CONCORDIS GROUP, INC.

Financial Statements

December 31, 2011 and 2010

CONCORDIS GROUP, INC.

DECEMBER 31, 2011 and 2010

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CONCORDIS GROUP, INC.

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2011 and 2010

	December 31, 2011 (Unaudited)	December 31, 2010
ASSETS		
Cash	$ 16,168	$ 5,462
Restricted cash	182,071	159,501
Assets held for sale	-	88,637
Total Assets	$ 198,239	$ 253,600
LIABILITIES AND STOCKHOLDER'S EQUITY		
Accounts payable and accrued liabilities	$ 148,195	$ 156,348
Note payable	510,000	100,000
Liabilities held for sale	-	36,406
Short-term debt – related party	(31,400)	20,100
Total Liabilities	258,705	312,854
Stockholder's Equity		
Preferred Stock, $0.001 par value; 50,000,000 shares authorized; 4,995,665 issued and outstanding on December 31, 2011 and 2010, respectively	4,996	4,996
Common Stock, $0.001 par value 100,000,000 shares authorized; 40,704,600 and 34,880,000 issued and outstanding on December 31, 2011 and 2010, respectively	40,705	34,880
Additional paid-in capital	3,019,911	2,897,548
Accumulated deficit	(3,494,168)	(2,996,678)
Total Stockholder's Equity	(428,556)	(59,254)
Total Liabilities and Stockholder's Equity	$ 198,239	$ 253,600

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

CONCORDIS GROUP, INC.

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010

	December 31,			
	2011		2010	
	(Unaudited)			
Operating Expenses				
Selling, general and administrative	$	613,863	$	57,724
Other income (expense)				
Other income		(770)		(6)
Interest expense		18,114		875
Loss from continuing operations		631,207		58,593
Loss from discontinued operations		-		-
Net loss	$	(631,207)	$	(58,593)

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

CONCORDIS GROUP, INC.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2010 and 2011 (Unaudited)

	Capital Stock Preferred		Capital Stock Common		Additional Paid-In	Deficit Accumulated During Development	Total Stockholder's Equity
	Shares	Amount	Shares	Amount	Capital	Stage	(Deficit)
Balance at December 31, 2009	4,995,665	$ 4,996	29,489,008	$29,489	$ 745,610	$ (746,646)	$ 33,449
Shares issued for cash			1,930,000	1,930	267,000	(1,930)	267,000
Shares issued as compensation			1,250,000	1,250	25,000	(1,250)	25,000
Shares issued for consulting services			1,490,000	1,490	29,800	(1,490)	29,800
Shares issued for settlement			182,000	182		(182)	-
Capital contribution Puritan					184,334	-	184,334
Adjustment to net income						90,416	90,416
Net loss						(597,884)	(597,884)
Balance at December 31, 2010	4,995,665	$ 4,996	34,341,008	$34,341	$ 1,252,344	$ (1,258,965)	$ 32,716
Shares issued for cash			934,633	935	126,224		127,158
Shares issued for services			3,790,000	3,790	72,010		75,800
Shares issued for settlement			400,000	400	7,600		8,000
Shares issued for acquisition			1,000,000	1,000	19,000		20,000
Net loss						(631,207)	(631,207)
Balance at December 31, 2011	4,995,665	$ 4,996	41,004,641	$41,005	$ 3,122,382	$ (3,627,885)	$ (459,503)

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

CONCORDIS GROUP, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010

	December 31, 2011	December 31, 2010
Cash Flows from Operating Activities	(Unaudited)	
Net loss	$ (631,207)	$ (58,593)
Adjustments to reconcile net loss to net cash used in operating activities:		
Shares issued as services	71,800	7,000
Shares issued for settlements	8,000	3,400
Changes in operating assets and liabilities		
Decrease in commission receivable	-	
Increase in securities owned	-	
Increase in prepaid and other current assets	-	
Increase in accounts payable and accrued liabilities	75,014	(9,620)
Net Cash Used in Operating Activities	(476,393)	(57,813)
Cash Flows from Investing Activities		
Restricted cash	(22,560)	(120,000)
Shares issued for acquisition	20,000	
Net Cash Provided by Investing Activities	(2,560)	(120,000)
Cash Flows from Financing Activities		
Proceeds from sale of common stock	131,158	39,214
Proceeds from notes payable	410,000	100,000
Proceeds from notes payable – related party	(51,500)	
Capital contributions	-	120,000
Net Cash Provided by Financing Activities	489,658	259,214
Net Change in Cash	10,705	81,401
Cash, Beginning of Period	5,462	-
Cash, End of Year	$ 16,168	$ 81,401
SUPPLEMENTAL DISC. OF CASH FLOW INFO		
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -
NON-CASH INVESTING & FINANCING ACT.		
Securities contributed by parent	$ -	$ -
Shares issued for acquisition of investment	$ 20,000	$ 128,000

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 1 - ORGANIZATION AND NATURE OF BUSINESS

Kingsbury Financial Group, Inc. was incorporated by Puritan Financial Group, Inc. as a wholly owned subsidiary in the state of Maryland on October 29, 2008 and changed its name to Concordis Group, Inc. (the "Company") on January 14, 2009. On January 27, 2009 the Company merged with its parent Puritan Financial Group, Inc. a New York Corporation becoming one entity and adopting the name Concordis Group, Inc. The Company has two wholly owned subsidiaries. The First subsidiary is Concordis Insurance SPC a Cayman Island insurance underwriter registered with the Cayman Island Monetary Authority. In this capacity Concordis Insurance SPC is able to underwrite insurance on behalf of captive insurance. The second is Concordis Capital, Inc. which had no transactions through December 31, 2011.

NOTE 2 - GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred a net loss of $631,207 for the year ended December 31, 2011 versus a loss of $1,079,850 for the year ended December 31, 2010, has an accumulated deficit of $3,627,885 at December 31, 2011, $2,996,678 at December 31, 2010 and there are existing uncertain conditions which the Company faces relative to its obtaining financing and capital in the equity markets. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company is presently working to raise additional capital to meet its working capital needs and is restructuring operating costs to be more in line with revenues. There can be no assurances, however, that it will be successful in its efforts to raise capital or to reduce operating costs to a level where it will attain profitability.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Concordis Group, Inc., Puritan Securities, Inc., Concordis Insurance SPC and Concordis Capital, Inc. after elimination of all significant inter-company accounts and transactions. Concordis Capital had no transactions as of December 31, 2011.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Estimates are used when accounting for allowance for doubtful accounts, depreciation, and contingencies. Actual results could differ from those estimates.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations of Risk

The Company maintains its cash balances at one financial institution where they it is insured by the Federal Deposit Insurance Corporation up to $250,000 each. At December 31, 2011, none of these accounts were in excess of the limit.

Revenue and Cost Recognition

In general, the Company recognizes revenues when earned, when the services or conditions relating to the services have been performed or satisfied by the entity, and recognizes costs when the expenses are incurred. Depending on the terms of the client contract, revenue is derived from diverse arrangements involving fees for services performed, and commissions.

Accounts receivable and allowance for doubtful accounts

Accounts receivable are amounts due on sales, are unsecured and are carried at their estimated collectible amounts. Credit is generally extended on a short-term basis; thus accounts receivable do not bear interest although a finance charge may be applied to such receivables that are more than thirty days past due. Accounts receivable are periodically evaluated for collectability based on past credit history with clients. Provisions for losses on accounts receivable are determined on the basis of loss experience, known and inherent risk in the account balance and current economic conditions.

Stock-based compensation

Accounting Standards Codification (“ASC”) 718, “Accounting for Stock-Based Compensation" established financial accounting and reporting standards for stock-based employee compensation plans. It defines a fair value based method of accounting for an employee stock option or similar equity instrument. Concordis Group, Inc. accounts for compensation cost for stock option plans and for share based payments to non-employees in accordance with ASC 718. Accordingly, employee share-based payment compensation is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. Additionally, share-based awards to non-employees are expensed over the period in which the related services are rendered at their fair value.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with maturity of three months or less to be cash equivalents.

Restricted Cash

Certain funds have been placed as restricted cash for the purpose of investing in the money market and

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recently Issued Accounting Pronouncements

The Company does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on our accompanying financial statements.

Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply in the years in which these temporary differences are expected to be recovered or settled. Changes in tax rates are recognized in income in the period in that includes the enactment date.

NOTE 4 - COMMITMENTS & CONTINGENCIES

Commitments

The Company leases office space from unrelated parties under non-cancellable operating leases that expired July 31, 2011 for $1,500 per month. At December 31, 2011, there were no additional aggregate minimum future rental commitments under this lease, however, the Company continues to lease the office space on a month-to-month basis. If the Company continued to lease the office for the following year the additional aggregate commitment under the same terms of the lease it would be:

2011	$ 18,000

Total rental expense of approximately $18,000, including the non-cancellable leases referred to above, was charged to operations during the year ended December 31, 2011.

NOTE 5 - PURCHASE OF TRAC INDEMNITY INSURANCE COMPANY

On January 2010, Concordis Group, Inc. completed its purchase of TRAC Indemnity Insurance Company, SPC by acquiring all of the outstanding current cash balance of TRAC for the purchase price of $126,128. Concordis issued 300,000 shares for the purchase price.

NOTE 6 – PURCHASE OF AUM ASSOCIATES

In November 2011, Concordis Group, Inc. completed its purchase of Advanced Underwriting Management ("AUM") Associates by acquiring all of the outstanding shares from the three founders: Russell English, David Pfetzer and Lahrye Radford for a price of $50,000 and the Company issued 1,000,000 shares of common stock.

NOTE 7 - INCOME TAXES

The Company has a net operating loss carry-forward of approximately $1,069,488 for income tax purposes as of December 31, 2011. The Company's deferred tax asset of approximately $149,015 resulting from these net operating losses was offset by a full valuation allowance as of December 31, 2009. The Company has a net operating loss carry-forward of approximately $1,119,762 for income tax purposes as of December 31, 2010. The Company's deferred tax asset of approximately $380,719 resulting from these net operating losses was offset by a full valuation allowance as of December 31, 2010. The carryforward of such net operating losses will expire in various years through 2031. There were no material differences between the Company's taxable income for financial reporting and income tax reporting purposes.

NOTE 8 - RELATED PARTY TRANSACTIONS

From July 2010 through November 2010 Mr. Trent Sommerville loaned the company a total of $26,100 in cash to the company for operating expenses. Through December 31, 2010 Mr. Sommerville has received $6,000 repayment of his original loan. The balance of the loan of $20,100 remains outstanding for the year ending December 31, 2010. From October 2011 through December, 2011, Mr. Trent Sommerville has received $20,100 for repayment of his original loan balance; the balance of the loan for the year ending December 31, 2011 zero. In addition, Mr. Sommerville received $31,400 in additional payments.

Mr. Sommerville the company Chairman and CEO received 4.8 million shares of common stock for his appointment as Chairman and CEO of the Company in January 2009. In addition Mr. Sommerville received an additional 2.3 million shares in lieu of salary for the year ended 2009. Mr. Jerry Gruenbaum the General Counsel received a total of 4 million shares of common stock in lieu of salary for the year ended 2009. Mr. Nathan Lapkin, the company's former CFO received a total of 450,000 shares of common stock in lieu of salary for the year ended 2009. Finally Mr. Marc Foster received a total of 650,000 common shares as a member of the company board of directors for the year ended 2009. Mr. Sommerville the company Chairman and CEO received an additional 1 million shares of common stock in lieu of salary for the year ended 2010. In addition, Ms. Monica Thomason, the former President of Concordis SPC, the company's insurance division, received a total of 250,000 common shares. Mr. Sommerville the company Chairman and CEO received an additional 1,450,000 shares of common stock in lieu of salary for the year ended 2011. Mr. Jerry Gruenbaum the General Counsel received a total of 950,000 shares of common stock in lieu of salary for the year ended 2011.

NOTE 9 - EQUITY

During the year ended December 31, 2009:

3,374,999 Shares of Preferred Stock and 3,333,333 Shares of Common Stocks were issued for proceeds of $371,700. 12,200,000 Shares of Common Stocks were issued to management for compensation valued at $1,269,210. 1,279,000 Shares of Preferred Stock and 2,185,000 Shares of Common Stocks were issued for services rendered to the Company valued at $208,623. 341,666 Shares of Preferred Stock and 400,000 Shares of Common Stocks were issued for settlement valued at $14,834.

During the year ended December 31, 2010:

2,509,000 Shares of Common Stock were issued for $294,600. 1,250,000 Shares of Common Stock were issued to management for compensation valued at $248,750. 1,450,000 Shares of Common Stock were issued for services rendered to the Company valued at $145,144. 400,000 Shares of Common Stock were issued for settlement valued at $8,000.

During the year ended December 31, 2011:

934,633 Shares of Common Stock were issued for proceeds of $127,158. 2,400,000 Shares of Common Stock were issued to management for compensation valued at $48,000. 1,390,000 Shares of Common Stock were issued for services rendered to the Company valued at $27,800. 182,000 Shares of Common Stocks were issued for settlement valued at $8,000. 1,000,000 Shares of Common Stock were issued to the three shareholders of AUM Associates, under the acquisition agreement.

Specifically, an aggregate of 934,633 common shares had been purchased under Subscription Agreements by seven investors and the Company received net proceeds of $127,158.

Mr. Edward Valaitis, the former company CFO received a total of 100,000 common shares of company stock as part of his separation agreement.

Mr. Sommerville the company Chairman and CEO received an additional 1,450,000 shares of common stock in lieu of salary for the period ended December 31, 2011.

Mr. Gruenbaum the company General Counsel received an additional 950,000 shares of common stock in lieu of salary for the period ended December, 2011.

Mr. Jack Caldwell received 300,000 shares of common stock for his appointment as Chief Operating Officer of the Company in July 2011. In addition, Mr. Caldwell received an additional 400,000 shares of common stock as part of his separation agreement.

NOTE 10 - DEBT

In the year ended December 31, 2011 the company raised a total of $410,000 from individuals in the form of a convertible one year note.

CONCORDIS GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 11 - DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

On October 12, 2010 Concordis Group, Inc. signed an Agreement to sell its wholly owned subsidiary Puritan Securities, Inc. to First Union Holdings, LLC, subject to approval of the Financial Industry Regulatory Authority (FINRA) the regulator of Puritan Securities. The reason for the sale was due to the lawsuit entitled Pat Huddelston II, Receiver for Coadum Advisors, Inc. et at, Plaintiff: v. Nathan Lapkin and Puritan Securities, Inc., Defendants, as filed in the United States District Court for the Northern District of Georgia Atlanta Georgia, Civil Action File No. 1:09-CV-2960-ODE. The concern was that Puritan's liability in said was unknown and said lawsuit might materially adversely affect the financial condition of the business, assets, and properties of Concordis Group. FINRA granted approval for the sale of Puritan Securities on January 31, 2011.

The following tables present the operations and balance sheet details related to Puritan as of and for the year ended December 31, 2010 and the period ended January 31, 2011.

	December 31, 2010	January 31, 2011
Revenue – Puritan	56,834	(27,556)
Cost and expenses	202,177	44,670
Loss from discontinued operations	(145,343)	(72,226)

Assets held for sale – Puritan:

	2010	2011
Cash and cash equivalents	11,545	14,063
Securities owned	74,092	38,536
Prepaid rent	1,500	1,500
Security deposits	1,500	1,500
	88,637	55,599

Liabilities held for sale – Puritan:

	2010	2011
Accounts payable and accrued liabilities	35,406	49,594
Unsecured note payable	1,000	1,000
	36,406	50,594