

TAKAHASHI IMPORTS INC.

FINANCIAL REPORT

FOR THE PERIOD ENDING NOVEMBER 30, 2003

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TAKAHASHI IMPORTS INC
BALANCE SHEET
FOR THE PERIOD ENDING NOVEMBER 30, 2003

	<u>A S S E T S</u>	<u>NOV. 2003</u>	<u>DEC. 31, 2002</u>
<u>CURRENT ASSETS</u>			
Cash on hand and in banks			
Petty cash and change funds		600	600
Cash in bank - checking Account		12,772	-710
Cash in bank - MMMPA		24,107	10,981
Cash in bank - CD			111,770
Cash in bank - Schwab Money Market Fund		50,537	61,499
Cash in bank - Securities/Treasury		500,000	400,000
Total On Hand And In Banks		588,016	584,140
Accounts Receivable - Trade		_____	_____
Interest Receivable		8,655	6,257
Inventories		25,449	46,187
Prepaid Expenses:			
Prepaid Insurance			
Prepaid Taxes - Others		557	441
Prepaid Taxes - Franchise		1,540	1,540
Prepaid Taxes - Federal		3,903	3,903
Other Prepayments			
Total Prepaid Expenses		6,000	5,884
Other Current Assets		_____	_____
TOTAL CURRENT ASSETS		628,120	642,468
<u>FIXED ASSETS</u>			
Furnitures and Equipments		10,959	10,959
Less: Accumulated Depreciation		-10,591	-10,591
Furnitures and Equipments - Net		368	368
Leasehold Improvements		92,302	92,302
Less: Accumulated Depreciation		-73,841	-73,841
Leasehold Improvements - Net		18,461	18,461
TOTAL FIXED ASSETS - NET		18,829	18,829
<u>OTHER ASSETS</u>			
Other Receivables		_____	_____
Deposits		_____	_____
Total Other Assets		_____	_____
TOTAL ASSETS		646,949	661,297

TAKAHASHI IMPORTS INC
BALANCE SHEET
FOR THE PERIOD ENDING NOVEMBER 30, 2003

<u>LIABILITIES, CAPITAL STOCK AND RETAINED EARNINGS</u>	<u>NOV. 2003</u>	<u>DEC. 31, 2002</u>
<u>CURRENT LIABILITIES</u>		
Accounts Payable - Trade	3,205	2,887
Accrued Expenses Payable	1,764	1,790
Accrued Taxes, Payroll and Others	1,800	2,156
Taxes Payable - Federal Income Taxes		
Taxes Payable - Franchise Taxes		
Due To IRS		
Loans Payable - Affiliates		
Accrued Bonus Payable - Officers		
Profit Sharing Contribution Payable	2,615	2,523
TOTAL CURRENT LIABILITIES	9,384	9,356
<u>CAPITAL STOCK AND RETAINED EARNINGS</u>		
<u>CAPITAL STOCK</u>		
Issued - 140 shares, no par, stated value \$50	7,000	7,000
Paid-in-capital in excess of stated value	7,000	7,000
Total Paid-In-Capital	14,000	14,000
<u>RETAINED EARNINGS ACCOUNT</u>		
Beginning of the year - January 1,	637,941	654,016
Add/Deduct: Net Profit (Loss) Current Year	-14,376	-16,075
Total	623,565	637,941
Less: Dividends Paid		
Total Retained Earnings - Net	623,565	637,941
TOTAL CAPITAL STOCK AND RETAINED EARNINGS	637,565	651,941
TOTAL LIABILITIES, CAPITAL STOCK & RETAINED EARNINGS	646,949	661,297

TAKAHASHI IMPORTS INC
COMPARATIVE STATEMENT OF OPERATION
FOR THE MONTH OF NOVEMBER 30, 2003

	<u>CURRENT MONTH NOVEMBER, 2003</u>	<u>YEAR TO DATE THIS YEAR 2003</u>
Sales	13,077	145,358
Cost of Sales	-6,423	-66,759
Gross Profit From Sales	<u>6,654</u>	<u>78,599</u>
Operating Expenses:		
Salaries - Selling	4,697	38,450
Salaries - Officers		
Salaries - Warehouse	975	11,100
Salaries - Contractual	250	2,750
Commissions		727
Travel and Entertainment		
Advertising and Promotions		592
Merchant Fees	218	3,080
Rent	435	4,785
Insurance	2,221	19,943
Taxes and Licenses	625	5,656
Depreciation		
Transportation and Delivery	180	776
Repairs and Maintenance	234	2,974
Legal and Accounting	387	3,061
Store and Office Supplies	196	2,168
Telephone and Telegraph	76	766
Utilities	1,008	11,035
Miscellaneous	23	289
Total Operating Expenses	<u>11,525</u>	<u>108,152</u>
Operating Profit (Loss)	-4,871	-29,553
Other Income (Charges)	<u>1,648</u>	<u>17,792</u>
Gross Profit (Loss) After Other Income	-3,223	-11,761
Profit Sharing Expenses	<u>-260</u>	<u>-2,615</u>
Net Profit (Loss) Before Taxes	-3,483	-14,376
Corporate Taxes		
Net Profit (Loss) After Tax	<u><u>-3,483</u></u>	<u><u>-14,376</u></u>

**TAKAHASHI IMPORTS INC
PURCHASES AND INVENTORY ANALYSIS
AT COST TO RETAIL VALUES
ENDING NOVEMBER 30, 2003**

	COST TO RETAIL RATIOS	AT COST VALUES		AT RETAIL VALUES	
		MONTHLY	YEAR-TO-DATE	MONTHLY	YEAR-TO-DATE
BEGINNING INVENTORY:					
OUTSIDE - BLUE	53.82%		20,918		38,868
TTCO - WHITE	50.94%		21,463		42,134
TI IMPORTS - YELLOW	33.31%		3,806		11,427
TTCO - OTHERS	0.00%				5,487
TOTAL			46,187		97,916
BEGINNING OF MONTH:					
NOV. 1, 2003		21,881		48,300	
PURCHASES:					
OUTSIDE - BLUE		9,990	38,670	14,861	59,076
TTCO - WHITE			4,350		16,947
TI IMPORTS - YELLOW			3,000		3,000
TTCO - OTHERS					18,500
TOTAL PURCHASES		9,990	46,020	14,861	97,523
TOTAL AVAILABLE FOR SALES		31,871	92,207	63,161	195,439
LESS: COST OF GOODS SOLD:					
OUTSIDE - BLUE	60.84%	4,490	44,307	6,126	72,827
TTCO - WHITE	43.69%	1,556	15,678	3,563	35,885
TI IMPORTS - YELLOW	47.18%	377	6,773	799	14,357
TTCO - OTHERS			0	2,590	22,287
TOTAL COST OF SALES		6,423	66,759	13,078	145,356
ENDING INVENTORY:					
NOV. 30, 2003		25,448	25,448	50,083	50,083
BREAKDOWN OF ENDING INVENTORY:					
OUTSIDE - BLUE	60.84%		15,281		25,117
TTCO - WHITE	43.69%		10,135		23,196
TI IMPORTS - YELLOW	47.18%		33		70
TTCO - OTHERS	0.00%				1,700
TOTAL ENDING INVENTORY:	50.81%		25,448		50,083

COSTOFSALES.XLS(A)

TAKAHASHI IMPORTS INC
MONTHLY SALES WITH YEAR-TO-DATE
SHOWCASE STORE
FOR THE PERIOD ENDING JANUARY TO DECEMBER 31, 2003

<u>SALES FROM/TO</u>	<u>NET SALES</u>	<u>TTCO WHITE</u>	<u>OUTSIDE BLUE</u>	<u>T.I. YELLOW</u>	<u>TTCO OTHERS</u>
JANUARY, 2003	7,452	2,366	2,867	663	1,556
FEBRUARY, 2003	11,746	2,270	5,920	2,354	1,202
MARCH, 2003	14,659	2,155	9,474	956	2,074
APRIL, 2003	15,301	2,588	9,903	787	2,023
MAY, 2003	12,541	3,007	5,462	1,814	2,258
JUNE, 2003	14,403	2,810	8,111	1,944	1,538
JULY, 2003	15,148	3,170	8,140	1,772	2,066
AUGUST, 2003	11,678	4,413	4,072	828	2,365
SEPTEMBER, 2003	12,268	2,677	7,031	679	1,881
OCTOBER, 2003	17,082	6,866	5,721	1,761	2,734
NOVEMBER, 2003	13,078	3,563	6,126	799	2,590
DECEMBER, 2003					
Y-T-D SALES - CURRENT YEAR - 2003	145,356	35,885	72,827	14,357	22,287
Y-T-D SALES - PREVIOUS YEAR - 2002	<u>143,674</u>	<u>30,860</u>	<u>89,369</u>	<u>15,539</u>	<u>7,906</u>
INCREASE(-DECREASE)	<u>1,682</u>	<u>5,025</u>	<u>-16,542</u>	<u>-1,182</u>	<u>14,381</u>

2002SALESANALYSIS.XLS

TAKAHASHI IMPORTS INC
 BANK RECONCILIATION- BANK OF AMERICA # 23316-03783 (CHECKING)
 FOR THE MONTH OF NOVEMBER 30, 2003

BALANCE PER BOOKS, PREVIOUS MONTH	<u>OCTOBER 31, 2003</u>		<u>18,969.49</u>
ADD: RECEIPTS DURING THE MONTH:			
SR12 SALES REGISTER		15,681.13	
TRF ADMINISTRATIVE RECEIPTS		0.00	
OTHER ADJUSTMENTS			
TOTAL RECEIPTS DURING THE MONTH			<u>15,681.13</u>
TOTAL			<u>34,650.62</u>
LESS: CASH DISBURSEMENTS:			
CDR 12 CDR REGISTER		21,669.04	
SR12 OTHER DISBURSEMENTS		209.57	
ADJ			
TOTAL CASH DISBURSEMENTS DURING THE MONTH			<u>21,878.61</u>
ADJUSTED BALANCE PER BOOKS,	<u>NOVEMBER 30, 2003</u>		<u>12,772.01</u>
BALANCE PER BANK,	<u>NOVEMBER 30, 2003</u>		<u>23,204.28</u>
ADD: DEPOSIT IN TRANSIT:			
	CASH	DATE	AMOUNT
		11/30/03	243.21
	CHECKS/VISA	11/30/03	50.64
		11/30/03	209.00
		11/30/03	143.23
TOTAL DEPOSIT IN TRANSIT			<u>646.08</u>
TOTAL			<u>23,850.36</u>
LESS: OUTSTANDING CHECKS			
	DATE	CHECK NO.	AMOUNT
	10/310/3	4011	1,600.00
	10/31/03	4013	136.00
	10/31/03	4014	13.28
	09/30/03	4015	63.53
	09/30/03	4016	3,424.00
	09/30/03	4017	5,841.54
TOTAL OUTSTANDING CHECKS FOR THE MONTH			<u>11,078.35</u>
ADJUSTED BALANCE PER BANK,	<u>NOVEMBER 30, 2003</u>		<u>12,772.01</u>

BANK RECONCILIATION- BANK OF AMERICA # 23317-01316(MERCHANTS)
 (CONVERTED TO BUSINESS MONEY MARKET ACCOUNT STARTING 09/01/2000)
 FOR THE MONTH OF NOVEMBER 30, 2003

BALANCE PER BOOKS, PREVIOUS MONTH	<u>OCTOBER 31, 2003</u>			<u>24,099.25</u>
ADD: RECEIPTS DURING THE MONTH:				
<u>SR0010</u> SALES REGISTER			7.40	
<u> </u> ADMINISTRATIVE RECEIPTS			0.00	
<u> </u> OTHER ADJUSTMENTS				
TOTAL RECEIPTS DURING THE MONTH				<u>7.40</u>
TOTAL				<u>24,106.65</u>
LESS: CASH DISBURSEMENTS:				
<u>SR0010</u> CDR REGISTER			0.00	
<u>SR003</u> ADMISTRATIVE DISBURSEMENTS			0.00	
<u> </u> OTHER DISBURSEMENTS				
TOTAL CASH DISBURSEMENTS DURING THE MONTH				<u>0.00</u>
ADJUSTED BALANCE PER BOOKS,	<u>NOVEMBER 30, 2003</u>			<u>24,106.65</u>
BALANCE PER BANK - CURRENT MONTH,	<u>NOVEMBER 30, 2003</u>			<u>24,106.65</u>
ADD: DEPOSIT IN TRANSIT:		<u>DATE</u>	<u>AMOUNT</u>	
		_____	_____	
		_____	_____	
		_____	_____	
		_____	_____	
TOTAL DEPOSIT IN TRANSIT				<u>0.00</u>
TOTAL				<u>24,106.65</u>
LESS: OUTSTANDING CHECKS		<u>DATE</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
		_____	_____	_____
		_____	_____	_____
		_____	_____	_____
		_____	_____	_____
		_____	_____	_____
TOTAL OUTSTANDING CHECKS FOR THE MONTH				<u>0.00</u>
ADJUSTED BALANCE PER BANK,	<u>NOVEMBER 30, 2003</u>			<u>24,106.65</u>