71.17	68.52	65.85	0.00	63.16	118.20	55.01	52.26	49.50	46.72	43.92	708.12
Job Expenses	0.00	0.00	1,000.00	1,268.84	4,701.77	3,385.33	1,080.73	3,301.52	856.23	5,080.00	13,417.65	4,432.50	38,524.57
Tools and Machinery	0.00	0.00	0.00	0.00	0.00	0.00	445.79	0.00	1,214.89	810.00	0.00	0.00	2,470.68
Utilities	0.00	0.00	0.00	178.85	155.83	141.23	176.60	177.65	189.30	203.43	172.11	68.35	1,463.35
<b>Total Operating Expens...</b>	786.37	71.17	1,068.52	2,901.10	5,487.60	5,207.62	3,208.88	4,254.18	2,987.68	7,410.49	14,281.48	8,369.77	56,034.86
<b>Operating Income (L...</b>	17,003.55	10,173.34	4,519.48	1,631.74	-359.85	1,172.63	2,958.56	4,001.48	10,242.63	8,755.61	2,836.17	15,041.43	77,976.77
<b>Net Income (Loss)</b>	<u>\$ 17,003.55</u>	<u>\$ 10,173.34</u>	<u>\$ 4,519.48</u>	<u>\$ 1,631.74</u>	<u>\$ -359.85</u>	<u>\$ 1,172.63</u>	<u>\$ 2,958.56</u>	<u>\$ 4,001.48</u>	<u>\$ 10,242.63</u>	<u>\$ 8,755.61</u>	<u>\$ 2,836.17</u>	<u>\$ 15,041.43</u>	<u>\$ 77,976.77</u>

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
Most Recent 12 Months Ended December 31, 2003

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Revenue</b>													
Construction	\$ 4,532.84	\$ 5,127.75	\$ 7,940.25	\$ 6,278.80	\$ 8,315.66	\$ 13,335.31	\$ 16,166.10	\$ 17,117.65	\$ 23,621.20	\$ 45,886.63	\$ 52,741.64	\$ 76,212.05	\$ 277,275.88
<b>Total Revenue</b>	4,532.84	5,127.75	7,940.25	6,278.80	8,315.66	13,335.31	16,166.10	17,117.65	23,621.20	45,886.63	52,741.64	76,212.05	277,275.88
<b>Cost of Goods Sold</b>													
Cost of Goods Sold	0.00	0.00	1,560.00	111.36	60.00	105.00	0.00	0.00	210.00	526.25	3,345.34	4,786.28	10,704.23
<b>Total Cost of Goods Sold</b>	0.00	0.00	1,560.00	111.36	60.00	105.00	0.00	0.00	210.00	526.25	3,345.34	4,786.28	10,704.23
<b>Gross Profit</b>	4,532.84	5,127.75	6,380.25	6,167.44	8,255.66	13,230.31	16,166.10	17,117.65	23,411.20	45,360.38	49,396.30	71,425.77	266,571.65
<b>Operating Expenses</b>													
Automobile	712.56	0.00	942.90	712.56	0.00	0.00	712.56	0.00	0.00	760.84	135.80	71.02	4,048.24
Bank Service Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.50	25.00	10.00	47.50
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00	0.00	0.00	750.00	3,750.00
Freight & Delivery	0.00	-45.00	0.00	0.00	45.00	0.00	-120.00	-30.00	150.00	35.00	0.00	104.60	139.60
Insurance	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	675.00	1,350.00	2,025.00	10,125.00
Interest Expense	65.85	0.00	63.16	118.20	55.01	52.26	49.50	46.72	43.92	316.11	303.08	32.58	1,146.39
Job Expenses	1,268.84	4,701.77	3,385.33	1,080.73	3,301.52	856.23	5,080.00	13,417.65	4,432.50	37,480.64	38,098.35	8,346.08	121,449.64
Payroll Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,616.33	7,499.18	3,764.68	23,880.19
Professional Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00	250.00
Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,200.00	1,200.00	2,400.00
Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45.00	175.00	220.00
Tools and Machinery	0.00	0.00	0.00	445.79	0.00	1,214.89	810.00	0.00	0.00	0.00	350.00	810.00	3,630.68
Utilities	178.85	155.83	141.23	176.60	177.65	189.30	203.43	172.11	68.35	109.40	207.56	122.68	1,902.99
<b>Total Operating Expens...</b>	2,901.10	5,487.60	5,207.62	3,208.88	4,254.18	2,987.68	7,410.49	14,281.48	8,369.77	52,005.82	49,213.97	17,661.64	172,990.23
<b>Operating Income (L...</b>	1,631.74	-359.85	1,172.63	2,958.56	4,001.48	10,242.63	8,755.61	2,836.17	15,041.43	-6,645.44	182.33	53,764.13	93,581.42
<b>Other Income</b>													
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	93.42	0.00	93.42
Other Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.50	25.00	37.50
<b>Total Other Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	105.92	25.00	130.92
<b>Income (Loss) Befor...</b>	1,631.74	-359.85	1,172.63	2,958.56	4,001.48	10,242.63	8,755.61	2,836.17	15,041.43	-6,645.44	288.25	53,789.13	93,712.34
<b>Income Taxes</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,300.00	1,300.00
<b>Net Income (Loss)</b>	\$ 1,631.74	\$ -359.85	\$ 1,172.63	\$ 2,958.56	\$ 4,001.48	\$ 10,242.63	\$ 8,755.61	\$ 2,836.17	\$ 15,041.43	\$ -6,645.44	\$ 288.25	\$ 52,489.13	\$ 92,412.34

See Accountants' Compilation Report

**Rock Castle Construction**  
**INCOME STATEMENT**  
4 Quarter Comparison Ended September 30, 2003

	<u>Dec. 31, 2002</u>	<u>Mar. 31, 2003</u>	<u>Jun. 30, 2003</u>	<u>Sep. 30, 2003</u>	<u>Total</u>
<b>Revenue</b>					
Construction	\$ 34,091.33	\$ 17,600.84	\$ 27,929.77	\$ 56,904.95	\$ 136,526.89
<b>Total Revenue</b>	34,091.33	17,600.84	27,929.77	56,904.95	136,526.89
<b>Cost of Goods Sold</b>					
Cost of Goods Sold	468.90	1,560.00	276.36	210.00	2,515.26
<b>Total Cost of Goods Sold</b>	468.90	1,560.00	276.36	210.00	2,515.26
<b>Gross Profit</b>	33,622.43	16,040.84	27,653.41	56,694.95	134,011.63
<b>Operating Expenses</b>					
Automobile	712.56	1,655.46	712.56	712.56	3,793.14
Depreciation Expense	0.00	0.00	0.00	3,000.00	3,000.00
Freight & Delivery	0.00	-45.00	45.00	0.00	0.00
Insurance	0.00	2,025.00	2,025.00	2,025.00	6,075.00
Interest Expense	213.50	129.01	225.47	140.14	708.12
Job Expenses	1,000.00	9,355.94	5,238.48	22,930.15	38,524.57
Tools and Machinery	0.00	0.00	1,660.68	810.00	2,470.68
Utilities	0.00	475.91	543.55	443.89	1,463.35
<b>Total Operating Expenses</b>	1,926.06	13,596.32	10,450.74	30,061.74	56,034.86
<b>Operating Income (Loss)</b>	31,696.37	2,444.52	17,202.67	26,633.21	77,976.77
<b>Net Income (Loss)</b>	<u>\$ 31,696.37</u>	<u>\$ 2,444.52</u>	<u>\$ 17,202.67</u>	<u>\$ 26,633.21</u>	<u>\$ 77,976.77</u>

**Rock Castle Construction**  
**INCOME STATEMENT**  
Most Recent 4 Quarters Ended December 31, 2003

	<u>Mar. 31, 2003</u>	<u>Jun. 30, 2003</u>	<u>Sep. 30, 2003</u>	<u>Dec. 31, 2003</u>	<u>Total</u>
<b>Revenue</b>					
Construction	\$ 17,600.84	\$ 27,929.77	\$ 56,904.95	\$ 174,840.32	\$ 277,275.88
<b>Total Revenue</b>	17,600.84	27,929.77	56,904.95	174,840.32	277,275.88
<b>Cost of Goods Sold</b>					
Cost of Goods Sold	<u>1,560.00</u>	<u>276.36</u>	<u>210.00</u>	<u>8,657.87</u>	<u>10,704.23</u>
<b>Total Cost of Goods Sold</b>	<u>1,560.00</u>	<u>276.36</u>	<u>210.00</u>	<u>8,657.87</u>	<u>10,704.23</u>
<b>Gross Profit</b>	16,040.84	27,653.41	56,694.95	166,182.45	266,571.65
<b>Operating Expenses</b>					
Automobile	1,655.46	712.56	712.56	967.66	4,048.24
Bank Service Charges	0.00	0.00	0.00	47.50	47.50
Depreciation Expense	0.00	0.00	3,000.00	750.00	3,750.00
Freight & Delivery	-45.00	45.00	0.00	139.60	139.60
Insurance	2,025.00	2,025.00	2,025.00	4,050.00	10,125.00
Interest Expense	129.01	225.47	140.14	651.77	1,146.39
Job Expenses	9,355.94	5,238.48	22,930.15	83,925.07	121,449.64
Payroll Expenses	0.00	0.00	0.00	23,880.19	23,880.19
Professional Fees	0.00	0.00	0.00	250.00	250.00
Rent	0.00	0.00	0.00	2,400.00	2,400.00
Repairs	0.00	0.00	0.00	220.00	220.00
Tools and Machinery	0.00	1,660.68	810.00	1,160.00	3,630.68
Utilities	<u>475.91</u>	<u>543.55</u>	<u>443.89</u>	<u>439.64</u>	<u>1,902.99</u>
<b>Total Operating Expenses</b>	<u>13,596.32</u>	<u>10,450.74</u>	<u>30,061.74</u>	<u>118,881.43</u>	<u>172,990.23</u>
<b>Operating Income (Loss)</b>	2,444.52	17,202.67	26,633.21	47,301.02	93,581.42
<b>Other Income</b>					
Interest Income	0.00	0.00	0.00	93.42	93.42
Other Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>37.50</u>	<u>37.50</u>
<b>Total Other Income</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>130.92</u>	<u>130.92</u>
<b>Income (Loss) Before Income Taxes</b>	2,444.52	17,202.67	26,633.21	47,431.94	93,712.34
<b>Income Taxes</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,300.00</u>	<u>1,300.00</u>
<b>Net Income (Loss)</b>	<u>\$ 2,444.52</u>	<u>\$ 17,202.67</u>	<u>\$ 26,633.21</u>	<u>\$ 46,131.94</u>	<u>\$ 92,412.34</u>



**Rock Castle Construction**  
**STATEMENT OF CASH FLOWS**  
**3 Months Ended December 31, 2003**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income (Loss)	\$ 46,131.94
Adjustments to reconcile Net Income (Loss) to net Cash:	
Depreciation Expense	-750.00
(Increase) Decrease in:	
Accounts Receivable	-43,861.24
Inventory Asset	-18,710.66
Retainage	-2,461.80
Increase (Decrease) in:	
Accounts Payable	28,881.10
QuickBooks Credit Card	70.00
CalOil Card	5.14
Payroll Liabilities	-479.93
Sales Tax Payable	716.48

<b>Total Adjustments</b>	-36,590.91
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<b>Net Cash Provided By (Used In) Operating Activities</b>	9,541.03
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Pre-paid Insurance	2,025.00
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<b>Net Cash Provided By (Used In) Investing Activities</b>	2,025.00
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Note Payable	-17,059.17
Truck Loan	-1,486.94
Opening Bal Equity	-7,354.39
Owner's Equity	-6,000.00
Retained Earnings	8,863.39

<b>Net Cash Provided By (Used In) Financing Activities</b>	-23,037.11
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<b>NET INCREASE (DECREASE) IN CASH</b>	-11,471.08
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<b>CASH AT BEGINNING OF PERIOD</b>	73,474.16
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<b>CASH AT END OF PERIOD</b>	\$ 62,003.08
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**Rock Castle Construction**  
**STATEMENT OF CASH FLOWS**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended December 31, 2003</u>	<u>3 Months Ended December 31, 2003</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income (Loss)	\$ 46,131.94	\$ 46,131.94
Adjustments to reconcile Net Income (Loss) to net Cash:		
Depreciation Expense	-750.00	-750.00
(Increase) Decrease in:		
Accounts Receivable	-43,861.24	-43,861.24
Inventory Asset	-18,710.66	-18,710.66
Retainage	-2,461.80	-2,461.80
Increase (Decrease) in:		
Accounts Payable	28,881.10	28,881.10
QuickBooks Credit Card	70.00	70.00
CalOil Card	5.14	5.14
Payroll Liabilities	-479.93	-479.93
Sales Tax Payable	716.48	716.48
	<hr/>	<hr/>
<b>Total Adjustments</b>	-36,590.91	-36,590.91
	<hr/>	<hr/>
<b>Net Cash Provided By (Used In) Operating Activities</b>	9,541.03	9,541.03
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Pre-paid Insurance	2,025.00	2,025.00
	<hr/>	<hr/>
<b>Net Cash Provided By (Used In) Investing Activities</b>	2,025.00	2,025.00
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Note Payable	-17,059.17	-17,059.17
Truck Loan	-1,486.94	-1,486.94
Opening Bal Equity	-7,354.39	-7,354.39
Owner's Equity	-6,000.00	-6,000.00
Retained Earnings	8,863.39	8,863.39
	<hr/>	<hr/>
<b>Net Cash Provided By (Used In) Financing Activities</b>	-23,037.11	-23,037.11
	<hr/>	<hr/>
<b>NET INCREASE (DECREASE) IN CASH</b>	-11,471.08	-11,471.08
<b>CASH AT BEGINNING OF PERIOD</b>	73,474.16	73,474.16
	<hr/>	<hr/>
<b>CASH AT END OF PERIOD</b>	<u>\$ 62,003.08</u>	<u>\$ 62,003.08</u>

**Rock Castle Construction**  
**STATEMENT OF CASH FLOWS**  
**3 Months Ended December 31, 2003**

	<u>3 Months Ended December 31, 2003</u>	<u>3 Months Ended December 31, 2002</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income (Loss)	\$ 46,131.94	\$ 31,696.37
Adjustments to reconcile Net Income (Loss) to net Cash:		
Depreciation Expense	-750.00	0.00
(Increase) Decrease in:		
Accounts Receivable	-43,861.24	-1,924.40
Inventory Asset	-18,710.66	468.90
Retainage	-2,461.80	0.00
Increase (Decrease) in:		
Accounts Payable	28,881.10	3,356.00
QuickBooks Credit Card	70.00	0.00
CalOil Card	5.14	0.00
Payroll Liabilities	-479.93	0.00
Sales Tax Payable	716.48	935.85
	<hr/>	<hr/>
<b>Total Adjustments</b>	-36,590.91	2,836.35
	<hr/>	<hr/>
<b>Net Cash Provided By (Used In) Operating Activities</b>	9,541.03	34,532.72
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Pre-paid Insurance	2,025.00	-4,050.00
	<hr/>	<hr/>
<b>Net Cash Provided By (Used In) Investing Activities</b>	2,025.00	-4,050.00
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Note Payable	-17,059.17	0.00
Truck Loan	-1,486.94	-1,385.41
Opening Bal Equity	-7,354.39	0.00
Owner's Equity	-6,000.00	0.00
Retained Earnings	8,863.39	0.00
	<hr/>	<hr/>
<b>Net Cash Provided By (Used In) Financing Activities</b>	-23,037.11	-1,385.41
	<hr/>	<hr/>
<b>NET INCREASE (DECREASE) IN CASH</b>	-11,471.08	29,097.31
<b>CASH AT BEGINNING OF PERIOD</b>	73,474.16	31,109.54
	<hr/>	<hr/>
<b>CASH AT END OF PERIOD</b>	<u>\$ 62,003.08</u>	<u>\$ 60,206.85</u>