

**SPONZILLI HOLDINGS CORP., SUBSIDIARIES AND AFFILIATE**

**CONSOLIDATED BALANCE SHEET**

**DECEMBER 31, 2014**

**ASSETS**

**CURRENT ASSETS:**

Cash	\$ 263,613
Accounts receivable	1,586,497
Due from shareholders	1,462,345
Prepaid expenses	<u>3,507</u>
Total Current Assets	<u>3,315,962</u>

**PROPERTY AND EQUIPMENT, COST**

Less: Accumulated depreciation	4,462,094
	<u>2,431,413</u>
	<u>2,030,681</u>
	<u>\$ 5,346,643</u>

**LIABILITIES AND EQUITY**

**CURRENT LIABILITIES:**

Accounts payable	\$ 805,339
Note payable	824,581
Current maturities of long-term debt	219,602
Sales taxes payable	135,605
Security deposits	<u>10,330</u>
Total Current Liabilities	<u>1,995,457</u>

**LONG-TERM DEBT, LESS CURRENT MATURITIES** 878,410

**COMMITMENTS**

**EQUITY:**

Common stock - no par value, authorized 1,000 shares, 100 shares issued and outstanding	1,000
Additional paid-in capital	39,871
Non-controlling interest	286,470
Retained earnings	<u>2,145,435</u>
	<u>2,472,776</u>
	<u>\$ 5,346,643</u>

*See independent accountants' compilation report and notes to consolidated financial statements.*

SPONZILLI HOLDINGS CORP., SUBSIDIARIES AND AFFILIATE

CONSOLIDATED STATEMENT OF INCOME

YEAR-ENDED DECEMBER 31, 2014

REVENUES	\$ 10,897,596
COST OF SALES	<u>4,953,959</u>
GROSS PROFIT	5,943,637
OPERATING EXPENSES	4,051,298
GENERAL AND ADMINISTRATIVE EXPENSES	<u>1,393,121</u>
CONSOLIDATED NET INCOME	499,218
LESS: NET INCOME OF NON-CONTROLLING INTEREST	<u>56,652</u>
NET INCOME ATTRIBUTABLE TO SPONZILLI HOLDINGS CORP.	<u>\$ 442,566</u>

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**SPONZILLI HOLDINGS CORP., SUBSIDIARIES AND AFFILIATE**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<u>Total</u>	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Non-controlling Interest</u>
BALANCES, DECEMBER 31, 2013	\$ 2,898,379	\$ 1,000	\$ 39,871	\$ 2,627,690	\$ 229,818
YEAR ENDED DECEMBER 31, 2013					
Net income	499,218	-	-	442,566	56,652
Distributions to stockholders	<u>(924,821)</u>	<u>-</u>	<u>-</u>	<u>(924,821)</u>	<u>-</u>
BALANCES, DECEMBER 31, 2014	<u>\$ 2,472,776</u>	<u>\$ 1,000</u>	<u>\$ 39,871</u>	<u>\$ 2,145,435</u>	<u>\$ 286,470</u>

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