

S3 Investment Company, Inc.  
Balance Sheet  
(unaudited)

ASSETS

	March 31, <u>2007</u>
Current Assets	
Cash	\$ 48,139
Prepaid expense	6,294
Accounts receivable	1,196,890
Advances	18,523
Investments	91,620
Contracts receivable, net of allowance	-
Total Current Assets	<u>1,361,466</u>
Property - office equipment net of depreciation	<u>9,784</u>
Other Assets	
Goodwill	1,167,432
Total Other Assets	<u>1,167,432</u>
Total Assets	<u>\$ 2,538,682</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	
Accounts payable	\$ 812,793
Accrued interest	2,500
Line of credit	26,000
Derivative liability	73,175
Contingent liabilities	302,297
Notes payable	118,450
Total Current Liabilities	<u>1,335,215</u>
Total Liabilities	<u>1,335,215</u>
Minority Interest	<u>677,727</u>
Stockholders' Equity	
Preferred Stock, Authorized 100,000,000 Shares, \$0.001 Par Value, 13,000,000	13,000
Common Stock, Authorized 66,000,000 Shares, \$0.001 Par Value, 16,000,000 Shares Issued and Outstanding	2,400,000
Additional Paid in Capital	5,041,419
Retained deficit	(6,928,679)
Total Stockholders' Equity	<u>525,740</u>
Total Liabilities and Stockholders' Equity	<u>\$ 2,538,682</u>