

IMPACT PLAYER PARTNERS, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

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INDEPENDENT AUDITOR'S REPORT

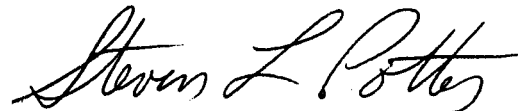
To the Board of Directors
Impact Player Partners, Inc.

We have audited the accompanying statements of financial position of Impact Player Partners, Inc. as of December 31, 2006 and 2005 and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based upon our audits.

Our audits were conducted in accordance with U.S. generally accepted auditing standards. Those standards require that the auditor 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 Impact Player Partners, Inc. as of December 31, 2006 and 2005, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

October 18, 2007



Certified Public Accountant

IMPACT PLAYER PARTNERS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2006 AND 2005

ASSETS

	<u>2006</u>	<u>2005</u>
Cash	\$ 150,620	\$ 56,118
Deposits	<u>10</u>	<u>10</u>
 <u>TOTAL ASSETS</u>	 <u>\$ 150,630</u>	 <u>\$ 56,128</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accrued payroll taxes	\$ <u>2,512</u>	\$ <u>2,356</u>
Total Liabilities	<u>2,512</u>	<u>2,356</u>

NET ASSETS

Unrestricted	<u>148,118</u>	<u>53,772</u>
Total Net Assets	<u>148,118</u>	<u>53,772</u>
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	 <u>\$ 150,630</u>	 <u>\$ 56,128</u>

The accompanying notes are an integral part of these financial statements.

IMPACT PLAYER PARTNERS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>REVENUES</u>		
Contributions	\$ 129,618	\$ 159,989
Special events (Note 5)	499,558	238,934
Wristband revenue	5,809	21,209
Contributed travel	<u>115,085</u>	<u>35,000</u>
 Total Revenues	 <u>750,070</u>	 <u>455,132</u>
<u>EXPENSES</u>		
Programs	397,955	202,174
General and administrative	72,329	44,372
Fundraising	<u>185,440</u>	<u>147,110</u>
 Total Expenses	 <u>655,724</u>	 <u>393,656</u>
 <u>CHANGE IN NET ASSETS</u>	 94,346	 61,476
<u>NET ASSETS--BEGINNING</u>	<u>53,772</u>	<u>(7,704)</u>
<u>NET ASSETS--ENDING</u>	<u>\$ 148,118</u>	<u>\$ 53,772</u>

The accompanying notes are an integral part of these financial statements.

IMPACT PLAYER PARTNERS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>OPERATING ACTIVITIES</u>		
Change in net assets	\$ 94,346	\$ 61,476
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Increase in deposits	----	(10)
Increase in accrued payroll taxes	156	2,356
Decrease in loans payable	<u>----</u>	<u>(9,363)</u>
Net cash provided by operating activities	<u>94,502</u>	<u>54,459</u>
Net increase in cash	94,502	54,459
<u>CASH-BEGINNING OF YEAR</u>	<u>56,118</u>	<u>1,659</u>
<u>CASH-END OF YEAR</u>	<u>\$ 150,620</u>	<u>\$ 56,118</u>

The accompanying notes are an integral part of these financial statements.

IMPACT PLAYER PARTNERS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>EMOTIONAL SUPPORT</u>	<u>FINANCIAL SUPPORT</u>	<u>MENTORING SUPPORT</u>	<u>TOTAL PROGRAM</u>	<u>GENERAL & ADMINISTRATIVE</u>	<u>FUND RAISING</u>	<u>TOTAL EXPENSES</u>
Wages	30,535	-----	-----	30,535	26,718	19,085	76,338
Payroll taxes	-----	-----	-----	-----	9,703	-----	9,703
Employee benefits	-----	-----	-----	-----	4,682	-----	4,682
Travel	81,194	-----	-----	81,194	5,075	15,223	101,492
Advertising	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ 10,124	\$ 10,124
Awards	-----	-----	-----	-----	-----	799	799
Bank & credit card fees	-----	-----	-----	-----	2,229	955	3,184
Consulting	-----	1,000	-----	1,000	-----	-----	1,000
Film and broadcast	-----	-----	-----	-----	-----	879	879
Golf	12,342	-----	-----	12,342	-----	49,369	61,711
Individual grants	-----	148,812	-----	148,812	-----	-----	148,812
Other grants	-----	-----	2,500	2,500	-----	-----	2,500
Hero assistance	2,060	2,009	-----	4,069	-----	-----	4,069
Insurance	-----	-----	-----	-----	2,586	-----	2,586
Printing and copying	-----	-----	-----	-----	-----	14,326	14,326
Supplies	-----	-----	-----	-----	1,461	-----	1,461
Telephone	818	-----	-----	818	819	-----	1,637
Office	-----	-----	-----	-----	11,460	-----	11,460
Professional fees	-----	-----	-----	-----	5,513	-----	5,513
Postage and shipping	-----	-----	-----	-----	967	-----	967
Souvenirs	1,600	-----	-----	1,600	-----	-----	1,600
Wristbands/belt buckles	-----	-----	-----	-----	-----	20,374	20,374
Special events	-----	-----	-----	-----	-----	43,950	43,950
Public relations	-----	-----	-----	-----	-----	2,250	2,250
Contributed travel (Note 3)	115,085	-----	-----	115,085	-----	-----	115,085
Fundraiser fees	-----	-----	-----	-----	-----	8,106	8,106
Other expenses	-----	-----	-----	-----	1,116	-----	1,116
Total Expenses	<u>\$ 243,634</u>	<u>\$ 151,821</u>	<u>\$ 2,500</u>	<u>\$ 397,955</u>	<u>\$ 72,329</u>	<u>\$ 185,440</u>	<u>\$ 655,724</u>

The accompanying notes are an integral part of these financial statements.

IMPACT PLAYER PARTNERS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>EMOTIONAL SUPPORT</u>	<u>FINANCIAL SUPPORT</u>	<u>MENTORING SUPPORT</u>	<u>TOTAL PROGRAM</u>	<u>GENERAL & ADMINISTRATIVE</u>	<u>FUND RAISING</u>	<u>TOTAL EXPENSES</u>
Wages	32,111			32,111	22,477	9,633	64,221
Payroll taxes					3,737		3,737
Employee benefits					3,231		3,231
Travel	35,262			35,262	1,845	6,454	43,561
Advertising		\$	\$	\$	\$	\$ 839	\$ 839
Donations						1,280	1,280
Bank & credit card fees					1,402	613	2,015
Consulting		2,000		2,000			2,000
Film and broadcast						16,900	16,900
Flag boxes						5,739	5,739
Golf	9,146			9,146		36,585	45,731
Individual grants		81,096		81,096			81,096
Other grants			5,000	5,000			5,000
Hero assistance		441		441			441
Houston Astros	570			570			570
Insurance					3,086		3,086
Interest					1,170		1,170
Dues and subscriptions	162			162	525	41	728
Equipment rental					530		530
Printing and copying						3,824	3,824
Supplies					388		388
Telephone	986			986	986		1,972
Office					511		511
Postage and shipping					1,378		1,378
Souvenirs	400			400			400
Wristband expenses						21,814	21,814
Special event						43,153	43,153
Contributed travel (Note 3)	35,000			35,000			35,000
Other expenses					3,106	235	3,341
Total Expenses	<u>\$ 113,637</u>	<u>\$ 83,537</u>	<u>\$ 5,000</u>	<u>\$ 202,174</u>	<u>\$ 44,372</u>	<u>\$ 147,110</u>	<u>\$ 393,656</u>

The accompanying notes are an integral part of these financial statements.

IMPACT PLAYER PARTNERS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006 AND 2005

NOTE 1--THE ORGANIZATION

Impact Player Partners, Inc. (the Organization) is a not-for-profit organization headquartered in Cincinnati, Ohio consisting of business leaders, athletes, entertainers and sports franchises dedicated to providing continuous emotional, career and financial support to American military personnel who are severely injured or disabled as a result of service to all Americans in the War on Terror. The Organization is dependent upon contributions from the general public and fund raising events for its support.

NOTE 2--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of presentation

Financial statement presentation follows Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The Organization also adopted SFAS No. 116, Accounting for Contributions Received and Contributions Made, whereby contributions received are recorded as unrestricted or restricted revenue depending on the existence of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose of the restrictions.

Income Taxes

The organization is a not-for profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is, therefore, not subject to federal income tax. The Organization qualifies for deductible contributions as provided in IRC Section 170(b)(1)(A)(vi) and has not been classified as a private foundation within the meaning of IRC Section 509(a).

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

IMPACT PLAYER PARTNERS, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2006 AND 2005

Temporarily restricted net assets

The Organization has elected to show restricted contributions whose restrictions are met in the same reporting period as when given as unrestricted support.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The cost of programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, management has made certain allocations of expenses among program, administrative and fund raising expenses according to their judgement of the categories benefitted.

Contributed Services

Contributed services are recorded as support only if they create or enhance nonfinancial assets or require specialized services. There were no such contributed services recorded in 2006 or 2005. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization in the accomplishment of its programs. The value of the hours donated by these volunteers have not been recorded in these financial statements as these services do not meet the criteria for recognition as contributed services.

NOTE 3--NON-CASH CONTRIBUTIONS

The Organization received non-cash contributions to support its activities with the following estimated values:

	<u>2006</u>	<u>2005</u>
Continental Airlines (airline tickets)	\$ 61,421	\$ 35,000
Hilton Hotels (lodging and meals)	6,424	----
Wing Aviation (airline tickets, lodging & meals)	<u>47,240</u>	<u>----</u>
Totals	<u>\$ 115,085</u>	<u>\$ 35,000</u>

NOTE 4--STATEMENT OF CASH FLOWS--SUPPLEMENTAL INFORMATION

No income or excise taxes were paid for the years ended December 31, 2006 and 2005. Total interest paid for the years ended December 31, 2006 and 2005 was \$0 and \$1,170, respectively.

IMPACT PLAYER PARTNERS, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
DECEMBER 31, 2006 AND 2005

NOTE 5--FUNDRAISING--SPECIAL EVENTS

The Organization's main fundraiser is called Impact A Hero Weekend. The Impact A Hero Weekend is a three day event where severely wounded military heroes home from Iraq and Afghanistan are brought to Sugar Land, Texas and honored by ordinary citizens, the City of Sugar Land, celebrities, the Houston Astros (and those attending the game) and leaders from the Greater Houston Area. The Impact A Hero Weekend entailed a 5K Walk, Run & Wheel, a Celebrity Gala Dinner honoring our wounded heroes and a celebrity golf outing in which the wounded heroes participated. Businesses and individuals sponsored and paid fees to attend and participate in these various events. The Impact A Hero Weekend combines emotional support for our wounded heroes along with fundraising activities to provide capital for Impact Player Partners' Impact A Hero programs. The results of Impact A Hero Weekend, which have been included in the financial statements were:

	<u>2006</u>	<u>2005</u>
Revenue		
Contributions received	\$ 10,465	\$ 78,127
Event revenue	<u>499,558</u>	<u>217,522</u>
Total Revenue	<u>510,023</u>	<u>295,649</u>
Expenses		
Advertising	10,124	839
Awards	799	----
Donations	----	1,280
Credit card fees	955	613
Film and broadcast	879	16,900
Golf expenses	49,369	36,585
Travel	15,223	6,454
Dues and subscriptions	----	41
Printing and copying	14,326	3,824
Special event costs	43,950	43,153
Public relations	2,250	----
Fundraiser fees	8,106	----
Other expenses	----	<u>235</u>
Total Expenses	<u>145,981</u>	<u>109,924</u>
Net Revenue	<u>\$ 364,042</u>	<u>\$ 185,725</u>

The other special event in 2005 was a rodeo, which raised \$21,412 in revenue for the Organization.

REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors
Impact Player Partners, Inc.

Our audit was made for the purpose of forming an opinion on the financial statements presented on pages 1-9. The accompanying supplemental information on page 11 is presented for the purpose of providing additional information about the activities of the Organization and is not a required part of the financial statements. We have not audited or reviewed this information and, accordingly, do not express an opinion or any other form of assurance on it.

A handwritten signature in black ink, reading "Steven L. Potts". The signature is written in a cursive style with a large, stylized "S" and "P".

Certified Public Accountant

October 18, 2007

**IMPACT PLAYER PARTNERS, INC.
SUPPLEMENTAL INFORMATION
DECEMBER 31, 2006 AND 2005**

In addition to the direct support given wounded veterans from Impact Player Partners, Inc., the executive director of the Organization spends a significant amount of time and effort to obtain assistance for veterans from other Organizations. In particular, he was instrumental in obtaining financial assistance from the Admiral Hoffman Foundation for 17 veterans in the amount of \$120,500 during 2005.