

FONZO & MCKINNEY, CPA'S
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COMPILATION REPORT

We have compiled the accompanying Statement of Assets, Liabilities, and Equity, and the related Statement of Revenues & Expenses-Income Tax Basis as of the dates and periods noted on the attached statements, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accounting basis used by your company, for income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and related statement of retained earnings and cash flows ordinarily included in financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not intended for those who are not informed about such matters.

Pamela R. McKinney, CPA
(Fonzo & McKinney, CPA's)

WOODLAND WATERS, INC.
STATEMENT OF ASSETS, LIABILITIES & CAPITAL
As of December 31, 2005
ASSETS

CURRENT ASSETS

CASH IN SAVINGS	\$ 5,000.00
BANK - CHECKING	31,635.16
SAVINGS MM	<u>17,677.03</u>

Total Current Assets 54,312.19

FIXED ASSETS

TOTAL ASSETS \$ 54,312.19

See Accountant's Compilation Report

WOODLAND WATERS, INC.
STATEMENT OF ASSETS, LIABILITIES & CAPITAL
As of December 31, 2005

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

LONG-TERM LIABILITIES

OWNERS EQUITY

RETAINED EARNINGS
CURRENT INCOME (LOSS)

53,399.11

913.08

Total Owners Equity

54,312.19

**TOTAL LIABILITIES AND
OWNERS EQUITY**

\$ 54,312.19

See Accountant's Compilation Report

WOODLAND WATERS, INC.
STATEMENT OF REVENUE AND EXPENSES
For the Year Ended December 31, 2005

1 Period Ended
December 31, 2005

Sales	
ASSOCIATION DUES	\$ 30,396.70
INSURANCE CLAIM	5,000.00
NON-CONSTRUCTION FEES	4,493.64
Less Returns & Allowances	<u>0.00</u>
Total Sales	<u>39,890.34</u>
Gross Profit	<u>39,890.34</u>
Operating Expenses	
ADVERTISING	(80.00)
BANK CHARGES	116.96
BUSINESS GIFTS	104.80
DUES & SUBSCRIPTIONS	141.80
MEALS & ENTERTAINMENT	143.58
INSURANCE	2,993.99
LICENSES & PERMITS	(14.00)
OFFICE	2,020.68
OTHER TAXES	759.33
POSTAGE	780.69
PROFESSIONAL FEES	200.00
RENT	427.20
REPAIRS & MAINTENANCE	23,870.93
MISC SUPPLIES	1,496.97
TELEPHONE	3,454.86
UTILITIES	<u>3,104.21</u>
Total Operating Expenses	<u>39,322.00</u>
Operating Income (Loss)	<u>568.34</u>
Other Income	
INTEREST INCOME	<u>344.74</u>
Total Other Income (Loss)	<u>344.74</u>
Net Income (Loss)	<u>\$ 913.08</u>

See Accountant's Compilation Report