

GECKOTECH, LLC

Unaudited Internal Financial Statements

For the Year Ended December 31, 2007

CONFIDENTIAL – UNAUDITED - FOR INTERNAL USE ONLY

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For the Year Ended December 31, 2007

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GECKOTECH, LLC
Unaudited Balance Sheet
As of December 31, 2007

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Assets

Current Assets	
Cash	\$ 25,641
Accounts Receivable	69,919
Inventory (at Cost)	10,638
Total Current Assets	106,198
Fixed Assets	
Computer & Network Hardware	637,185
Computer Software	304,951
	942,136
Less: Accumulated Depreciation	(421,609)
Total Fixed Assets	520,527
Other Assets	
Security Deposit	-
Total Other Assets	-
Total Assets	\$ 626,725

Liabilities & Members' Capital

Current Liabilities	
Accounts Payable	\$ 20,316
Credit Cards	93,326
Accrued Expenses	39,383
Line of Credit (A/R) - 8301	179,969
Total Current Liabilities	332,994
Long-term Liabilities	
N/P - ACB - Equipment loan - 8305	2
N/P - ACB - Equipment loan - 8307	24,277
N/P - ACB - Equipment loan - 8308	310,716
N/P - ACB - Equipment loan - 8309	153,593
Alliance Lease - 7223	87,464
Alliance Lease - 7225	68,729
Alliance Lease - New?	-
Total Long-term Liabilities	644,781
Members' Capital	(351,050)
Total Liabilities and Members' Capital	\$ 626,725

GECKOTECH, LLC
Unaudited Statement of Operations
For the Period January 1, 2007 through December 31, 2007

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Sales	\$ 3,091,758	100.0%
Cost of Goods Sold	<u>1,411,180</u>	<u>45.6%</u>
Gross Profit	1,680,578	54.4%
Operating Expenses		
Advertising and promotion	62,849	2.0%
Bank service charges	4,527	0.1%
Billing services	20,135	0.7%
Contributions	3,714	0.1%
Depreciation	134,784	4.4%
Dues and subscriptions	17,215	0.6%
Employee benefits 401(k)	3,145	0.1%
Equipment rental	15,979	0.5%
Insurance	54,680	1.8%
Meals and entertainment	14,412	0.5%
Miscellaneous computer HW/SW	6,392	0.2%
Office supplies and other	25,054	0.8%
Outside services	-	0.0%
Payroll taxes	72,878	2.4%
Payroll processing fees	396	0.0%
Postage and delivery	6,657	0.2%
Professional fees	35,964	1.2%
Rent	70,255	2.3%
Salaries and wages	899,265	29.1%
Seminars and training	3,495	0.1%
Taxes	1,867	0.1%
Telephone and paging	12,516	0.4%
Travel	37,539	1.2%
Utilities	<u>4,413</u>	<u>0.1%</u>
Total Operating Expenses	<u>1,508,131</u>	<u>48.8%</u>
Income from Operations before Other Expenses (Income)	172,447	5.6%
Other Expenses (Income)		
Interest income	-	0.0%
Interest expense	<u>68,988</u>	<u>2.2%</u>
Total Other Expenses (Income)	<u>68,988</u>	<u>2.2%</u>
Income from Operations before State Replacement Tax	103,459	3.3%
State Replacement Tax	<u>-</u>	<u>0.0%</u>
Net Income (Loss)	\$ 103,459	3.3%
Members' Capital (Deficit), Beginning of Period	(427,707)	
Contributions	-	
Distributions to members	<u>(26,802)</u>	
Members' Capital (Deficit), End of Period	<u>\$ (351,050)</u>	

GECKOTECH, LLC
Statement of Cash Flows
For the Period January 1, 2007 through December 31, 2007

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Cash Flows from Operating Activities	
Net Income (Loss)	\$ 103,459
Adjustments to Reconcile Net Income (Loss) to	
Net Cash Provided by (Used In) Operating Activities	
Depreciation	134,784
Amortization	-
Changes in Assets and Liabilities	
(Increase) Decrease in:	
Accounts Receivable	6,781
Inventory	-
Increase (Decrease) in:	
Accounts Payable	49,067
Accrued Liabilities	14,916
	<u>205,548</u>
Total Adjustments	<u>205,548</u>
Net Cash Provided by (Used In)	
Operating Activities	<u>309,007</u>
Cash Flows from Investing Activities	
Capital Expenditures	<u>(297,222)</u>
Net Cash Provided by (Used In)	
Investing Activities	<u>(297,222)</u>
Cash Flows from Financing Activities	
Net Proceeds (Repayments) from Line of Credit	57,879
Net Proceeds (Repayments) from Bank Note(s) & Leases	49,075
Contributions (Distributions) to Members	<u>(26,802)</u>
Net Cash Provided by (Used In)	
Financing Activities	<u>80,152</u>
Net Increase (Decrease) in Cash	91,937
Cash, Beginning of Period	<u>(66,296)</u>
Cash, End of Period	<u><u>\$ 25,641</u></u>