

Alliance Creative Group, Inc.  
Financial Statements  
For the Quarter Ended  
December 31, 2010

***Nosek & Associates***  
***Certified Public Accountants***

***320 Circle Ave.***  
***Forest Park, Il. 60130***  
***(708) 231-4477***  
***(888) 219-8319 fax***  
***nosekcpa@msn.com***

To the Board of Directors:

February 25, 2011

Alliance Creative Group, Inc.  
1000 E. State Parkway, Suite A  
Schaumburg, Il. 60173

We have compiled the accompanying balance sheet of Alliance Creative Group, Inc. as of December 31, 2010, and the related statements of income, retained earnings, and cash flows for the period then ended (and supplementary information), in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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



Nosek & Associates  
Certified Public Accountants

Alliance Creative Group, Inc.  
 Consolidated Statement of Assets, Liabilities and Retained  
 Earnings  
 As of December 31, 2010

	<u>Total</u>
<b>ASSETS</b>	
Current Assets	
Bank Accounts	\$ 130,091
Accounts Receivable	1,638,088
Other Current Assets	
Inventory	519,302
Loans and Notes Receivables	291,896
Prepaid Expenses	-
Total Other Current Assets	<u>811,197</u>
Total Current Assets	<u>2,579,376</u>
Fixed Assets	
Furniture & Fixtures	205,918
Machinery & Equipment	<u>26,551</u>
Total Fixed Assets	<u>232,469</u>
Other Assets	
Security Deposits	3,412
Organizational Costs	32,500
Goodwill	<u>1,123,464</u>
Total Other Assets	<u>1,159,376</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,971,222</u></u>

Alliance Creative Group, Inc.  
 Consolidated Statement of Assets, Liabilities and Retained  
 Earnings  
 As of December 31, 2010

	<u>Total</u>
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	\$ 1,306,318
Line of Credit	\$ 499,894
Accrued Taxes	5,689
Accrued Expenses	-
Total Current Liabilities	<u>1,811,901</u>
Long Term Liabilities	
Notes Payable	1,474,946
Total Long Term Liabilities	<u>1,474,946</u>
Total Liabilities	\$ 3,286,847
Equity	
Retained Earnings	(10,602,296)
Additional Paid in Capital	10,442,075
Common Stock	31,564
Preferred Stock	7,400
Net Income	805,632
Total Equity	<u>\$ 684,375</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 3,971,222</u>

Shares Outstanding 3,156,426

Alliance Creative Group, Inc.  
 Consolidated Statement of Income and Loss  
 As of December 31, 2010

	For the quarter ending 12/31/2010	Year-to-Date 12/31/10
<u>Income</u>		
Revenue	\$ 2,257,947	\$ 11,393,213
Cost of Goods Sold	<u>1,674,747</u>	<u>\$ 8,947,931</u>
Gross Profit	583,201	\$ 2,445,282
Operating Expenses	350,054	\$ 1,642,385
Other Income/(Expense)	441	\$ 2,735
Net Income	<u>233,588</u>	<u>805,632</u>

Alliance Creative Group, Inc.  
Consolidated Statement of Cash Flows  
As of December 31, 2010

	<u>Total</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	\$ 805,632
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Increase/Decrease in Accounts Receivable	(1,658,088)
Increase/Decrease in Inventory	(560,473)
Increase/Decrease Prepaid Expenses	(6,385)
Increase/Decrease in Accounts Payable	988,514
Increase/Decrease in Accrued Expenses	816,740
Increase/Decrease in Intercompany transactions	-
Increase/Decrease in Other Current Liabilities	51,739
Net cash provided by operating activities	<u>437,679</u>
<b>INVESTING ACTIVITIES</b>	
Increase/Decrease in Buildings	-
Increase/Decrease in Computers	-
Increase/Decrease Furniture & Fixtures	-
Increase/Decrease Mach. & Equip	-
Increase/Decrease in Goodwill	-
Increase/Decrease in Organizational Costs	-
Increase/Decrease Security Deposits	-
Net cash provided by investing activities	<u>-</u>
<b>FINANCING ACTIVITIES</b>	
Increase/Decrease in Notes Payable	-
Increase/Decrease in Mortgage Payable	-
Change in Capital Surplus	(549,538)
Change in Common Stock	44,581
Change in Preferred Stock	-
Net cash provided by financing activities	<u>(504,957)</u>
Net cash increase for period	<u>(67,278)</u>
Cash at beginning of the Period	<u>197,369</u>
Cash at end of period	<u>\$ 130,091</u>