

Quantum Bit Induction Technology, Inc.
Balance Sheet
 As of December 31, 2009

	Dec 31, 09
ASSETS	
Current Assets	
Checking/Savings	
Bank of Texas	
-checking	925.24
Total Bank of Texas	925.24
Wells Fargo	
-secretary	8.00
-president	3,210.00
-treasurer	8.00
-corporate	28.00
Total Wells Fargo	3,254.00
Barron Moore - cash	3,000.00
ACAP - cash	2,000.00
Scott Trade - cash	2,500.00
LPL Financial - cash	620.00
TDAmeritrade - cash	3,600.00
Capital OneBank	
- Secretary	2.19
- Operations	17.21
- Savings	78.08
- LOC	4,102.25
- President	11.87
- Shop	0.69
Total Capital OneBank	4,212.29
Hibernia - DBA - PTA	3,770.15
Paypal	-3,167.43
Wein Securities	250.00
Etrade - cash	9,350.00
Total Checking/Savings	30,314.25
Other Current Assets	
Loan - MPH	8,032.34
Symmetry Technologies, Inc	10,577.00
Stock	
Option	1,500.00
Stock - Other	-1,947,038.00
Total Stock	-1,945,538.00
Stock Purchase	702,101.49
Loan - PTA	6,100.00
Hibernia Investment account	61,530.07
Treasury Stock	8,750.00
Short Term Investments	
MPH	-2,155.00
Short Term Investments - Other	550.14
Total Short Term Investments	-1,604.86
Petty cash	191,481.06
Total Other Current Assets	-958,570.90
Total Current Assets	-928,256.65
Fixed Assets	
Equipment	
Accumulated depreciation	-587.00
Equipment - Other	4,647.28
Total Equipment	4,060.28
Software	1,984.08
Total Fixed Assets	6,044.36

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Other Assets	
Automobile	602.88
Real estate	30,728.89
Receivable - Investment	1,987.00
New Utopia Land	-2,100.00
Total Other Assets	31,218.77
TOTAL ASSETS	-890,993.52
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	44,447.72
Total Accounts Payable	44,447.72
Credit Cards	
Amex (SA)	176.71
Citi	20,602.22
American Express	8,455.07
Total Credit Cards	29,234.00
Other Current Liabilities	
Loan - Chad Reed2	45,200.00
Loan - Steve Skillern	1,000.00
Loan - MER	32,700.00
Loan - Tom Neer2	140,500.00
UGMA - Katie Gibson	10,300.00
Loan - Dell Gibson	4,478.83
loan - Tejas	6,480.00
Loan - Donna Skillern	8,200.00
Loan - Chris Hymel	331.00
Loan - Peter McCain	2,110,300.00
Payroll Taxes Payable	16,465.00
Accrued Interest	1,562.00
Accrued Payable	1,162.00
Loan- Ellis Gibson	2,136,061.86
Loan- Cyril A. Brandt	30,000.00
Loan- Mike Skillern	1,924,457.09
Loan- Other	2,750.00
Total Other Current Liabilities	6,471,947.78
Total Current Liabilities	6,545,629.50
Total Liabilities	6,545,629.50
Equity	
Class B	56,661.49
504 offering	362,500.00
Offering 2003	38,940.00
Opening Bal Equity	-18,488.06
Common Stock	
Warrants - 2008	4,125.00
Common Stock - Other	492,978.98
Total Common Stock	497,103.98
Paid in Capital	43,610.01
Retained Earnings	-4,448,554.18
Net Income	-3,968,396.26
Total Equity	-7,436,623.02
TOTAL LIABILITIES & EQUITY	-890,993.52

Quantum Bit Induction Technology, Inc.
Profit & Loss
 January through December 2009

	Jan - Dec 09
Ordinary Income/Expense	
Income	
Interest	0.08
Sales	
Assets	22,933.00
Total Sales	22,933.00
Total Income	22,933.08
Expense	
Security Monatering	61.54
Medical	403.50
Cleaning Service	680.00
Automobile Expense	
Registration	134.60
Insurance	470.00
Automobile Expense - Other	37.16
Total Automobile Expense	641.76
Bank/Credit Service Charges	100.74
Compensation of Officers	3,600,000.00
Computer/Internet	
hardware	445.98
Software	241.45
Total Computer/Internet	687.43
Director's Fees	360,000.00
Miscellaneous	342.00
Office Supplies	71.31
Postage and Delivery	
mail box	193.02
Postage and Delivery - Other	233.21
Total Postage and Delivery	426.23
Professional Services	
Transfer Agent	4,533.15
Total Professional Services	4,533.15
Rent	
Trash fee	26.25
Storage	343.14
Late fees	100.00
Rent - Other	5,439.76
Total Rent	5,909.15
Taxes	
State	100.00
Total Taxes	100.00
Telephone	
Cellular	4,654.96
Telephone - Other	2,815.28
Total Telephone	7,470.24
Training	13.57
Travel & Ent	
Meals	1,154.32
Total Travel & Ent	1,154.32
Utilities	
cable	264.42
Gas and Electric	1,403.62

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Accrual Basis

Quantum Bit Induction Technology, Inc.
Profit & Loss
January through December 2009

	<u>Jan - Dec 09</u>
Water	90.63
Total Utilities	<u>1,758.67</u>
Total Expense	<u>3,984,353.61</u>
Net Ordinary Income	-3,961,420.53
Other Income/Expense	
Other Income	
Other Income	<u>2,267.97</u>
Total Other Income	2,267.97
Other Expense	
Balance Adjustment	8,500.00
Other Expenses	<u>743.70</u>
Total Other Expense	<u>9,243.70</u>
Net Other Income	<u>-6,975.73</u>
Net Income	<u><u>-3,968,396.26</u></u>

Quantum Bit Induction Technology, Inc.
Statement of Cash Flows
 January through December 2009

	Jan - Dec 09
OPERATING ACTIVITIES	
Net Income	-3,968,396.26
Adjustments to reconcile Net Income to net cash provided by operations:	
Stock	175,000.00
Petty cash	-2,680.16
Accounts Payable	-2,351.82
Loan - Chad Reed2	-20,800.00
Loan - Tom Neer2	90,000.00
Loan - Dell Gibson	-1,004.00
Loan - Peter McCain	1,289,000.00
Loan - Ellis Gibson	1,288,935.21
Loan - Mike Skillern	1,135,000.00
Loan - Other	3,000.00
Net cash provided by Operating Activities	-14,297.03
INVESTING ACTIVITIES	
Automobile	-102.88
Net cash provided by Investing Activities	-102.88
FINANCING ACTIVITIES	
Paid in Capital	13,500.00
Net cash provided by Financing Activities	13,500.00
Net cash increase for period	-899.91
Cash at beginning of period	31,214.16
Cash at end of period	30,314.25

Debt to officers is mostly accrued it does not reflect money paid.

Comon Stock Outstanding

December 31, 2009: 2,500,000,000

Class B Outstanding

December 31, 2009: 1,605,666