

# Adagio Corporation, Inc.

## Schedules of Expenses

Years ended May 31, 2005 and 2004

	2005	2004
<b>Cost of Sales</b>		
Subcontracted Consultants	\$ 1,500.00	\$ 11,272.67
COS - Software	3,775.68	3,775.68
COS - Bikes	83,502.34	0.00
COS - Golf	48,096.97	0.00
COS - Kayaks	72,156.27	0.00
COS - Snowboard	3,705.15	0.00
COS - Windsurfing	47,486.67	0.00
Inventory Assembly Cost Credit	(70.00)	0.00
	<b>\$ 260,153.08</b>	<b>\$ 15,048.35</b>
<b>Operating Expenses</b>		
Accounting fees	\$ 684.75	\$ 858.00
Advertising	3,250.00	4,970.85
Communications	6,664.94	8,132.19
Computer expenses	0.00	1,267.02
Consultant Salaries	48,764.64	10,000.00
Contributions	0.00	346.06
Depreciation expense	1,448.13	1,695.04
Dues and subscriptions	56.85	366.70
Insurance - Health	6,269.20	6,269.20
Legal fees	0.00	1,919.45
Meals & Entertainment	0.00	1,083.97
Miscellaneous expense	0.00	497.40
Payroll Taxes	3,194.40	0.00
Office Expense	1,116.54	1,097.40
Postage and Shipping	781.64	2,543.04
Promotional	0.00	1,866.64
Publications & Books	0.00	460.97
Sales and Use Tax Expense	7,000.00	7,000.00
Software & Demo's	0.00	8,838.76
Training & Seminars	0.00	5,789.99
Travel Expenses	0.00	1,055.34
Utilities	3,585.08	4,012.62
Discounts	1,973.55	0.00
	<b>\$ 84,789.72</b>	<b>\$ 70,070.64</b>