# **Balance Sheet**

May 31, 2005 (Unaudited)



	May 31 2005	February 28 2005
ASSETS		
CURRENT		
Cash	127,317.07	(5,275.01)
Marketable securities (Note 1)	0.00	0.00
Accounts receivable	162,769.79	73,546.38
Inventory (Note 4)	387,205.66	233,994.24
Other Current Assets	0.00	0.00
Due from shareholders (Note 5)	0.00	0.00
	677,292.52	302,265.61
PROPERTY, PLANT AND EQUIPMENT (Note 6)	34,026.85	28,476.85
Less accumulated depreciation	(9,241.39)	(8,471.28)
INTANGIBLE ASSETS (Note 7)	0.00	0.00
DUE FROM SHAREHOLDERS (Note 5)	0.00	0.00
	702,077.98	322,271.18
LIABILITIES AND SHAREHOLDERS' EQUITY CURRENT		
Accounts Payable	377,429.02	117,581.73
Income taxes payable	8,533.97	941.75
Management fees payable	0.00	0.00
Other Current Liabilities	10,000.00	10,000.00
Current portion of long term debt (Note 8)	0.00	0.00
Current portion of obligations under capital lease (Note 9)	0.00	0.00
Bonuses payable	0.00	0.00
·	395,962.99	128,523.48
LONG TERM DEBT (Note 8)	0.00	0.00
DUE TO RELATED PARTIES (Note 10)	0.00	0.00
DUE TO SHAREHOLDERS (Note 5)	0.00	0.00
OBLIGATIONS UNDER CAPITAL LEASE (Note 9)	0.00	0.00
	395,962.99	128,523.48
SHAREHOLDERS' EQUITY		
Share capital (Note 11)	0.00	0.00
Retained Earnings	306,114.99	193,747.70
=	306,114.99	193,747.70
=	\$702,077.98	\$322,271.18
APPROVED BY THE SOLE DIRECTOR	<u> </u>	·

Director

# **Balance Sheet**

May 31, 2005

(Unaudited)



	May 31 2005	February 28 2005
ASSETS		_
CURRENT		
Cash	127,317.07	(5,275.01)
Marketable securities (Note 1)	0.00	0.00
Accounts receivable	162,769.79	73,546.38
Inventory (Note 4)	387,205.66	233,994.24
Other Current Assets	0.00	0.00
Due from shareholders (Note 5)	0.00	0.00
	677,292.52	302,265.61
PROPERTY, PLANT AND EQUIPMENT (Note 6)	34,026.85	28,476.85
Less accumulated depreciation	(9,241.39)	(8,471.28)
INTANGIBLE ASSETS (Note 7)	0.00	0.00
DUE FROM SHAREHOLDERS (Note 5)	0.00	0.00
<u> </u>	702,077.98	322,271.18
LIABILITIES AND SHAREHOLDERS' EQUITY CURRENT		
Accounts Payable	377,429.02	117,581.73
Income taxes payable	8,533.97	941.75
Management fees payable	0.00	0.00
Other Current Liabilities	10,000.00	10,000.00
Current portion of long term debt (Note 8)	0.00	0.00
Current portion of obligations under capital lease (Note 9)	0.00	0.00
Bonuses payable	0.00	0.00
	395,962.99	128,523.48
LONG TERM DEBT (Note 8)	0.00	0.00
DUE TO RELATED PARTIES (Note 10)	0.00	0.00
DUE TO SHAREHOLDERS (Note 5)	0.00	0.00
OBLIGATIONS UNDER CAPITAL LEASE (Note 9)	0.00	0.00
	395,962.99	128,523.48
SHAREHOLDERS' EQUITY		
Share capital (Note 11)	0.00	0.00
Retained Earnings	306,114.99	193,747.70
<u> </u>	306,114.99	193,747.70
<del></del>	<u>\$702,077.98</u>	\$322,271.18

#### APPROVED BY THE SOLE DIRECTOR

Director

#### **Balance Sheet**

### For the Period Ending May 31, 2005



#### Unaudited

#### **ASSETS**

	31-May-05	31-May-04
Current assets:		-
Cash-Operating Account SIGNET	127,317.07	69,623.13
Accounts receivable	549,975.45	191,201.28
Total current assets	\$677,292.52	\$260,824.41
Fixed assets:		
Furniture & fixtures	34,026.85	28,476.85
Less accumulated depreciation	9,241.39	5,420.18
	\$24,785.46	\$23,056.67
	\$702,077.98	\$283,881.08

#### **LIABILITIES AND SHAREHOLDERS' EQUITY**

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Accounts payable - Trade	368,545.28	171,861.78
Accounts Payable Clearing (BR)	8,883.74	0.00
Federal Withholding Payable	2,391.70	0.00
State Payroll Withholding	1,891.38	0.00
Unemployment Taxes Payable	2,042.64	0.00
Payroll Clearing Account	1,886.32	0.00
Sales Taxes Payable	321.93	127.25
Note Payable	10,000.00	20,000.00
Total current liabilities	\$395,962.99	\$191,989.03

#### Shareholders' equity:

	\$702,077.98	\$280,383.82	
Total shareholders' equity	\$306,114.99	\$88,394.79	
Profit (loss) for period	162,131.21	(55,588.99)	
Retained Earnings	143,983.78	143,983.78	

### **Balance Sheet**

# For the 5 Period(s) Ending May 31, 2005

#### **ASSETS**

Total Assets	\$702,077.98
Accumulated depreciation - F&F	(9,241.39)
Furniture & fixtures	34,026.85
Inventory	387,205.66
Accounts receivable	162,769.79
Cash-Operating Account SIGNET	127,317.07

### LIABILITIES AND SHAREHOLDERS' EQUITY

Total Liabilities	\$702,077.98
Profit (loss)	162,131.21
Retained Earnings	143,983.78
Note Payable	10,000.00
Sales Taxes Payable	321.93
Payroll Clearing Account	1,886.32
Unemployment Taxes Payable	2,042.64
State Payroll Withholding	1,891.38
Federal Withholding Payable	2,391.70
Accounts Payable Clearing (BR)	8,883.74
Accounts payable - Trade	368,545.28

# GIFI Comparative for Adagio Corporation, Inc. Variances greater than 100% are highlighted

Taxation year-end 31-May-05

#### Balance Sheet Information Assets

1627   162   163	1000	Current Cash and deposits	<b>This Year</b> 127,317.07	<b>Last Year</b> 69,623.13	Variance
Allowance for doubtful accounts		· · · · · · · · · · · · · · · · · · ·			83% 742%
Amounts receivable from members of NPOs   171,861.78			102,100.10	10,000.00	74270
180 Short term investments 1240 Loans and notes receivable 1240 Due from shareholder(s)/director(s) 1400 Due from/investment in related parties 1480 Other current assets 1599 Total current assets 1599 Total current assets 1600 Land 1620 Depletable assets 1621 Accumulated amortization of depletable assets 1680 Buildings 1681 Accumulated amortization of buildings 1681 Accumulated amortization of furniture, and fixtures 1681 Accumulated amortization of furniture and fixtures 1684 Accumulated amortization of furniture and fixtures 1685 Accumulated amortization of furniture and fixtures 1686 Accumulated amortization of other tangible capital assets 1788 Accumulated amortization of other tangible capital assets 1780 Total tangible capital assets 1790 Total tangible capital assets 1890 Total accumulated amortization of tangible 1890 Total accumulated amortization of intangible assets 1901 Intangible assets 1901 Accumulated amortization of intangible assets 1901 Accumulated amortization of intangible assets 1901 Accumulated amortization of intangible capital assets 1902 Total intangible capital assets 1903 Total accumulated amortization of intangible capital assets 1904 Due from shareholder(s)/director(s) 1905 Investment in joint venture(s)/partnership(s) 1906 Une from finvestment in related parties 1907 Due from finvestment in related parties 1908 Cong term investments 1909 Cong term investments 1909 Cong term investments 1909 Cong term assets 1909 Cong term assets 1909 Cong term assets					
1240	1120	Inventories	387,205.66	171,861.78	125%
1300   Due from shareholder(s)/director(s)   1400   Due from/investment in related parties   1490   Other current assets   1599   Total current assets   1590   Total current assets   1590   Depletable assets   1590   Deplet	1180	Short term investments			
1400 Due from/investment in related parties Other current assets  Capital 1600 Land 1620 Depletable assets 1621 Accumulated amortization of depletable assets 1621 Accumulated amortization of buildings 1681 Accumulated amortization of buildings 1681 Accumulated amortization of machinery, equipment, fur little and fixtures 1741 Accumulated amortization of machinery, equipment, fur little and fixtures 1788 Accumulated amortization of furniture and fixtures 1900 Other tangible capital assets Accumulated amortization of other tangible capital assets 1901 assets 2008 Total accumulated amortization of tangible capital assets 2009 capital assets 2011 Accumulated amortization of intangible assets 2010 Intangible assets 2011 Accumulated amortization of intangible assets 2012 Intangible assets 2013 Long term investment in related parties 2179 Columnities assets 2180 Due from shareholder(s)/director(s) 2290 Investment in joint venture(s)/partnership(s) 2200 Investment in j	1240	Loans and notes receivable			
Other current assets  Capital  Capital  Capital  Council Land  Accumulated amortization of depletable assets  Buildings  Accumulated amortization of buildings  Machinery, equipment, furniture, and fixtures  Accumulated amortization of machinery, equipment, furniture, and fixtures  Trati  Accumulated amortization of furniture and fixtures  Accumulated amortization of furniture and fixtures  Council Capital assets  Accumulated amortization of turniture and fixtures  Total rangible capital assets  Accumulated amortization of other tangible capital assets  Accumulated amortization of the funding assets  Accumulated amortization of tangible capital assets  Total accumulated amortization of tangible capital assets  Total accumulated amortization of intangible assets  Accumulated amortization of intangible assets  Total accumulated amortization of intangible assets  Long term  Long term  Due from shareholder(s)/director(s)  Investment in joint venture(s)/partnership(s)  Long term investments  Assets held in trust	1300	Due from shareholder(s)/director(s)			
Total current assets  Capital  1600 Land  1620 Depletable assets 1621 Accumulated amortization of depletable assets Buildings 1681 Accumulated amortization of buildings 1740 Machinery, equipment, furniture, and fixtures 1741 Accumulated amortization of function of furniture and fixtures 1788 Furniture and fixtures 1788 Accumulated amortization of furniture and fixtures 1900 Other tangible capital assets 1901 Accumulated amortization of other tangible capital assets 1908 Total tangible capital assets 1908 Total tangible capital assets 1909 Capital assets 1901 Intangible assets 1901 Intangible assets 1901 Accumulated amortization of intangible assets 1901 Accumulated amortization of intangible assets 1901 Total accumulated amortization of intangible assets 1901 Accumulated amortization of intangible assets 1901 Total accumulated amortization of intangible assets 1901 Accumulated amortization of intangible assets 1902 Total intangible capital assets 1903 Long term in joint venture(s)/partnership(s) 1904 Due from shareholder(s)/director(s) 1905 Investment in joint venture(s)/partnership(s) 1906 Long term loans 1907 Accumulated assets 1908 Complements 1908 Complements 1909 Complemen	1400	Due from/investment in related parties			
Capital  1600 Land  1620 Depletable assets  1621 Accumulated amortization of depletable assets  1621 Accumulated amortization of buildings  1681 Accumulated amortization of buildings  1681 Accumulated amortization of machinery, equipment, fu  1782 Machinery, equipment, furniture, and fixtures  1783 Accumulated amortization of furniture and fixtures  1784 Accumulated amortization of furniture and fixtures  1785 Accumulated amortization of other tangible capital  1790 Other tangible capital assets  1790 Accumulated amortization of other tangible capital  1791 assets  1701 Total tangible capital assets  1702 Total accumulated amortization of tangible  1701 Capital assets  1702 Resource rights  1702 Accumulated amortization of intangible assets  1703 Resource rights  1704 Accumulated amortization of intangible assets  1705 Total intangible capital assets  1706 Total intangible capital assets  1707 Accumulated amortization of intangible  1707 Capital assets  1708 Total intangible capital assets  1709 Long term  1800 Due from shareholder(s)/director(s)  1800 Investment in joint venture(s)/partnership(s)  1700 Due from shareholder(s)/director(s)  1800 Long term loans  1700 Other long term assets  1701 Acsets held in trust	1480	Other current assets			
1600 Land 1620 Depletable assets 1621 Accumulated amortization of depletable assets 1680 Buildings 1681 Accumulated amortization of buildings 1740 Machinery, equipment, furniture, and fixtures 1741 Accumulated amortization of machinery, equipment, fu 1787 Furniture and fixtures 1788 Accumulated amortization of furniture and fixtures 1900 Other tangible capital assets 1901 Accumulated amortization of other tangible capital 1901 assets 1908 Total tangible capital assets 1909 Capital assets 1900 Capital assets 1900 Capital assets 1901 Accumulated amortization of intangible assets 1907 Resource rights 1907 Accumulated amortization of resource rights 1908 Total intangible capital assets 1909 Capital assets 1900 Capital as	1599	Total current assets	677,292.52	260,824.41	950%
1620 Depletable assets 1621 Accumulated amortization of depletable assets 1621 Accumulated amortization of buildings 1681 Accumulated amortization of buildings 1740 Machinery, equipment, furniture, and fixtures 1741 Accumulated amortization of machinery, equipment, fu 1787 Furniture and fixtures 1788 Accumulated amortization of furniture and fixtures 1900 Other tangible capital assets Accumulated amortization of other tangible capital 1901 assets 2008 Total tangible capital assets 34,026.85 28,476.85 1  2009 Capital assets 2009 Capital assets 2009 Capital assets 2011 Accumulated amortization of tangible capital 2012 Intangible assets 2011 Accumulated amortization of resource rights 2011 Accumulated amortization of resource rights 2011 Accumulated amortization of intangible assets 2011 Accumulated amortization of intangible capital assets 2011 Accumulated amortization of intangible capital assets 2011 Accumulated amortization of intangible capital assets 2012 Intangible capital assets 2013 Total intangible capital assets 2020 Long term Due from shareholder(s)/director(s) 2030 Long term investment in related parties 2030 Long term investments 2030 Long term loans 2040 Other long term assets 2590 Assets held in trust		Capital			
1621 Accumulated amortization of depletable assets 1680 Buildings 1681 Accumulated amortization of buildings 1740 Machinery, equipment, furniture, and fixtures 1741 Accumulated amortization of machinery, equipment, fu 1787 Furniture and fixtures 1788 Accumulated amortization of furniture and fixtures 1900 Other tangible capital assets		Land			
1680 Buildings 1681 Accumulated amortization of buildings 1740 Machinery, equipment, furniture, and fixtures 1741 Accumulated amortization of machinery, equipment, fu 1787 Furniture and fixtures 1788 Accumulated amortization of furniture and fixtures 1790 Other tangible capital assets 1791 Accumulated amortization of other tangible capital assets 1791 Accumulated amortization of tangible capital assets 1792 Total accumulated amortization of tangible 1793 Capital assets 1894 Total angible capital assets 1895 Total angible capital assets 1896 Capital assets 1896 Capital assets 1897 Resource rights 1897 Accumulated amortization of intangible assets 1897 Resource rights 1897 Total intangible capital assets 1898 Total intangible capital assets 1898 Total accumulated amortization of intangible assets 1899 Long term 1898 Due from shareholder(s)/director(s) 1899 Long term in joint venture(s)/partnership(s) 1899 Capital assets 1899 Total long term assets 1899 Total long term assets 1899 Assets held in trust					
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1740 Machinery, equipment, furniture, and fixtures 1741 Accumulated amortization of machinery, equipment, fu 1787 Furniture and fixtures 1788 Accumulated amortization of furniture and fixtures 1790 Other tangible capital assets 1790 Accumulated amortization of other tangible capital assets 1791 Accumulated amortization of tangible capital assets 1890 Total tangible capital assets 1890 Total accumulated amortization of tangible capital assets 1901 Intangible assets 1901 Accumulated amortization of intangible assets 1901 Accumulated amortization of intangible assets 1901 Accumulated amortization of resource rights 1901 Accumulated amortization of intangible assets 1907 Resource rights 1907 Total intangible capital assets 1908 Total accumulated amortization of intangible assets 1909 Capital assets 1909 Capital assets 1900 Investment in joint venture(s)/partnership(s) 1900 Due from shareholder(s)/director(s) 1900 Investment in joint venture(s)/partnership(s) 1900 Long term investments 1901 Long term assets 1902 Other long term assets 1903 Assets held in trust					
Furniture and fixtures 34,026.85 28,476.85 1788 Accumulated amortization of furniture and fixtures (9,241.39) (5,420.18) 7900 Other tangible capital assets Accumulated amortization of other tangible capital assets 2008 Total tangible capital assets 34,026.85 28,476.85 1909 Capital assets 34,026.85 28,476.85 1909 Capital assets 34,026.85 28,476.85 1909 Capital assets (9,241.39) (5,420.18) 7909 Capital assets (9,241.39) (1,420.18) 7909 Capital asse					
1788 Accumulated amortization of furniture and fixtures (9,241.39) (5,420.18) 7 1900 Other tangible capital assets	1741	Accumulated amortization of machinery, equipment, fu			
Other tangible capital assets Accumulated amortization of other tangible capital assets  Total tangible capital assets  34,026.85  28,476.85  1  Total accumulated amortization of tangible capital assets  (9,241.39)  (5,420.18)  7  2010  Intangible assets Accumulated amortization of intangible assets  2070  Resource rights Accumulated amortization of resource rights  Total intangible capital assets  Total accumulated amortization of intangible capital assets  Long term  2180  Due from shareholder(s)/director(s) 2200  Investment in joint venture(s)/partnership(s) 2240  Due from/investment in related parties 2360  Long term loans  Other long term assets  Total long term assets  Assets held in trust	1787	Furniture and fixtures	34,026.85	28,476.85	19%
Accumulated amortization of other tangible capital assets  2008 Total tangible capital assets  2009 Total accumulated amortization of tangible capital assets  2010 Intangible assets  2011 Accumulated amortization of intangible assets  2070 Resource rights  2071 Accumulated amortization of resource rights  2178 Total intangible capital assets  Total accumulated amortization of intangible capital assets  2179 capital assets  Long term  2180 Due from shareholder(s)/director(s)  2200 Investment in joint venture(s)/partnership(s)  2240 Due from/investment in related parties  2360 Long term loans  2420 Other long term assets  Total long term assets  2590 Assets held in trust	1788	Accumulated amortization of furniture and fixtures	(9,241.39)	(5,420.18)	70%
Total tangible capital assets  Total accumulated amortization of tangible capital assets  2009 capital assets  2010 Intangible assets 2011 Accumulated amortization of intangible assets 2070 Resource rights 2071 Accumulated amortization of resource rights 2178 Total intangible capital assets  Total accumulated amortization of intangible capital assets  Total accumulated amortization of intangible capital assets  Long term  2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2300 Long term loans 2420 Other long term assets  Total long term assets  Total long term assets  Assets held in trust	1900	Other tangible capital assets			
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2010 Intangible assets 2011 Accumulated amortization of intangible assets 2070 Resource rights 2071 Accumulated amortization of resource rights 2071 Accumulated amortization of resource rights 2178 Total intangible capital assets  Total accumulated amortization of intangible 2179 capital assets  Long term 2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2590 Assets held in trust	2008	Total tangible capital assets	34,026.85	28,476.85	19%
2010 Intangible assets 2011 Accumulated amortization of intangible assets 2070 Resource rights 2071 Accumulated amortization of resource rights 2178 Total intangible capital assets Total accumulated amortization of intangible 2179 capital assets  Long term 2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2590 Assets held in trust	2009		(9.241.39)	(5,420.18)	70%
Accumulated amortization of intangible assets Resource rights Accumulated amortization of resource rights Total intangible capital assets Total accumulated amortization of intangible capital assets  Long term  Due from shareholder(s)/director(s) Investment in joint venture(s)/partnership(s) Due from/investment in related parties Long term investments Can Long term investments Cong term investments Cong term loans  Assets held in trust  Assets held in trust				· · · · · ·	
Accumulated amortization of intangible assets Resource rights Accumulated amortization of resource rights Total intangible capital assets Total accumulated amortization of intangible capital assets  Long term  Due from shareholder(s)/director(s) Investment in joint venture(s)/partnership(s) Due from/investment in related parties Long term investments Can Long term investments Cong term investments Cong term loans  Assets held in trust  Assets held in trust	2010	Intangible assets			
2070 Resource rights 2071 Accumulated amortization of resource rights 2178 Total intangible capital assets  Total accumulated amortization of intangible 2179 capital assets  Long term  2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2589 Total long term assets  2590 Assets held in trust					
2071 Accumulated amortization of resource rights 2178 Total intangible capital assets  Total accumulated amortization of intangible 2179 capital assets  Long term 2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets  Total long term assets  2590 Assets held in trust					
Total accumulated amortization of intangible capital assets  Long term  2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets  Total long term assets  2590 Assets held in trust		3			
Total accumulated amortization of intangible capital assets  Long term  2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2590 Assets held in trust		<u> </u>			
Long term  2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2590 Assets held in trust	2170				
2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2589 Total long term assets 2590 Assets held in trust	2179				
2180 Due from shareholder(s)/director(s) 2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2589 Total long term assets 2590 Assets held in trust		Long term			
2200 Investment in joint venture(s)/partnership(s) 2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2589 Total long term assets 2590 Assets held in trust	2180	•			
2240 Due from/investment in related parties 2300 Long term investments 2360 Long term loans 2420 Other long term assets 2589 Total long term assets 2590 Assets held in trust		` ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '			
2360 Long term loans 2420 Other long term assets 2589 Total long term assets 2590 Assets held in trust		Due from/investment in related parties			
2420 Other long term assets 2589 Total long term assets 2590 Assets held in trust	2300	Long term investments			
2589 Total long term assets 2590 Assets held in trust	2360	Long term loans			
2589 Total long term assets 2590 Assets held in trust	2420	Other long term assets			
2000		-			
2000	2590	Assets held in trust			
2599 TOTAL ASSETS 702 077 98 283 881 08 107	2599	Total assets	702,077.98	283,881.08	1040%

GIFI Comparative for Adagio Corporation, Inc.

Variances greater than 100% are highlighted

Taxation year-end 31-May-05

#### **Balance Sheet Information** Liabilities

Amounts payable and accrued liabilities   377,429.02   171,861.76   120%	2600	Current Bank overdraft			
Amounts payable to members of NPOs			377,429.02	171,861.78	120%
2700   Short term debt				,	
2780	2680	Taxes payable	8,533.97	127.25	6606%
2860 Due to related parties 2920 Current portion of long term liability 2960 Other current liabilities 395,962.99 191,989.03 6676%  Long term 3140 Long term debt 3220 Deferred income 3240 Deferred income 3260 Due to shareholder(s)/director(s) 3300 Due to related parties 3320 Other long term liabilities 3320 Other long term liabilities 3450 Total long term liabilities 3470 Amounts held in trust 3499 Total Itabilities 3500 Common shares 3500 Preferred shares 3500 Contributed and other surplus 3500 Accommon shares 3500 Total shareholder equity 3600 Retained earnings/deficit 3600 Total Isabilities and shareholder equity 3600 Total Isabilities and shareholder equity 3600 Retained earnings/deficit 3600 Total Isabilities and shareholder equity 3600 Retained earnings/deficit - start	2700	Short term debt	10,000.00	20,000.00	-50%
2920   Current portion of long term liabilities	2780	Due to shareholder(s)/director(s)			
2960   Other current liabilities   395,962.99   191,989.03   6676%		Due to related parties			
Total current liabilities   395,962.99   191,989.03   6676%	2920				
Long term 3140 Long term debt 3220 Deferred income 3240 Deferred income 3240 Due to shareholder(s)/director(s) 3300 Due to related parties 3300 Due to related parties 3450 Total long term liabilities 3470 Amounts held in trust 3499 Total liabilities 395,962,99 191,989,03 6676%  Shareholder equity 3500 Common shares 3520 Preferred shares 3520 Preferred shares 3540 Contributed and other surplus 143,983,78 143,983,78 3600 Retained earnings/deficit 162,131,21 (52,091,73) 411% 3620 Total shareholder equity 306,114,99 91,892,05 411%  Statement of Retained earnings (deficit)  Statement of Retained earnings (deficit) 3660 Retained earnings/deficit - start 3680 Net income/loss 162,131,21 162,131,21 162,131,21 3700 Dividends declared 3720 Prior period adjustments 3740 Other items affecting retained earnings 3745 Interfund transfer	2960	Other current liabilities			
140	3139	Total current liabilities	395,962.99	191,989.03	6676%
140		Long term			
3220   Deferred income   244   Deferred income taxes   3260   Due to shareholder(s)/director(s)   3300   Due to related parties   3320   Other long term liabilities   3450   Total long term liabilities   3470   Amounts held in trust   3499   Total labilities   395,962.99   191,989.03   667634   3500   Common shares   3520   Preferred shares   3520   Preferred shares   3540   Contributed and other surplus   143,983.78   143,983.78   3600   Retained earnings/deficit   362,131.21   362,131.21   362,131.21   362,131.21   362,131.21   363,131.21   3640   Total liabilities and shareholder equity   702,077.98   283,881.08   147%   3660   Retained earnings/deficit - start   3680   Net income/loss   162,131.21   162,131.21   162,131.21   3700   Dividends declared   3720   Prior period adjustments   3740   Other items affecting retained earnings   3745   Interfund transfer   3680   Interfund transfer   3680   Interfund transfer   3680   Other items affecting retained earnings   3740   Other items affecting ret	3140				
3240         Deferred income taxes           3260         Due to shareholder(s)/director(s)           3300         Due to related parties           3320         Other long term liabilities           3450         Total long term liabilities           3470         Amounts held in trust           3493         Total liabilities         395,962.99         191,989.03         6676%           Shareholder equity           3500         Common shares         3520         Preferred shares           3540         Contributed and other surplus         143,983.78         143,983.78           3600         Retained earnings/deficit         162,131.21         (52,091.73)         -411%           3620         Total shareholder equity         306.114.99         91,892.05         -411%           Statement of Retained earnings (deficit)           Othiclands declared           3720         Prior period adjustments           3740		•			
3260   Due to shareholder(s)/director(s)   3300   Due to related parties   3320   Other long term liabilities   3450   Total long term liabilities   3470   Amounts held in trust   3499   Total liabilities   395,962.99   191,989.03   6676%   Shareholder equity   3500   Common shares   3520   Preferred shares   3540   Contributed and other surplus   143,983.78   143,983.78   3600   Retained earnings/deficit   162,131.21   (52,091.73)   411%   3620   Total shareholder equity   306,114.99   91,892.05   411%   3640   Total liabilities and shareholder equity   702,077.98   283,881.08   147%   3660   Retained earnings/deficit - start   3680   Net income/loss   162,131.21   162,131.21   162,131.21   3700   Dividends declared   3720   Prior period adjustments   3740   Other items affecting retained earnings   3745   Interfund transfer   395,000   395,					
3300   Due to related parties   3320   Other long term liabilities   3450   Total long term liabilities   3470   Amounts held in trust   3499   Total liabilities   395,962.99   191,989.03   6676%	3260				
3320       Other long term liabilities	3300				
3450       Total long term liabilities       3470       Amounts held in trust         3499       Total liabilities       395,962.99       191,989.03       6676%         Shareholder equity         3500       Common shares       3520       Preferred shares       143,983.78       143,983.78       143,983.78         3600       Retained earnings/deficit       162,131.21       (52,091.73)       411%         3620       Total shareholder equity       306,114.99       91,892.05       -411%         Statement of Retained earnings (deficit)         Statement of Retained earnings (deficit)         3660       Retained earnings/deficit - start       3680       Net income/loss       162,131.21       162,131.21         3700       Dividends declared       3720       Prior period adjustments         3740       Other items affecting retained earnings         3745       Interfund transfer	3320	· · · · · · · · · · · · · · · · · · ·			
Shareholder equity   Shareholder equity		Total long term liabilities			
Shareholder equity   3500   Common shares   3520   Preferred shares   3520   Preferred shares   3540   Contributed and other surplus   143,983.78   143,983.78   3600   Retained earnings/deficit   162,131.21   (52,091.73)   411%   3620   Total shareholder equity   306,114.99   91,892.05   411%   411%   3640   Total liabilities and shareholder equity   702,077.98   283,881.08   147%   3660   Retained earnings/deficit - start   3680   Net income/loss   162,131.21   162,131.21   3700   Dividends declared   3720   Prior period adjustments   3740   Other items affecting retained earnings   3745   Interfund transfer   3750	3470	Amounts held in trust			
3500         Common shares           3520         Preferred shares           3540         Contributed and other surplus         143,983.78         143,983.78           3600         Retained earnings/deficit         162,131.21         (52,091.73)         -411%           3620         Total shareholder equity         306,114.99         91,892.05         -411%           3640         Total liabilities and shareholder equity         702,077.98         283,881.08         147%           Statement of Retained earnings (deficit)           Statement of Retained earnings (deficit)           3660         Retained earnings/deficit - start         162,131.21         162,131.21           3700         Dividends declared         162,131.21         162,131.21           3720         Prior period adjustments         3740         Other items affecting retained earnings           3745         Interfund transfer	3499	Total liabilities	395,962.99	191,989.03	6676%
3520       Preferred shares         3540       Contributed and other surplus       143,983.78       143,983.78         3600       Retained earnings/deficit       162,131.21       (52,091.73)       -411%         3620       Total shareholder equity       306,114.99       91,892.05       -411%         Statement of Retained earnings (deficit)         Statement of Retained earnings (deficit)         3660       Retained earnings/deficit - start         3680       Net income/loss       162,131.21       162,131.21         3700       Dividends declared         3720       Prior period adjustments         3740       Other items affecting retained earnings         3745       Interfund transfer		Shareholder equity			
3540 Contributed and other surplus  Retained earnings/deficit  162,131.21 (52,091.73) -411%  3620 Total shareholder equity  306,114.99 91,892.05 -411%  Statement of Retained earnings (deficit)  Statement of Retained earnings (deficit)  Statement of Retained earnings (deficit)  Retained earnings/deficit - start  3680 Net income/loss 162,131.21 162,131.21  3700 Dividends declared  3720 Prior period adjustments  3740 Other items affecting retained earnings  Interfund transfer					
3600         Retained earnings/deficit         162,131.21         (52,091.73)         -411%           3620         Total shareholder equity         306,114.99         91,892.05         -411%           3640         Total liabilities and shareholder equity         702,077.98         283,881.08         147%           Statement of Retained earnings (deficit)           3660         Retained earnings/deficit - start         162,131.21         162,131.21           3700         Dividends declared         3720         Prior period adjustments           3740         Other items affecting retained earnings           3745         Interfund transfer					
3620 Total shareholder equity 306,114.99 91,892.05 -411%  Statement of Retained earnings (deficit)  Statement of Retained earnings (deficit)  Retained earnings/deficit - start 3680 Net income/loss 162,131.21 162,131.21  3700 Dividends declared 3720 Prior period adjustments 3740 Other items affecting retained earnings Interfund transfer	3540	· ·	•	143,983.78	
Statement of Retained earnings (deficit)  Statement of Retained earnings (deficit)  Retained earnings/deficit - start  Net income/loss 162,131.21 162,131.21  Dividends declared  Prior period adjustments  Other items affecting retained earnings  Interfund transfer	3600		162,131.21	(52,091.73)	-411%
Statement of Retained earnings (deficit)  3660 Retained earnings/deficit - start  3680 Net income/loss 162,131.21 162,131.21  3700 Dividends declared  3720 Prior period adjustments  3740 Other items affecting retained earnings  3745 Interfund transfer	3620	Total shareholder equity	306,114.99	91,892.05	-411%
Retained earnings/deficit - start  Net income/loss 162,131.21 162,131.21  Dividends declared  Prior period adjustments  Other items affecting retained earnings  Interfund transfer	3640	Total liabilities and shareholder equity	702,077.98	283,881.08	147%
Retained earnings/deficit - start  Net income/loss 162,131.21 162,131.21  Dividends declared  Prior period adjustments  Other items affecting retained earnings  Interfund transfer					
3680 Net income/loss 162,131.21 162,131.21 3700 Dividends declared 3720 Prior period adjustments 3740 Other items affecting retained earnings 3745 Interfund transfer		Statement of Retained earnings (deficit)			
Net income/loss 162,131.21 162,131.21 162,131.21 162,131.21 162,131.21 162,131.21 162,131.21 162,131.21 162,131.21 162,131.21	3660	Retained earnings/deficit - start			
Prior period adjustments  Other items affecting retained earnings  Interfund transfer	3680	•	162,131.21	162,131.21	
Other items affecting retained earnings Interfund transfer	3700	Dividends declared			
Other items affecting retained earnings Interfund transfer	3720	Prior period adjustments			
	3740				
3849 Retained earnings/deficit - end 162,131.21 162,131.21	3745	Interfund transfer			
	3849	Retained earnings/deficit - end	162,131.21	162,131.21	

Name of corporation	 
Adagio Corporation, Inc.	

Business Number.....

Taxation year-end 2005-05-31

#### **Balance Sheet Information**

Assets			Liabilities		
Current			Current		
Cash and deposits	1000	127,317.07	Bank overdraft	2600	
Accounts receivable	1060	162,769.79	Amounts payable and accrued liabilities	2620	368,545.28
Allowance for doubtful accounts	1061		Amounts payable to members of NPOs	2630	•
Amounts receivable from members of NPOs	1073		Taxes payable	2680	8,533.97
Inventories	1120		Short term debt	2700	
Short term investments	1180		Due to shareholder(s)/director(s)	2780	
Loans and notes receivable	1240		Due to related parties	2860	
Due from shareholder(s)/director(s)	1300		Current portion of long term liability	2920	
Due from/investment in related parties	1400		Other current liabilities	2960	
Other current assets	1480		Total current liabilities	3139	377,079.25
Total current assets	1599	290,086.86			
			Long term		
Capital			Long term debt	3140	10,000.00
Land	1600		Deferred income	3220	
Depletable assets	1620		Deferred income taxes	3240	
Accumulated amortization of depletable assets	1621		Due to shareholder(s)/director(s)	3260	
Buildings	1680		Due to related parties	3300	
Accumulated amortization of buildings	1681		Other long term liabilities	3320	
Machinery, equipment, furniture, and fixtures	1740		Total long term liabilities	3450	10,000.00
Accumulated amortization of machinery, equipment,	4744			0.470	
furniture, and fixtures	1741 1787	34,026.85	Amounts held in trust	3470	207.070.05
Furniture and fixtures		•	Total liabilities	3499	387,079.25
Accumulated amortization of furniture and fixtures	1788	(9,241.39)	Shareholder equit	•	
Other tangible capital assets	1900		Common shares	3500	
Accumulated amortization of other tangible capital assets	1901		Preferred shares	3520	
Total tangible capital assets	2008	34,026.85	Contributed and other surplus	3540	
Total accumulated amortization of tangible					
capital assets	2009	(9,241.39)	Retained earnings/deficit	3600	162,131.21
			Total shareholder equity	3620	162,131.21
Intangible assets	2010				
Accumulated amortization of intangible assets	2011		Total liabilities and shareholder equity	3640	549,210.46
Resource rights	2070				
Accumulated amortization of resource rights	2071				
Total intangible capital assets	2178				
Total accumulated amortization of intangible					
capital assets	2179		Statement of Retained earni	ngs (defic	•
			Retained earnings/deficit - start	3660	134,630.97
Long term			Net income/loss	3680	162,131.21
Due from shareholder(s)/director(s)	2180		Dividends declared	3700	
Investment in joint venture(s)/partnership(s)	2200		Prior period adjustments	3720	
Due from/investment in related parties	2240		Other items affecting retained earnings	3740	
Long term investments	2300		Interfund transfer	3745	
Long term loans	2360		Retained earnings/deficit - end	3849	296,762.18
Other long term assets	2420				
Total long term assets	2589				
Assets held in trust	2590				
Total assets	2599	314,872.32			

Name of corporation	 
Adagio Corporation, Inc.	

Business Number	
Business Number	

Taxation year-end 2005-05-31

### Balance Sheet Information

Assets		Liabilities		
Current		Current		
Cash and deposits	1000	Bank overdraft	2600	
Accounts receivable	1060	Amounts payable and accrued liabilities	2620	
Allowance for doubtful accounts	1061	Amounts payable to members of NPOs	2630	
Amounts receivable from members of NPOs	1073	Taxes payable	2680	
Inventories	1120	Short term debt	2700	
Short term investments	1180	Due to shareholder(s)/director(s)	2780	
Loans and notes receivable	1240	Due to related parties	2860	
Due from shareholder(s)/director(s)	1300	Current portion of long term liability	2920	
Due from/investment in related parties	1400	Other current liabilities	2960	
Other current assets	1480	Total current liabilities	3139	-
Total current assets	1599	Total call one habilities	0100	
Total Current assets	1599			
Operation		Long term	0440	
Capital	4000	Long term debt	3140	
Land	1600	Deferred income	3220	
Depletable assets	1620	Deferred income taxes	3240	
Accumulated amortization of depletable assets	1621	Due to shareholder(s)/director(s)	3260	
Buildings	1680	Due to related parties	3300	
Accumulated amortization of buildings	1681	Other long term liabilities	3320	
Machinery, equipment, furniture, and fixtures	1740	Total long term liabilities	3450	
Accumulated amortization of machinery, equipment,	1711		0.470	
furniture, and fixtures	1741	Amounts held in trust	3470	
Furniture and fixtures	1787	Total liabilities	3499	
Accumulated amortization of furniture and fixtures	1788	Shareholder equity		
Other tangible capital assets	1900	Common shares	3500	
Accumulated amortization of other tangible capital assets	1901	Duefermed charge	2520	
Total tangible capital assets	2008	Preferred shares Contributed and other surplus	3520 3540	
	2000	 Contributed and other surplus	3340	
Total accumulated amortization of tangible capital assets	2009	Retained earnings/deficit	3600	
		Total shareholder equity	3620	
Intangible assets	2010	Total onal onolation oquity	3020	
Accumulated amortization of intangible assets	2011	Total liabilities and shareholder equity	3640	
Resource rights	2070		0010	
Accumulated amortization of resource rights	2071			
Total intangible capital assets	2178			
Total accumulated amortization of intangible	2110	 :		
capital assets	2179	Statement of Retained earn	ings (defic	it)
•		: Retained earnings/deficit - start	3660	
Long term		Net income/loss	3680	
Due from shareholder(s)/director(s)	2180	Dividends declared	3700	
Investment in joint venture(s)/partnership(s)	2200	Prior period adjustments	3720	
Due from/investment in related parties	2240	Other items affecting retained earnings	3740	
Long term investments	2300	Interfund transfer	3745	
Long term loans	2360	Retained earnings/deficit - end	3849	
Other long term assets	2420	- -		
Total long term assets	2589			
-		:		
Assets held in trust	2590			
Total assets	2599			
		:		

#### **Balance Sheet**

# For the 5 Period(s) Ending May 31 05

#### **ASSETS**

1000:1600-`	Assets	702,077.98
	Total Assets	\$702,077.98
	LIABILITIES AND SHA	PEHOLDERS' FOUITY
	LIADIEITIES AND SHA	KENOEDEKS EQUIT
2000:2700-`	Liabilities	395,962.99
3000-`,3100-`	Shareholders' equity	143,983.78
4000:9000-`	Profit (Loss) for period	162,131.21
	Total Liabilities	\$702,077.98

The collapsed form of the sheet summarizes all acounts into a single line.

# Adagio Corporation, Inc. Balance Sheet

### For the 1 Period(s) Ending January 31, 2005

#### Unaudited

# **ASSETS**

Current a	ssets:
-----------	--------

55.171.84
00,171.01
249,454.28
\$323,558.48

# Fixed assets:

assets:	
Furniture & fixtures	28,476.85
Less accumulated depreciation	8,132.27
	\$20,344.58
	\$3/3 903 06

#### **LIABILITIES AND SHAREHOLDERS' EQUITY**

#### Liabilities:

Accounts payable - Trade	165,531.03
Sales Taxes Payable	1,897.45
Note Payable	10,000.00
Total current liabilities	\$177,428.48

#### Shareholders' equity:

Retained Earnings	143,983.78
Profit (loss) for period	22,490.80
Total shareholders' equity	\$166,474.58
	<u> </u>

\$343,903.06

#### Note:

The bank account has a debit balance and therefore shows up as an Asset. The formula ADDEBIT() returns only debit balances. Zero suppression hides the row from the Liabilities section of the balance sheet.

#### Adagio Corporation, Inc. Balance Sheet

#### For the 2 Period(s) Ending February 28, 2005

#### Unaudited

#### **ASSETS**

Current a	assets:
-----------	---------

Accounts receivable	73,546.38
Inventory	233,994.24
Total current assets	\$307,540.62
ed assets:	

#### Fixe

Furniture & fixtures	28,476.85
Less accumulated depreciation	8,471.28
	\$20,005.57
	0007 540 40

## \$327,546.19

#### LIABILITIES AND SHAREHOLDERS' EQUITY

#### Liabilities:

Cash-Operating Account SIGNET	Line of Credit	5,275.01
Accounts payable - Trade		117,581.73
Sales Taxes Payable		941.75
Note Payable		10,000.00
Total current liabilities		\$133,798.49

## Shareholders' equity.

	****
Total shareholders' equity	\$193,747.70
Profit (loss) for period	49,763.92
Retained Earnings	143,983.78
enoluers equity.	

## \$327,546.19

#### Note:

The bank has a credit balance and therefore is displayed in the Liabilities section. Using ADCREDIT() returns only credit balances. Zero suppression automatically hides the row in the correct section.

**Balance Sheets** 

May 31, 2005 and 2004

		2005	2005	
Assets				
Current Assets:				
Cash and short-term deposits	\$	127,317.07	\$	69,623.13
Accounts receivable		162,769.79		19,339.50
GST recoverable		0.00		0.00
Prepaid expenses		0.00		0.00
Other current assets		387,205.66		171,861.78
		677,292.52		260,824.41
Property and equipment (note 3)		24,785.46		23,056.67
	\$	702,077.98	\$	283,881.08
Liabilities and Members' Equity				
Current liabilities:				
Account payable and accrued liabilities		395,962.99		191,989.03
Members equity		306,114.99		91,892.05
		702,077.98		283,881.08
Appropriations (note 4)				
See accompanying notes to financial statements				
Approved on behalf of the Board				
	Director			
	Director			