

**Phoenix Aerobic Club**  
**Balance Sheet -- 6/30/2005**

| <b>Assets</b>                          | <b>2005</b>      | <b>Notes</b> | <b>2004</b>      | <b>Change</b>     |
|--|------------------|--------------|------------------|-------------------|
| <b>Current Assets</b>                  |                  |              |                  |                   |
| <i>Cash &amp; Equivalents</i>          | \$ 14,949        |              | \$ 13,710        | \$ 1,239          |
| <i>Receivables</i>                     | \$ 431           |              | \$ 431           | \$ -              |
| <i>Inventory</i>                       | \$ -             | (0)          | \$ 160           | \$ (160)          |
| <i>Certificates of Deposit</i>         | \$ 2,009         | (1)          | \$ 2,000         | \$ 9              |
| <b>Total Current Assets</b>            | <b>\$ 17,389</b> |              | <b>\$ 16,301</b> | <b>\$ 1,087</b>   |
| <b>Investments</b>                     |                  |              |                  |                   |
| <i>Certificates of Deposit</i>         | \$ -             | (1)          | \$ 2,122         | \$ (2,122)        |
| <b>Total Investments</b>               | <b>\$ -</b>      |              | <b>\$ 2,122</b>  | <b>\$ (2,122)</b> |
| <b>Fixed Assets</b>                    |                  |              |                  |                   |
| <i>Plant, Property &amp; Equipment</i> | \$ 3,818         |              | \$ 3,818         | \$ -              |
| <i>Depreciation</i>                    | 2,905            | (2)          | 2,236            | \$ 669            |
| P, P & E Net of Depreciation           | \$ 913           |              | \$ 1,582         | \$ (669)          |
| <b>Total Fixed Assets</b>              | <b>\$ 913</b>    |              | <b>\$ 1,582</b>  | <b>\$ (669)</b>   |
| <b>Total Assets</b>                    | <b>\$ 18,301</b> |              | <b>\$ 20,005</b> | <b>\$ (1,704)</b> |

| <b>Liabilities</b>                  | <b>2005</b>      |  | <b>2004</b>      | <b>Change</b>     |
|-------------------------------------|------------------|--|------------------|-------------------|
| <b>Current Liabilities</b>          |                  |  |                  |                   |
| <i>Payables</i>                     | \$ -             |  | \$ -             | \$ -              |
| <i>Notes or Other Credit</i>        | \$ -             |  | \$ -             | \$ -              |
| <b>Total Current Liabilities</b>    | <b>\$ -</b>      |  | <b>\$ -</b>      | <b>\$ -</b>       |
| <b>Long Term Liabilities</b>        |                  |  |                  |                   |
| <i>Long Term Debt</i>               | \$ -             |  | \$ -             | \$ -              |
| <b>Equity</b>                       |                  |  |                  |                   |
| <i>Retained Capital</i>             | \$ 18,010        |  | \$ 19,714        | \$ (1,704)        |
| <i>Unrealized Investment Gains</i>  | \$ 291           |  | \$ 291           | \$ -              |
| <b>Total Liabilities and Equity</b> | <b>\$ 18,301</b> |  | <b>\$ 20,005</b> | <b>\$ (1,704)</b> |

(0) previous year's contest shirts and sweatshirts at market value

(1) current market value of time deposits

(2) 10 year S.L. depreciation for trailer

5 year depreciation for radios & computer equipment

6/30/2005