

Jones & Jones Construction, Inc.  
100 W. Main Street  
Orange, CA 92668  
(Compiled)

We have compiled the accompanying balance sheet of Jones & Jones Construction, Inc. as of April 30, 1990, and the related statement of income for the six months then ended in accordance with standards established by the American Institute of Certified Public Accountants.

Management has elected to omit substantially all of the disclosures and the statement of cash flow required by generally accepted accounting principles. Management does not record provision for corporate income taxes on interim compiled financial statements. If the omitted statement and disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

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.

California

JONES & JONES CONSTRUCTION, INC.

BALANCE SHEET  
APRIL 30, 1990

ASSETS

CURRENT ASSETS			
1010	CASH IN BANK - GENERAL	\$	514.02
1015	CASH IN BANK - PAYROLL		33.34
1020	CASH IN BANK - SAVINGS		93,056.35
1150	LOAN TO EMPLOYEES/VENDORS		16,729.64
1230	ACCOUNTS RECEIVABLE - TRADE		483,700.12
	EXCESS OF COST AND ESTIMATED		
	EARNINGS OVER BILLINGS ON		
1250	CONTRACTS IN PROGRESS		405,651.00
			-----
	TOTAL CURRENT ASSETS		\$999,684.47
FIXED ASSETS			
1322	CONSTRUCTION TOOLS AND EQUIPMENT		76,903.85
1324	VEHICLES		29,875.00
1330	OFFICE FURNITURE AND FIXTURES		12,362.13
1350	LEASEHOLD IMPROVEMENT		33,213.68
			-----
	TOTAL FIXED ASSETS		152,354.66
1600	LESS ACCUMULATED DEPRECIATION		(76,503.06)
			-----
	NET - FIXED ASSETS		75,851.60
OTHER ASSETS			
1820	FEDERAL INCOME TAX DEPOSITS		74.00
1830	STATE INCOME TAX DEPOSITS		1,373.00
			-----
	TOTAL OTHER ASSETS		1,447.00
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	TOTAL ASSETS		\$1,076,983.07
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JONES & JONES CONSTRUCTION, INC.

BALANCE SHEET  
APRIL 30, 1990

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES			
2005	CREDIT LINE	55,000.00	
2006	ACCOUNTS PAYABLE - TRADE	660,018.68	
2030	PAYROLL TAXES	24,854.19	
2080	DEFERRED TAXES PAYABLE	2,017.00	
2090	ACCRUED INCOME TAX	4,858.00	
		-----	
	TOTAL CURRENT LIABILITIES		\$746,747.87
STOCKHOLDERS' EQUITY			
3010	PAID IN CAPITAL	194,000.00	
3030	RETAINED EARNINGS	106,533.42	
3889	NET INCOME	29,701.78	
		-----	
	TOTAL STOCKHOLDERS' EQUITY		330,235.20
			-----
	TOTAL LIABILITIES AND EQUITY		\$1,076,983.07
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JONES & JONES CONSTRUCTION, INC.

SUBSIDIARY SCHEDULE  
APRIL 30, 1990

PAYROLL TAXES PAYABLE			
2032	FEDERAL WITHHOLDING	9,342.35	
2034	F.I.C.A.	11,546.17	
2036	STATE WITHHOLDING	2,086.53	
2038	SDI/SUI	1,599.14	
2040	FUTA	280.00	
		-----	
	TOTAL PAYROLL TAXES PAYABLE		\$24,854.19
			=====

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JONES & JONES CONSTRUCTION, INC.

STATEMENT OF INCOME  
FOR THE MONTH AND SIX MONTHS ENDED APRIL 30, 1990

	CURRENT PERIOD	%	YEAR TO DATE	%
INCOME				
4100 EARNED CONTRACT REVENUE	\$384,856.16	100.0	\$2,154,952.33	100.0
TOTAL INCOME	384,856.16	100.0	2,154,952.33	100.0
DIRECT COST				
5501 LABOR	11,832.29	3.1	65,970.74	3.1
5502 MATERIAL	37,360.27	9.7	319,856.43	14.8
5503 SUBCONTRACT	256,734.37	66.7	1,423,370.21	66.1
5504 EQUIPMENT	6,527.75	1.7	23,550.70	1.1
5505 OTHER DIRECT COST	1,116.50	.3	22,348.14	1.0
5506 ALLOCATED INDIRECT COST	8,129.43	2.1	48,776.57	2.3
TOTAL DIRECT COST	321,700.61	83.6	1,903,872.79	88.4
GROSS PROFIT	63,155.55	16.4	251,079.54	11.7
INDIRECT COST				
6501 PAYROLL TAX	1,210.56	.3	7,263.38	.3
6503 WORKERS' COMP INSURANCE	1,465.82	.4	8,194.90	.4
6506 GENERAL LIABILITY	2,013.34	.5	12,680.04	.6
6508 VEHICLE	1,026.68	.3	6,760.05	.3
6513 OTHER INDIRECT COST	2,983.81	.8	17,302.88	.8
6514 ALLOCATED INDIRECT COST	(8,129.43)	(2.1)	(48,776.57)	(2.3)
TOTAL INDIRECT COST	570.78	.2	3,424.68	.2
7500 GENERAL AND ADMINISTRATIVE EXPENSE	35,540.38	9.2	217,953.08	10.1
NET INCOME (LOSS)	27,044.39	7.0	29,701.78	1.4

See Accountants' Compilation Report

JONES & JONES CONSTRUCTION, INC.

SUPPLEMENTAL SCHEDULE  
FOR THE MONTH AND SIX MONTHS ENDED APRIL 30, 1990

	CURRENT PERIOD	%	YEAR TO DATE	%	
GENERAL AND ADMINISTRATIVE EXPENSE					
7502	ADMINISTRATIVE SALARIES	3,400.00	.9	18,700.00	.9
7503	SALARY - OFFICERS	9,600.00	2.5	57,600.00	2.7
7505	PAYROLL TAXES - ADMINISTRATION	976.30	.3	5,236.28	.2
7508	EMPLOYEE BENEFITS	900.00	.2	5,700.00	.3
7515	CONTRIBUTIONS	75.00	.0	423.95	.0
7516	DUES AND SUBSCRIPTIONS	70.00	.0	537.76	.0
7520	INTEREST EXPENSE	4,599.17	1.2	32,193.92	1.5
7521	LIFE INSURANCE	225.00	.1	1,627.15	.1
7522	LEGAL AND ACCOUNTING	1,315.00	.3	7,765.00	.4
7524	OFFICE SUPPLIES	133.18	.0	4,167.27	.2
7530	TELEPHONE AND UTILITIES	982.73	.3	6,061.06	.3
7534	PRIOR CLOSED JOBS COST	.00	.0	597.00	.0
7750	DEPRECIATION	1,102.00	.3	6,504.00	.3
7755	TRAVEL	2,162.00	.6	10,639.69	.5
7760	RENT EXPENSE	10,000.00	2.6	60,200.00	2.8
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	TOTAL GEN AND ADMIN EXPENSE	\$35,540.38	9.2	\$217,953.08	10.1
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CONTRACTS IN PROGRESS  
 PERCENTAGE OF COMPLETION BASIS  
 WITHOUT INDIRECT COST ALLOCATION

PROGRAM: BLANK  
 RUN DATE: 05/18/90  
 RUN TIME: 03:28 PM

Name of Contractor: JONES & JONES CONSTRUCTION, INC.

MONTH END: 4/30/90

Contract & Location (input)	1 Total Contract Price (input)	2 Est Total Cost @ Compltn (input)	3 Est Profit @ Compltn 1-2(2-1)	4 Costs Incurred To Date (input)	5 % Compl 4/2	6 Profit To Date 5*3	7 Amount Earned To Date 6+4	8 Amount Billed To Date (input)	9 Bill in Excess of Costs 8-7	10 Profits in Excess of Billings 7-8	11 Est cost To Comp 2-4	12 Contract Balance 1-8
0164 ADAMS	442,052	341,524	100,528	341,524	*****	100,528	442,052	442,052				
0707 WLLMS	692,592	489,064	203,528	489,064	*****	203,528	692,592	692,592				
1417 DANNON	363,000	327,782	35,218	327,782	*****	35,218	363,000	318,139		44,861		44,861
4512 HATTON	947,152	861,047	86,105	818,425	95.0%	81,800	900,225	761,137		139,088	42,622	186,015
6807 FIPPLE	148,571	116,790	31,781	116,790	*****	31,781	148,571	144,984		3,587		3,587
6830 REGAN	155,202	130,521	24,681	130,521	*****	24,681	155,202	144,441		10,761		10,761
8411 KEATON	802,786	706,000	96,786	458,172	64.9%	62,814	520,986	375,479		145,507	247,828	427,307
8503 GREENE	107,173	96,098	11,075	96,098	*****	11,075	107,173	106,978		195		195
8838 DRIGGS	537,000	472,560	64,440	211,806	44.8%	28,869	240,675	219,503		21,172	260,754	317,497
9166 PACKER	151,794	121,156	30,638	121,156	*****	30,638	151,794	111,914		39,880		39,880
9166 FR#2	1,044,000	900,000	144,000	456	0.1%	144	600			600	899,544	1,044,000

TOTAL	5,391,322	4,562,542	828,780	3,111,794		611,076	3,722,870	3,317,219		405,651	1,450,748	2,074,103
CROSSFOOT	5,391,322	4,562,542	828,780	3,111,794		611,076	3,722,870	3,317,219		405,651	1,450,748	2,074,103

CONTRACTS IN PROGRESS  
 PERCENTAGE OF COMPLETION BASIS - SCHEDULE OF CONTRACTS  
 WITHOUT INDIRECT COST ALLOCATION

PROGRAM: BLANK  
 RUN DATE: 05/18/90  
 RUN TIME: 03:28 PM

Name of Contractor: JONES & JONES CONSTRUCTION, INC.

MONTH END: 4/30/90

Contract Description & Location	CONTRACT TOTALS			PRIOR YEAR			CURRENT YEAR		
	Revenues Earned	Cost of Revenues	Gross Profit (Loss)	Revenues Earned (input)	Cost of Revenues (input)	Gross Profit (Loss)	Revenues Earned	Cost of Revenues	Gross Profit (Loss)
0164 ADAMS	442,052	341,524	100,528	452,889	354,300	98,589	(10,837)	(12,776)	1,939
0707 WLLMS	692,592	489,064	203,528	677,000	458,132	218,868	15,592	30,932	(15,340)
1417 DANNON	363,000	327,782	35,218	161,828	147,645	14,183	201,172	180,137	21,035
4512 HATTON	900,225	818,425	81,800	136,274	124,588	11,686	763,951	693,837	70,114
6807 FIPPLE	148,571	116,790	31,781	30,330	26,532	3,798	118,241	90,258	27,983
6830 REGAN	155,202	130,521	24,681	64,398	55,538	8,860	90,804	74,983	15,821
8411 KEATON	520,986	458,172	62,814	38,644	35,235	3,409	482,342	422,937	59,405
8503 GREENE	107,173	96,098	11,075	6,555	5,951	604	100,618	90,147	10,471
8838 DRIGGS	240,675	211,806	28,869				240,675	211,806	28,869
9166 PACKER	151,794	121,156	30,638				151,794	121,156	30,638
9166 FR#2	600	456	144				600	456	144

TOTAL	3,722,870	3,111,794	611,076	1,567,918	1,207,921	359,997	2,154,952	1,903,873	251,079
CROSSFOOT	3,722,870	3,111,794	611,076	1,567,918	1,207,921	359,997	2,154,952	1,903,873	251,079