



**The ISSUED AND OUSTANDING SHARES for Naturally Iowa, Inc. (NLIA) as  
of 12/31/2008 is: 245,900,456**

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**Naturally Iowa LLC  
Balance Sheet  
December 31, 2008**

ASSETS

Current Assets		
Cash	\$	39,831.90
Accounts Receivable	\$	50,537.53
Inventory	\$	<u>167,339.48</u>
Total Current Assets	\$	257,708.91
Property and Equipment		
Furniture & Fixtures	\$	3,245.81
Equipment	\$	1,204,484.04
Vehicles	\$	68,623.98
Building	\$	870,000.00
Building Improvements	\$	33,789.32
Accumulated Depreciation	\$	<u>(464,979.62)</u>
Total Property and Equipment	\$	1,715,163.53
Other Assets		
Organization Costs	\$	570.00
Accumulated Depreciation-Org	\$	(456.00)
Loan Costs	\$	7,442.86
Accumulated Amortization-Loan	\$	<u>(3,742.82)</u>
Total Other Assets	\$	<u>3,814.04</u>
Total Assets	\$	<u><u>1,976,686.48</u></u>

LIABILITIES AND CAPITAL

Current Liabilities			
Accounts Payable	\$	458,427.96	
Pre Paid Sales-Ivey	\$	276,500.00	
FUTA Tax Payable	\$	351.30	
State Payroll Taxes Payable	\$	1,001.00	
SUTA Payable	\$	300.09	
Short Term Note Payable	\$	50,000.00	
Current Portion Long-Term	\$	55.05	
Total Current Liabilities			\$ 786,635.40
Long-Term Liabilities			
SBA Loan	\$	188,920.05	
State of Iowa VAAPFAP	\$	47,500.00	
HSB - LINE OF CREDIT	\$	479,075.13	
Lease Payable	\$	4,285.23	
Note Payable-Building	\$	204,000.00	
Note Payable - S. Williams	\$	65,500.00	
Note Payable - Bill Horner	\$	94,000.00	
Note Payable - Greg Sloma	\$	25,000.00	
Total Long-Term Liabilities			\$ 1,108,280.41
Total Liabilities			\$ 1,894,915.81
Capital			
Partners Capital	\$	3,194,982.00	
Retained Earnings	\$	(2,391,696.23)	
Appraisal Surplus	\$	356,219.13	
Net Income	\$	(1,077,734.23)	
Total Capital			\$ 81,770.67
Total Liabilities & Capital			\$ 1,976,686.48

**Naturally Iowa LLC**  
**Income Statement**  
**For the Twelve Months Ending December 31, 2008**

	4th Qtr 2008	Year to Date
Revenues		
Sales	\$ 277,516.96	\$ 1,361,190.69
Other Income	\$ 9,301.89	\$ 27,909.27
Total Revenues	\$ 286,818.85	\$ 1,389,099.96

Total Cost of Sales	\$	200,448.55	\$	1,058,191.17
Gross Profit	\$	86,370.30	\$	330,908.79
Expenses				
Wages Expense	\$	105,186.38	\$	576,828.43
Contracted Services	\$	(200.00)	\$	11,045.50
Dues & Fees	\$	1,168.15	\$	16,355.22
Insurance	\$	4,136.80	\$	16,659.53
Interest	\$	21,331.25	\$	95,348.39
Legal & Professional	\$	2,201.34	\$	71,220.45
Travel/Lodging/Meals	\$	3,819.43	\$	26,078.92
Office/Miscellaneous	\$	284.43	\$	6,676.62
Property Tax	\$	-	\$	12,205.00
Postage Shipping/Trucking	\$	3,627.86	\$	56,927.44
Equipment Rental	\$	4,500.00	\$	18,000.00
Repairs & Maintenance	\$	2,821.76	\$	49,238.29
Supplies/Storage Costs	\$	136.44	\$	41,973.63
Telephone/Utilities	\$	17,690.58	\$	93,275.01
Marketing/Advertising	\$	5,714.41	\$	12,187.77
R&D/Testing	\$	476.49	\$	29,655.72
Product Loss/Shrink	\$	-	\$	78,347.10
Depreciation	\$	49,155.00	\$	196,620.00
Total Expenses	\$	222,050.32	\$	1,408,643.02
Net Income	\$	(135,680.02)	\$	(1,077,734.23)