EXHIBIT C

FINANCIAL STATEMENTS

AUDITED FINANCIAL STATEMENTS

Years Ended March 31, 2006, 2005 and 2004

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INDEPENDENT AUDITOR'S REPORT

To the Stockholders Window Fashion Professionals, Inc. Carrollton, Texas

We have audited the accompanying balance sheets of Window Fashion Professionals, Inc. as of March 31, 2006 and 2005, and the related statements of operations, stockholders' equity (deficit) and cash flows for each of the three years in the period ended March 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Window Fashion Professionals, Inc. as of March 31, 2006 and 2005, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

Relander, Clay & Opety, L. L. P.

Fort Worth, Texas June 16, 2006

BALANCE SHEETS March 31, 2006 and 2005

	2006	2005
ASSETS	ETS	
Current Assets		
Cash and cash equivalents	\$ 220,091	1 \$ 608,319
Restricted cash	78,821	23,128
Accounts receivable	40,262	2 25,725
Recoverable federal income tax	55,000) -
Employee advances	2,526	5 2,335
Current portion of notes receivable	68,850	14,222
Due from affiliate	30,283	-
Prepaid expenses and other	108,645	5 27,428
Deferred income taxes	307,846	41,901
Total current assets	912,324	743,058
Property and Equipment, net	236,844	290,704
Other Assets		
Notes receivable, net of current portion	66,285	5 15,059
Due from stockholder	-	25,000
Intangibles, net	65,701	80,713
Deposits and other	6,157	6,157
	138,143	126,929
Total assets	\$ 1,287,311	\$ 1,160,691

	2006	2005
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable and accrued expenses	\$ 434,296	\$ 87,253
Income taxes payable	-	265,308
Due to affiliate	-	34,153
Deferred revenue	547,357	116,856
Advertising advances	78,821	38,128
Current portion of due to stockholders	98,633	78,378
Total current liabilities	1,159,107	620,076
Due to stockholders, less current portion	151,367	-
Deferred income taxes	25,104	37,105
Total liabilities	1,335,578	657,181
Commitments and Contingencies (Note 5)		
Stockholders' Equity (Deficit)		
Common stock; \$1.00 par value; 1,000 shares authorized,		
issued and outstanding in 2006 and 2005	1,000	1,000
Retained earnings (deficit)	(49,267)	502,510
Total stockholders' equity (deficit)	(48,267)	503,510
Total liabilities and stockholders' equity (deficit)	\$ 1,287,311	\$ 1,160,691

STATEMENTS OF OPERATIONS Years Ended March 31, 2006, 2005 and 2004

	2006 2005		2005	2004		
Revenue						
Initial franchise fees	\$	915,261	\$	925,158	\$	1,389,751
Royalty income		497,175		444,600	·	275,500
Vendor commissions		361,360		226,876		166,280
Other		135,795		48,362		42,539
Total revenue		1,909,591		1,644,996		1,874,070
Expenses						
Operating expenses		542,741		467,451		530,227
General and administrative		2,126,477		1,040,726		775,058
Depreciation and amortization		89,317		78,820		28,298
Total operating expenses		2,758,535		1,586,997		1,333,583
Income (loss) from operations		(848,944)	-	57,999		540,487
Other Income (Expense)						
Interest		12,164		9,082		13,349
Gain (loss) on disposal of property and equipment		6,567		(7,159)		_
Other		490		21,052		15,435
Total other income (expense)		19,221		22,975		28,784
Income (loss) before income taxes		(829,723)		80,974		569,271
Income tax expense (benefit)		(277,946)		29,473		195,307
Net income (loss)	\$	(551,777)	\$	51,501	\$	373,964

STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT) Years Ended March 31, 2006, 2005 and 2004

•	Common Stock				Total	
Balance at March 31, 2003	\$	1,000	\$	77,045	\$	78,045
Net income		-		373,964	**	373,964
Balance at March 31, 2004		1,000		451,009		452,009
Net income		-		51,501		51,501
Balance at March 31, 2005		1,000		502,510		503,510
Net loss		-		(551,777)		(551,777)
Balance at March 31, 2006	\$	1,000	\$	(49,267)	\$	(48,267)

STATEMENTS OF CASH FLOWS Years Ended March 31, 2006, 2005 and 2004

	 2006	2005	2004
Cash Flows from Operating Activities:			
Net income (loss)	\$ (551,777)	\$ 51,501	\$ 373,964
Adjustments to reconcile net income (loss) to net cash	, , ,	·	•
provided (used) by operating activities:			
Depreciation and amortization	89,317	78,820	28,298
Loss on disposal of property and equipment	6,567	7,159	-
Deferred income taxes	(277,946)	28,404	4,072
Changes in operating accounts:			
Accounts receivable	(14,537)	201,587	(61,874)
Recoverable federal income tax	(55,000)	-	-
Prepaid expenses and other	(81,217)	53,156	(22,431)
Accounts payable and accrued expenses	347,043	4,456	10,290
Income taxes payable	(265,308)	1,069	191,235
Deferred revenue	430,501	(252,733)	88,392
Advertising advances	 40,693	38,128	 _
Net cash provided (used) by operating activities	(331,664)	 211,547	611,946
Cash Flows from Investing Activities:			
Increase in restricted cash	(55,693)	(23,128)	-
Employee advances	(191)	(1,250)	(1,085)
Purchase of property and equipment	(27,012)	(222,288)	(116,786)
Net change in notes receivable	(105,854)	81,166	(68,750)
Due from stockholder	25,000	-	(25,000)
Deposits and other	-	(216)	(5,941)
Purchase of intangibles	-	(40,000)	-
Due from affiliate	(30,283)	-	-
Due to affiliate	(34,153)	11,841	22,312
Due to stockholder	 171,622	(20,285)	-
Net cash used by investing activities	 (56,564)	 (214,160)	(195,250)
Net change in cash and cash equivalents	(388,228)	(2,613)	416,696
Cash and cash equivalents at beginning of year	 608,319	 610,932	 194,236
Cash and cash equivalents at end of year	\$ 220,091	 608,319	 610,932
Supplemental disclosure of cash flow information:			
Income taxes paid	\$ 93,637	\$ -	\$ -
Interest paid	\$ 583	\$ 20,222	\$ -

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Window Fashion Professionals, Inc. (the "Company") was incorporated in Texas in March 1999 for the purpose of selling franchises for the operation of mobile window covering businesses. The Company recruits, trains and supports the development of these franchises and provides ongoing advertising support to its franchisees. At March 31, 2006, the Company has 71 franchises which are located throughout the United States. The Company's corporate office and accounting records are located in Carrollton, Texas.

Management Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly-liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted Cash and Advertising Advances

The Company receives advertising deposits from its franchisees as part of the initial franchise fee. The funds are held by the Company and reimbursed to the franchisees as they incur advertising costs. Unreimbursed funds are reflected in the accompanying balance sheet as restricted cash with an offsetting liability.

Accounts Receivable

Accounts receivable consist primarily of amounts due from franchisees on sales of franchise rights and services of the Company. Management evaluates the adequacy of the allowance for doubtful accounts based on a review of individual accounts. The primary factors considered in determining the amount of the allowance are collection history, the aging of the accounts and other specific information known to management that may affect collectibility. Based on management's assessment of the collectibility of accounts receivable, no allowance for doubtful accounts is considered necessary at March 31, 2006 and 2005.

Notes Receivable

Notes receivable represent amounts due from franchisees that have financed a portion of their initial franchise fee, and from a franchisee that financed the purchase of a van from the Company. The notes bear interest at rates ranging from 6% to 10%, with maturities generally ranging from two to five years through February 2009. The franchise fee notes are collateralized by the franchise territory. Management evaluates the collectibility of notes receivable based on a review of the individual notes. The primary factors considered in assessing collectibility are collection history, the aging of the notes and other specific information known to management that may affect collectibility. Based on management's assessment of the collectibility of notes receivable, the allowance for doubtful notes at March 31, 2006 is \$15,000. No allowance for doubtful notes is considered necessary at March 31, 2005.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts and notes receivable, accounts payable and notes due to stockholders. The recorded values of cash and cash equivalents, accounts receivable and accounts payable approximate their fair values based on their short-term nature. The recorded values of notes receivable and notes due to stockholders approximate their fair values, as interest approximates market rates.

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the related assets. Depreciation of leasehold improvements is computed using the straight-line method over the shorter of their estimated useful lives or the remaining term under the lease. The estimated useful lives used to calculate depreciation follow:

Furniture and fixtures	5-7 years
Equipment	5-7 years
Computer equipment and software	3-5 years
Vehicles	5 years
Leasehold improvements	5 years

Repairs and maintenance are charged to expense as incurred. Renewals and betterments that improve or extend the lives of depreciable assets are capitalized. When depreciable assets are retired or replaced, the cost of the asset and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the statement of operations.

Impairment of Long-Lived Assets

Management evaluates its long-lived assets for financial impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognized when the estimated undiscounted future cash flows from the assets are less than the carrying value of the assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value, less cost to sell. Management is of the opinion that the carrying amount of its long-lived assets does not exceed their estimated recoverable amount.

Intangibles

Intangibles consist of registered trademarks acquired from a related party (see Note 4) and an unrelated third party. Trademarks are recorded at cost, which is based on their fair value at acquisition. Trademarks are amortized using the straight-line method over a period of 10 years and are reflected in the accompanying balance sheets net of accumulated amortization of \$84,412 and \$69,401 at March 31, 2006 and 2005, respectively. Amortization expense charged to operations was \$15,011 in 2006, \$14,345 in 2005, and \$11,011 in 2004.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue and Revenue Recognition

Initial franchise fee revenue is recognized upon substantial performance of material contractual obligations as set forth in the franchise agreement and the beginning of operations for the franchisee. Deferred revenue consists of deposits for franchise fees in which substantial performance of material obligations has not been achieved or the franchise has not yet commenced operation. Material contractual obligations include, among other things, a 21-week training program for franchisees.

Advertising

The Company incurs advertising costs related to generating franchise sales leads. The Company expenses the production costs of advertising the first time the advertising takes place. Advertising expense was \$39,011 in 2006, \$63,860 in 2005, and \$31,814 in 2004.

Income Taxes

The Company uses the liability method to recognize income tax expense. Under this method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to the differences existing between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

NOTE 2. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at March 31, 2006 and 2005:

	2006		2005		
Furniture and fixtures	\$	63,723	\$	54,736	
Equipment		44,336		39,117	
Computer equipment and software		67,493		54,749	
Vehicles		167,780		196,172	
Leasehold improvements		57,928		56,811	
-		401,260		401,585	
Less accumulated depreciation		164,416		110,881	
	\$	236,844	\$	290,704	

NOTES TO FINANCIAL STATEMENTS

NOTE 3. INCOME TAXES

Significant components of the Company's deferred tax assets and liabilities at March 31, 2006 and 2005, follow:

	2006		2005	
Deferred tax assets:		_		
Accrual to cash conversion	\$	46,549	\$	11,294
Deferred revenue		186,101		39,731
Net operating loss carryforward		111,933		-
Other		171		1,648
Total deferred income tax assets		344,754		52,673
Deferred tax liabilities:				
Depreciation and amortization	\$	(25,274)	\$	(38,753)
Prepaid expenses		(36,738)		(9,124)
Total deferred income tax liabilities		(62,012)		(47,877)
Net deferred income tax assets	\$	282,742	\$	4,796

The Company has a net operating loss carryforward of approximately \$329,000 which will expire, if unused, in 2025.

Significant components of the income tax expense (benefit) follow:

	-	2006	 2005	2004
Current	\$	-	\$ 1,069	\$ 191,235
Deferred		(277,946)	28,404	 4,072
Total income tax expense (benefit)	\$	(277,946)	\$ 29,473	\$ 195,307

NOTE 4. RELATED PARTY TRANSACTIONS

Due from Affiliate

The Company provides various management and accounting services to Prestige Plantation Shutters ("Prestige"). As compensation for these services, the Company began charging a management fee to Prestige during 2006. The management fee totaled \$30,000 for the year ended March 31, 2006, which is included in other revenue in the statement of operations and reflected in the balance sheet as due from affiliate.

Due from Stockholder

During 2003, the Company advanced \$25,000 to one of its stockholders under a note receivable bearing interest at 5%. The note required monthly principal and interest payments beginning on January 1, 2005, until maturity on November 1, 2006. At March 31, 2005, none of the scheduled payments had been

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RELATED PARTY TRANSACTIONS (Continued)

Due from Stockholder (continued)

made, and the balance of the note was reflected in the accompanying balance sheet as a noncurrent asset. During 2006 the note was paid in full.

Due to Affiliate

Due to Affiliate consists primarily of revenues collected and expenses paid on behalf of Prestige. These revenues and expenses are netted and reported as an asset or liability in the accompanying balance sheets. No balance is due to Prestige at March 31, 2006. The net amount due to Prestige totaled approximately \$34,000 at March 31, 2005.

Due to Stockholders

In March 1999, the Company purchased all of the assets and liabilities of MDSR, Inc., a related party owned by the Company's stockholders, for \$70,000. In addition, MDSR periodically advanced funds to the Company to fund operations. MDSR was subsequently dissolved, and all payments are now made to the former stockholders of MDSR. At March 31, 2005, the amount due to stockholders totaled approximately \$78,400. The Company paid the liability during the year ended March 31, 2006.

At March 31, 2006, due to stockholders represents a loan from the stockholders totaling \$250,000 to fund operations. The note payable bears interest at 6.0% and matures in April 2008.

Scheduled principal payments required under the note at March 31, 2006, follow:

Year Ended March 31,		
2007	\$	98,633
2008		128,641
2009	_	22,726
	\$	250,000

NOTE 5. COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company leases facilities under noncancellable operating leases. Future minimum lease payments under these lease agreements at March 31, 2006, follow:

\$ 48,000
50,000
53,000
27,000
\$ 178,000
\$

NOTES TO FINANCIAL STATEMENTS

NOTE 5. COMMITMENTS AND CONTINGENCIES (Continued)

Operating Leases (continued)

Total rent expense approximated \$49,500 in 2006, \$51,400 in 2005, and \$25,900 in 2004.

Income Tax Matters

The Company amended its federal income tax returns for the years ended March 31, 2004, 2003, 2002, 2001 and 2000. As a result of the amendments, the Company paid approximately \$18,000 in interest on past due taxes and may owe additional penalties approximating \$54,000. No provision has been made for this amount in the accompanying financial statements as the Company has requested an abatement of the penalties, and the ultimate liability cannot be determined.

Litigation

The Company is involved in various lawsuits and legal proceedings arising in the normal course of business. Company management does not believe that the ultimate resolution of these claims will have a material effect on the financial position or results of operations of the Company.

NOTE 6. CONCENTRATION OF CREDIT RISK

The Company maintains cash balances and other investment accounts which, at times, exceed federally insured limits. The Company has not experienced any losses in such accounts and does not believe it is exposed any significant credit risk related to these balances.

NOTE 7. SUBSEQUENT EVENTS

During 2006, the Company was involved in arbitration with a former franchisee whom the Company had terminated. The former franchisee alleged that the Company provided earnings information during training prior to the signing of their franchise agreement in violation of Federal Trade Commission regulations. In April 2006 an arbitrator ruled in favor of the plaintiff, requiring the Company to refund \$123,400 in franchise fees paid by the former franchisee. At March 31, 2006, the refund has been accrued in the accompanying balance sheet and charged to operations for the year ended March 31, 2006.