

EXHIBIT D
FINANCIAL STATEMENTS

CLOSET TAILORS, LLC

Report and Financial Statement

May 2, 2006

Closet Tailors, LLC
Balance Sheet
As of June 30, 2006

Cash	<u>\$ 250,000.00</u>
Total Current Assets	<u>250,000.00</u>
Total Assets	<u><u>\$ 250,000.00</u></u>
Payables-Due to a Related Party	<u>\$ 71,774.69</u>
Total Current Liabilities	<u>\$ 71,774.69</u>
Total Liabilities	<u>\$ 71,774.69</u>
Member's Equity	250,000.00
Accumulated Deficit	<u>(71,774.69)</u>
Total Member's Equity	<u>178,225.31</u>
Total Liabilities and Member's Equity	<u><u>\$ 250,000.00</u></u>

Closet Tailors, LLC

Income Statement

For the Period of January 24, 2006 through June 30, 2006

Start-Up Expenses \$ 71,774.69

Net Loss \$ (71,774.69)

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Closet Tailors, LLC

We have audited the accompanying balance sheet of Closet Tailors, LLC as of May 2, 2006. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures on the balance sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall balance sheet presentation. We believe that our audit of the balance sheet provides a reasonable basis for our opinion.

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of Closet Tailors, LLC as of May 2, 2006, in conformity with U.S. generally accepted accounting principles.

Talley & Company
An Accountancy Corporation
Orange, California
May 11, 2006

CLOSET TAILORS, LLC

BALANCE SHEET

May 2, 2006

ASSETS

Current assets

Cash \$ 250,000

Total current assets 250,000

Total assets \$ 250,000

MEMBER'S EQUITY

Member's equity \$ 250,000

The accompanying notes are an integral part of this financial statement.

CLOSET TAILORS, LLC

NOTES TO FINANCIAL STATEMENT

May 2, 2006

NOTE 1 - THE COMPANY

Closet Tailors, LLC ("the Company") is a California limited liability company that was formed in January 2006. The Company was established for the purpose of offering franchises of independently owned and operated businesses for the mobile sales and installation of closets and other home organizing products. As of May 2, 2006, the Company has not sold any franchises nor operated a franchise and has not had any significant operations.

The Company is a wholly-owned subsidiary of Home Franchise Concepts, Inc., and its corporate office and accounting records are located in Orange, California.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of a financial statement in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

The significant accounting policies and practices followed by the Company are set forth below:

Concentration of risks

The Company maintains its cash account in one financial institution which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.