

DirectE, Inc.  
**Balance Sheet**  
As of March 31, 2011

	<u>Mar 31, 11</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
<b>All Bank Accounts</b>	
B of A - Checking 9306	8.00
B of A - Checking 9296	8.00
B of A - Checking 9377	-1.82
B of A - Checking 9364	566.55
Wachovia - 4601	3,633.22
Wachovia - 8817	<u>45.00</u>
<b>Total All Bank Accounts</b>	<u>4,258.95</u>
<b>Total Checking/Savings</b>	<u>4,258.95</u>
<b>Total Current Assets</b>	4,258.95
<b>Other Assets</b>	
Retainers Paid	20,000.00
Reserve Accounts	<u>836,824.36</u>
<b>Total Other Assets</b>	<u>856,824.36</u>
<b>TOTAL ASSETS</b>	<u><u>861,083.31</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Credit Cards</b>	
DirectE - Visa	<u>23,584.16</u>
<b>Total Credit Cards</b>	<u>23,584.16</u>
<b>Total Current Liabilities</b>	<u>23,584.16</u>
<b>Total Liabilities</b>	23,584.16
<b>Equity</b>	
32000 - Retained Earnings	338,729.76
Net Income	<u>498,769.39</u>
<b>Total Equity</b>	<u>837,499.15</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>861,083.31</u></u>

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04/22/11  
Accrual Basis

**DirectE, Inc.**  
**Profit & Loss**  
January through March 2011

	<u>Jan - Mar 11</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Merchandise Sales</b>	4,447,660.57
<b>Merchandise Refunds</b>	-314,239.50
<b>Total Income</b>	<u>4,133,421.07</u>
<b>Expense</b>	
<b>Merchant Account Fees</b>	362,548.45
<b>Shipping Supplies</b>	2,830.20
<b>Printing &amp; Reproduction</b>	7,138.04
<b>Reconciliation Discrepancies</b>	739.24
<b>Postage &amp; Delivery</b>	13,478.90
<b>Other Expenses</b>	4,145.15
<b>Purchases</b>	382,006.14
<b>Call Center Expense</b>	260,885.00
<b>Office Expense</b>	1,681.60
<b>Automobile Expense</b>	338.42
<b>Bank Service Charges</b>	6,104.82
<b>Credit Card Chargebacks</b>	210,452.13
<b>Chargeback Representments</b>	-10,867.12
<b>Marketing Expense</b>	2,392,330.71
<b>Professional Fees</b>	840.00
<b>Total Expense</b>	<u>3,634,651.68</u>
<b>Net Ordinary Income</b>	<u>498,769.39</u>
<b>Net Income</b>	<u><u>498,769.39</u></u>