

FLAME (FACTS AND LOGIC ABOUT THE MIDDLE EAST)
STATEMENT OF CONDITION AS OF DECEMBER 31, 2007

MOVEMENT OF CASH

CASH IN

Bank Balance as of 12/31/06	\$10,727
Investment in Schwab account as of 12/31/06	804,527
Donations Received	725,366
List Rental and Royalty Income	10,745
Withdrawal from Schwab account	89,106
Income from Schwab account	<u>\$69,321</u>
TOTAL	<u>\$1,709,792</u>

CASH OUT

Ads in Media	\$434,121
Direct Mail – Acquisitional	60,907
Direct Mail – Educational	91,360
Web Site Maintenance	20,180 (1)
Typing, Printing and Reproduction	8,156
Accounting	1,675
Office Expenses	17,278 (2)
Management, Advertising and Professional Services	N/C (3)
Schwab account as of 12/31/07	1,018,417
Cash in Bank as of 12/31/07	<u>57,698</u>
TOTAL	<u>\$1,709,792</u>

BALANCE SHEET

ASSETS

Cash in Bank as of 12/31/07	\$57,698
Investment in Schwab account as of 12/31/07	1,018,417
Computer Software	<u>1,543</u>
TOTAL ASSETS	<u>\$1,077,658</u>

NET WORTH

TOTAL NET WORTH	<u>\$1,077,658</u>
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- (1) Contribution to office expense of Infocom Group (James Sinkinson, President).
 - (2) Includes monthly contribution to office expenses to Jomira/Advance (Gerardo Joffe, President).
 - (3) Contributed by Gerardo Joffe and James Sinkinson. **FLAME** has paid no executive or managerial salaries since its inception.