THE MARKETING ALLIANCE, INC.

AUDITED FINANCIAL STATEMENTS

Years ended March 31, 2015 and 2014

THE MARKETING ALLIANCE, INC.

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UHY LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders
The Marketing Alliance, Inc.

We have audited the accompanying consolidated financial statements of The Marketing Alliance, Inc. and subsidiaries, which comprise the consolidated balance sheets as of March 31, 2015 and 2014, and the related consolidated statements of operations, shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Marketing Alliance, Inc. and subsidiaries as of March 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

UHY LLP

Albany, New York
July 16, 2015

THE MARKETING ALLIANCE, INC.
CONSOLIDATED BALANCE SHEETS
March 31, 2015 and 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 5,678,445	$ 5,531,060
Investments	5,406,399	5,245,505
Accounts receivable	8,250,089	7,607,064
Inventory	18,114	43,657
Current portion of notes receivable	605,352	242,074
Prepaid expenses	496,001	441,293
Prepaid taxes	412,554	1,172,922
Total current assets	20,866,954	20,283,575
PROPERTY AND EQUIPMENT, net	1,837,916	1,490,381
OTHER ASSETS		
Notes receivable, net of current portion	593,892	788,341
Deposits and other assets	166,959	132,225
Goodwill	613,200	554,100
Intangible assets, net	377,806	281,190
Total other assets	1,751,857	1,755,856
	$ 24,456,727	$ 23,529,812
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 6,393,988	$ 5,665,830
Lines of credit payable	3,500,000	2,350,000
Deferred taxes	220,400	377,300
Current portion of notes payable	600,000	600,000
Total current liabilities	10,714,388	8,993,130
LONG-TERM LIABILITIES		
Notes payable	900,000	1,500,000
Deferred taxes	255,200	216,700
Interest rate swap liability	8,766	13,756
Total long-term liabilities	1,163,966	1,730,456
Total liabilities	11,878,354	10,723,586
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Preferred stock, no par value, 10,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, no par value; 50,000,000 shares authorized, 6,024,200 shares issued and outstanding	903,023	903,023
Retained earnings	11,675,350	11,903,203
Total shareholders' equity	12,578,373	12,806,226
	$ 24,456,727	$ 23,529,812

See notes to consolidated financial statements.

THE MARKETING ALLIANCE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended March 31, 2015 and 2014

	2015	2014
Commission revenue	$ 23,566,230	$ 20,459,664
Construction revenue	1,728,736	2,302,921
Family entertainment revenue	1,944,674	1,504,493
Total revenues	27,239,640	24,267,078
Distributor related expenses:		
Distributor bonuses and commissions	15,824,905	13,858,842
Business processing and distributor costs	1,846,574	1,812,572
Depreciation	10,818	11,817
	17,682,297	15,683,231
Costs of construction:		
Direct and indirect costs of construction	913,280	1,427,285
Depreciation	342,261	352,130
	1,255,541	1,779,415
Family entertainment costs of sales	378,119	266,164
Total costs of revenues	19,315,957	17,728,810
Net operating revenue	7,923,683	6,538,268
General and administrative expenses:		
Compensation	2,468,811	2,799,694
Administrative and other	853,709	948,115
Rent and occupancy	572,338	488,799
Professional fees	519,973	446,523
Technology	280,006	262,835
Insurance	328,385	285,191
Travel and meetings	73,095	2,915
Depreciation and amortization	316,839	272,794
Payroll related	151,271	176,452
Office	370,960	352,558
Licenses and dues	14,659	15,755
Postage	48,482	55,297
Telephone	57,542	60,015
Bad debt expense	24,594	624
Telemarketing, advertising and promotional	24,208	9,893
Total general and administrative expenses	6,104,872	6,177,460
Operating income	1,818,811	360,808
Other (expense) income:		
Investment (loss) income, net	(104,481)	563,895
Interest expense	(115,344)	(113,104)
Interest rate swap, fair value adjustment	4,990	22,165
Gain on disposal of property and equipment	15,478	5,980
Income before provision for income taxes	1,619,454	839,744
Provision for income taxes	582,225	242,187
Net income	$ 1,037,229	$ 597,557

See notes to consolidated financial statements.

THE MARKETING ALLIANCE, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Years Ended March 31, 2015 and 2014

	Common Stock		Retained	
	Shares (a)	**Amount**	**Earnings**	**Total**
Balances at April 1, 2013	6,024,200	$903,023	$12,390,001	$13,293,024
Dividends	-	-	(1,084,355)	(1,084,355)
Net income	-	-	597,557	597,557
Balances at March 31, 2014	6,024,200	903,023	11,903,203	12,806,226
Dividends	-	-	**(1,265,082)**	**(1,265,082)**
Net income	-	-	**1,037,229**	**1,037,229**
Balances at March 31, 2015	**6,024,200**	**$903,023**	**$11,675,350**	**$12,578,373**

(a) Amounts have been retrospectively adjusted for the 6 for 5 stock split that was effective July 26, 2013 and the 2 for 1 stock split that was effective February 28, 2014.

See notes to consolidated financial statements.

THE MARKETING ALLIANCE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended March 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 1,037,229**	$ 597,557
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**669,918**	636,741
Realized and unrealized investment gains	**224,995**	(471,666)
Deferred taxes	**(118,400)**	184,800
Interest rate swap adjustment	**(4,990)**	(22,165)
(Gain) loss on disposal	**(15,478)**	(5,980)
Changes in operating assets and liabilities:		
Accounts receivable	**(643,025)**	1,644,815
Inventory	**25,543**	40,342
Prepaid expenses and other assets	**670,926**	(1,314,772)
Accounts payable and accrued expenses	**728,158**	(863,034)
Net cash provided by operating activities	**2,574,876**	426,638
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	**(951,161)**	(396,002)
Cash paid at acquisition	**(262,500)**	-
Proceeds from sale of equipment	**55,971**	52,500
Principal payments received on promissory notes	**367,103**	99,812
Proceeds from sale of investments	**840,321**	681,801
Purchases of investments	**(1,226,210)**	(1,218,614)
Advances under promissory notes	**(535,933)**	(223,006)
Net cash used in investing activities	**(1,712,409)**	(1,003,509)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	**(1,265,082)**	(1,084,355)
Principal payments on notes payable	**(600,000)**	(1,165,000)
Net advances under lines of credit	**1,150,000**	2,350,000
Net cash (used in) provided by financing activities	**(715,082)**	100,645
Increase (decrease) in cash and cash equivalents	**147,385**	(476,226)
Cash and cash equivalents, beginning of period	**5,531,060**	6,007,286
Cash and cash equivalents, end of year	**$ 5,678,445**	$ 5,531,060
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION		
Cash paid during the period for:		
Interest	**$ 115,344**	$ 113,104
Income taxes	**$ -**	$ 1,458,135

See notes to consolidated financial statements.

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The Marketing Alliance, Inc. (the Company) is a consortium of independent life insurance general agents located throughout the United States. Headquartered in St. Louis, Missouri, the Company provides the benefits of pooled production and resources, including access to carriers and services, that otherwise may not be available to the agencies.

In September 2012, the Company, through two subsidiaries, began providing family entertainment in Illinois and Missouri. In January 2015, the Company, through two additional subsidiaries began providing family entertainment in Florida.

In July 2011, the Company, through a subsidiary, began providing construction, heavy equipment and trenching services in Iowa.

Significant Accounting Policies

Basis of accounting and principles of consolidation:

The Company's policy is to prepare its financial statements on the accrual basis. The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries:

- TMA Marketing, Inc. ("Marketing")
- Empire Construction and Trenching ("Empire")
- TMA Technologies, Inc. ("Technologies")
- Felton McCrary Brokerage, Inc. ("Felton")
- TMA Play MO, Inc., TMA Play IL, Inc., TMA Play Sunrise, Inc., and TMA Play Pines, Inc. ("Monkey Joes")
- TMA Realty, Inc. ("Realty")

Marketing began operations during 2004. Empire began operations in July of 2011. TMA Play Sunrise, Inc. and TMA Play Pines, Inc. began operations in January 2015. TMA Play MO, Inc. and TMA Play IL, Inc. began operations in September 2012. Technologies and Felton are inactive. Realty began operations in September 2014 and owns the building housing Empire's operations. All significant intercompany accounts and transactions have been eliminated.

Revenue recognition:

Commission income from insurance companies, including production bonuses, is recorded when earned. Deferred first year commissions (commissions associated with policy dates prior to March 31, 2015) are recorded in the period earned or in the period received when such amounts cannot reasonably be estimated. Distributor commissions and bonuses, are governed by individual distribution agreements and revenue is recorded in the period that the related commission income is earned.

Empire recognizes revenue from long-term contracts primarily on the percentage-of-completion method of accounting for fixed price construction contracts or on the cost-plus fee contract method. Under the fixed price method, revenue is determined by applying the percentage-of-completion of contracts in each year to estimated final revenue on a ratio of costs incurred to date to total

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Revenue recognition: (Continued)

estimated costs. That method is used because management considers total cost to be the best available measure of progress on the contracts. Because of inherent uncertainties in estimating costs, it is at least reasonably possible that the estimates used will change within the near term. Costs of construction include all direct material and labor costs and those indirect costs related to contract performance. Provisions for estimated losses on uncompleted contracts, if any, are made in the period in which such losses are determined. Revenues recognized in excess of amounts billed are included in accounts receivable and at March 31, 2015 and 2014 those amounts were not material. There were no billings in excess of revenues recognized.

Cash and cash equivalents:

The Company considers all highly liquid investment instruments purchased with an initial maturity of three months or less to be cash equivalents. From time to time, the Company has on deposit with certain banks and brokerage firms, cash and cash equivalents which exceed the amount subject to Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC) limits. The Company attempts to mitigate this risk by depositing its cash and cash equivalents with high credit quality institutions.

Inventory:

Inventory is stated at the lower of cost or market using the first-in first-out method. Inventory consists primarily of drainage tile raw materials used by Empire.

Investments:

Investments consist principally of common stocks, preferred stocks, mutual funds, fixed income securities, limited partnership interests, and notes receivables. Investments are classified as trading securities and are stated at fair value. Net realized gains and losses from the sales of investments, as well as unrealized gains and losses, are reflected in the statement of operations.

Fair value measurements:

The Company follows the accounting for fair value measurements and disclosures for financial assets and liabilities, which defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles, and requires disclosures about fair value measurements. Fair value is a market-based measurement, not an entity-specific measurement, and fair value measurements should be determined based on assumptions that market participants would use in pricing an asset or liability.

The accounting for fair value measurements and disclosures for financial assets and liabilities establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into three general levels: Level 1 inputs are quoted prices in active markets for identical assets or liabilities; Level 2 inputs include data points that are observable such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) such as interest rates and yield curves that are observable for the asset and liability, either directly or indirectly; Level 3 inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Income taxes:

The Company follows guidance issued by the Financial Accounting Standards Board ("FASB") regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two-step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement.

None of the Company's federal or state income tax returns is currently under examination by the Internal Revenue Service ("IRS") or state authorities.

Deferred taxes are provided on the asset and liability method whereby deferred taxes are recognized for deductible temporary differences and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment. A tax valuation allowance is established as needed, to reduce net deferred tax assets to the amount expected to be realized.

Swap agreement:

The Company entered into interest rate swap agreements to reduce the impact of changes in interest rates on its variable rate term loans (Note 12). The swap agreements are contracts to exchange the debt obligation's variable rate interest payments for fixed rate interest payments on certain notional amounts expiring at various dates. The notional amounts of the interest rate swap agreements are used to measure amounts to be paid or received and does not represent the amount of exposure or credit loss. The differential paid or received under the interest rate swap agreements is recognized as an adjustment to interest expense. The actual market or credit exposure of this type of financial instrument is significantly less than the notional amount. The primary risk associated with the swap is the inability of the counterparty to meet the terms of the contract. The Company does not expect the counterparty to fail to meet its respective obligations. The agreements mature in March 2017 and March 2018.

FASB ASC 815, *Derivatives and Hedging*, requires the Company to recognize all derivatives as either assets or liabilities in the consolidated balance sheet and measure those instruments at fair value. It further provides criteria for derivative instruments to be designed as fair value, cash flow, or foreign currency hedges, and establishes accounting standards for reporting changes in the fair value in the consolidated balance sheet are recognizing the offsetting gains or losses as adjustments to be reported in net income or other comprehensive income as appropriate. The interest rate swap is considered a free standing derivative.

Property and equipment:

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is provided utilizing straight-line and accelerated methods over estimated useful lives ranging from 5 to 40 years.

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies (Continued)

Notes receivable:

Notes receivable are stated at unpaid principal balances, less an allowance for uncollectable amounts. Interest is recognized over the term of the note, and is calculated using the simple interest method on principal amounts outstanding. Notes are considered impaired when, based on current information or factors, it is probable that the Company will not collect the principal and interest payments according to the loan agreement. Notes are placed on nonaccrual status when management believes, after considering economic conditions, business conditions, and collection efforts, that the notes are impaired or collection of interest is doubtful. At March 31, 2015 and 2014, no allowance was deemed necessary.

Estimates:

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

Reclassifications:

Certain items have been reclassified in the 2014 financials to conform with the current year's presentation.

Subsequent events:

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through July 16, 2015, the date the financial statements were available for issuance.

NOTE 2 — INVESTMENTS

The cost, fair value and gross unrealized gains and losses of investments recorded at fair value by major security type are as follows:

	March 31, 2015			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Common stocks	$ 2,835,209	$ 721,400	$ 324,182	$3,232,427
Preferred stocks	427,353	27,324	789	453,888
Fixed income securities	227,984	30,957	-	258,941
Mutual funds	64,625	-	11,415	53,210
Limited partnerships	650,000	757,933	-	1,407,933
	$ 4,205,171	$ 1,537,614	$ 336,386	$ 5,406,399

NOTE 2 — INVESTMENTS (Continued)

	March 31, 2014			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Common stocks	$2,475,182	$ 853,141	$ 95,482	$3,232,841
Preferred stocks	322,352	23,266	329	345,289
Warrants	-		-	-
Fixed income securities	325,194	16,984	100,000	242,178
Mutual funds	55,445	88	23	55,510
Limited partnership	650,000	719,687	-	1,369,687
	$ 3,828,173	$ 1,613,166	$ 195,834	$ 5,245,505

Proceeds from the sale of investments were $840,321 for the year ended March 31, 2015, resulting in gross realized gains of $145,068 and realized losses of $58,794.

Proceeds from the sale of investments were $681,801 for the year ended March 31, 2014, resulting in gross realized gains of $96,043 and realized losses of $126,296.

Investments are pledged as collateral pursuant to margin agreements entered into by the Company. No amounts were outstanding at March 31, 2015 and 2014 under the margin agreements.

Net investment (loss) income for 2015 and 2014 is as follows:

	2015	2014
Interest and dividend income	$ 188,051	$ 155,376
Realized gains (losses) on investments, net	86,274	(30,253)
Unrealized (losses) gains on investments, net	(311,269)	501,919
Investment management fees	(67,537)	(63,147)
Net investment (loss) income	$(104,481)	$ 563,895

In connection with notes receivable due from a private company, the Company received warrants to purchase 300,000 shares of stock in the private company at rates ranging from $1.20 to $5.00 per share or current share price, whichever is lower, depending on when the warrants are exercised. The warrants, 150,000 each, can be exercised at any time through June 18, 2016 and May 31, 2017. The fair value of the warrants was determined to be zero at both the date of receipt and March 31, 2015.

In connection with an investment agreement dated August 2010 with a banking corporation, the Company purchased 5,000 units. A unit consists of 4 shares of common stock and 1 detachable and transferable warrant to purchase 1 share of common stock to be exercised within 3 years of the agreement. In August 2013, the warrants were exercised as detailed in the agreement and the company purchased 5,000 shares of common stock.

NOTE 3 — FAIR VALUE MEASUREMENTS

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used at March 31, 2015 and 2014:

Common and preferred stocks, and fixed income securities: Valued at the closing price reported on the active market on which the individual securities are traded. Securities traded on inactive markets are valued by reference to similar instruments are categorized in Level 2. Securities which are not traded on active or inactive markets and no comparable assets exist are categorized in Level 3 and are valued using an internal model.

Mutual funds: Valued at the net asset value (NAV) of shares held at year end.

Limited partnership investments: There are four limited partnership investments. Three investments are valued using data as provided by the general partner of the limited partnership. These limited partnerships actively trade and invest (by establishing both "long" and "short" positions) in domestic and foreign equity securities and options, equity futures contracts and options, other private placement investments, and securities issued or guaranteed by the United States government and related instruments. The fourth investment is valued using market data for public securities as provided by the general partner of the limited partnership. The partnership actively trades and invests (by establishing "long" positions only) in domestic and foreign equity securities.

(A) Securities that are listed on a national securities exchange or NASDAQ or over-the-counter market are valued at the last reported sales price on the last day of the year, or the last reported bid and asked price. Securities for which market quotations are not readily available are valued at their fair value as determined in good faith under consistently applied procedures established by the General Partner, such as pricing models, discounted cash flow methodologies or similar techniques.

Warrants: Warrants are valued using a Black-Scholes model employing estimated share values, interest rates, volatility and term and are categorized in Level 2 of the fair value hierarchy.

Interest Rate Swap: Valued at fair value derived from mid-market values. A single value for each derivative transaction is used, even if compromised by multiple legs. Value has been measured based on estimates of the amount needed to settle the agreement. Such calculations were based on changes in market conditions and/or assumptions underlying valuation models.

The following table presents the fair value hierarchy for the Company's financial assets and liabilities measured at fair value on a recurring basis as of March 31, 2015:

Investments	**Assets at Fair Value**			
	Level 1	**Level 2**	**Level 3**	**Total**
Common stocks	$ 2,825,285	$ 366,500	$ 40,642	$ 3,232,427
Preferred stock	453,888	-	-	453,888
Fixed income	158,941	-	100,000	258,941
Mutual Funds	53,210	-	-	53,210
Limited partnerships	-	-	1,407,933	1,407,933
Total assets at fair value	$ 3,491,324	$ 366,500	$ 1,548,575	$ 5,406,399

NOTE 3 — FAIR VALUE MEASUREMENTS (Continued)

Interest Rate Swap Liability	**Liabilities at Fair Value**			
	Level 1	**Level 2**	**Level 3**	**Total**
Interest Rate Swap	$ -	$ 8,766	$ -	$ 8,766
Total interest rate swap	$ -	$ 8,766	$ -	$ 8,766

The following table presents the fair value hierarchy for the Company's financial assets and liabilities measured at fair value on a recurring basis as of March 31, 2014:

Investments	**Assets at Fair Value**			
	Level 1	**Level 2**	**Level 3**	**Total**
Common stocks	$ 2,913,196	$ 297,000	$ 22,645	$ 3,232,841
Preferred stock	345,289	-	-	345,289
Fixed income	142,178	-	100,000	242,178
Mutual Funds	55,510	-	-	55,510
Limited partnership	-	-	1,369,687	1,369,687
Total assets at fair value	$ 3,456,173	$ 297,000	$ 1,492,332	$ 5,245,505

Interest Rate Swap Liability	**Liabilities at Fair Value**			
	Level 1	**Level 2**	**Level 3**	**Total**
Interest Rate Swap	$ -	$ 13,576	$ -	$ 13,576
Total interest rate swap	$ -	$ 13,576	$ -	$ 13,576

The following is a roll-forward of Level 3 fair value instruments for the years ended March 31, 2015 and 2014:

	Limited Partnership Interests	**Common Stocks**	**Fixed Income**
Balance, April 1, 2013	$ 1,148,665	$ 22,645	$ 100,000
Unrealized gains relating to instruments still held at the reporting date	121,022	-	-
Purchases and issuances	100,000	-	
Balance, March 31, 2014	1,369,687	22,645	100,000
Unrealized gains relating to instruments still held at the reporting date	38,246	-	-
Purchases and issuances	-	17,997	-
Balance, March 31, 2015	$ 1,407,933	$ 40,642	$ 100,000

NOTE 3 — FAIR VALUE MEASUREMENTS (Continued)

Quantitative information about Level 3 Fair Value Investments:

	Fair Value at March 31, 2015	Valuation Techniques	Unobservable Input
Fixed income securities	$ 100,000	Discounted expected cash flows	Probability of default (50%) Discount rate 4.5%
Private equity investments	$ 40,642	Conversion rate of recent private transactions	Recent private transaction rate
Limited partnership investments	$ 1,407,933	See (A) above	See (A) above

The nature and risk of certain investments by major category at March 31, 2015 are presented as follows:

	Fair Value	Unfunded Commitments	Redemption Provisions
Limited Partnerships	$1,407,933	$50,000	Quarterly with 30 days notice

The Company has various processes and controls in place to ensure that fair value is reasonably estimated. The Company's investment committee, which reports to the Board of Directors, sets the valuation policies for investments and is responsible for the determination of fair value.

The investment committee, together with independent investment advisors, (1) compares price changes between periods to current market conditions, (2) compares trade prices of securities to fair value estimates, (3) compares prices from multiple pricing sources, and (4) performs ongoing due diligence to confirm that independent pricing services use market-based parameters for valuation. Valuation approaches are reviewed on an ongoing basis and revised as necessary based on changing market conditions to ensure values represent a reasonable exit price.

NOTE 4 — ACCOUNTS RECEIVABLE

Accounts receivable at March 31, 2015 and 2014 are as follows:

	2015	2014
Commissions receivable	$ 1,701,055	$ 1,568,019
Deferred first year commissions	5,899,340	5,267,878
Construction receivables	59,738	107,233
Other	589,956	663,934
	$ 8,250,089	$ 7,607,064

NOTE 5 — NOTES RECEIVABLE

Notes receivable at March 31, 2015 and 2014 are as follows:

	2015	2014
Distributor notes receivable, payable in aggregate monthly installments of approximately $30,600 including interest at rates ranging from 2.25% to 5.50% per annum, final maturity in May 2021. The notes are generally collateralized by amounts payable pursuant to individual distribution agreements and security interests in certain assets of the distributors. Certain of the notes are personally guaranteed by principals of the distributors.	$ 1,199,244	$ 1,030,415
Less current portion	605,352	242,074
Long-term portion	$ 593,892	$ 788,341

Estimated future principal payments to be received as of March 31, 2015 are as follows:

2016	$ 605,352
2017	139,941
2018	120,716
2019	97,086
2020	112,939
Thereafter	123,210
	$ 1,199,244

NOTE 6 — BUSINESS COMBINATION

Monkey Joes

On January 6, 2015, the Company acquired the assets of two Monkey Joe's franchises through a series of agreements and transactions. The Company made the acquisitions in order to diversify its business. The total purchase price for the two locations combined was $462,500. One franchise is located in Sunrise, Florida and the other franchise is located in Pembroke Pines, Florida. The franchise for the Sunrise, Florida area was effective in December 2008. The franchise for the Pembroke Pines, Florida area was effective in March 2012. Both agreements are for initial terms of 10 years with the option to renew for 10 years each with the payment of the then current franchise fee.

The following table summarizes the fair value of identifiable assets acquired and liabilities assumed in the business combination, and related intangible asset as of the acquisition date:

	Amount
Equipment	$ 200,000
Franchise Agreements	91,300
Covenant Not To Compete	112,100
Goodwill	59,100
Value of Assets Acquired	$ 462,500

NOTE 6 — BUSINESS COMBINATION (Continued)

The covenant not to compete is being amortized over 36 months from the closing date (January 6, 2015). The franchise agreements are being amortized over their remaining lives. As of the date of acquisition the remaining life for the franchise agreements ranged from 48 to 86 months.

In connection with the asset acquisition the Company entered into two lease obligations for property that will result in total payments of approximately $2,335,000.

NOTE 7 — INTANGIBLE ASSETS

Intangible assets consist of a covenant not to compete acquired in July 2011 related to the Empire acquisition, and four covenants not to compete, four franchise agreements, and goodwill acquired in September 2012 and January 2015 related to the Monkey Joe's acquisitions.

	Beginning Balance, April 1, 2014	Additions	Deletions	Ending Balance, March 31, 2015
Covenants Not To Compete	$339,708	$ 112,100	$ -	$451,808
Franchise Agreements	181,000	91,300	-	272,300
Amortization	(239,518)	(106,784)	-	(346,302)
	$281,190	$ 96,616	$ -	$377,806
Goodwill	$554,100	59,100	$ -	$613,200

	Beginning Balance, April 1, 2013	Additions	Deletions	Ending Balance, March 31, 2014
Covenants Not To Compete	$339,708	$ -	$ -	$339,708
Franchise Agreements	181,000	-	-	181,000
Amortization	(113,909)	(125,609)	-	(239,518)
	$406,799	$(125,609)	$ -	$281,190
Goodwill	$554,100	$ -	$ -	$554,100

Amortization expense for the years ended March 31, 2015 and 2014 was $106,784 and $125,609 respectively.

NOTE 7 — INTANGIBLE ASSETS (Continued)

Future estimated amortization for the covenants not to compete and the franchise agreements is as follows:

2016	$ 135,468
2017	119,049
2018	76,575
2019	23,933
2020	8,393
Thereafter	14,388
	$ 377,806

NOTE 8 — PROPERTY AND EQUIPMENT

Net property and equipment is comprised of the following at March 31, 2015 and 2014:

	2015	2014
Office equipment	$ 2,243,158	$ 1,659,946
Construction equipment	1,705,488	1,687,486
Building	216,000	-
Land	29,604	-
	4,194,250	3,347,432
Less accumulated depreciation	2,356,334	1,857,051
	$ 1,837,916	$ 1,490,381

Depreciation expense was $563,133 and $511,132 for the years ended March 31, 2015 and 2014 respectively.

NOTE 9 — LINES OF CREDIT

The Company has five lines of credit available.

The first line of credit borrowing is under a $3,500,000 short-term bank line of credit facility Borrowings under the line of credit bear interest at the British Banker Association LIBOR rate ('BBA LIBOR') plus 2% (2.17625% at March 31, 2015), and is collateralized by all accounts receivable, inventory and property and equipment. The credit facility contains both financial and non-financial covenants. At March 31, 2015, the Company was not in compliance with one of the covenants. A waiver was obtained for this instance of noncompliance. The credit facility matures September 30, 2015. At March 31, 2015, $2,500,000 was outstanding. At March 31, 2014, $1,950,000 was outstanding.

Under a second line of credit, the Company has available a $750,000 ($500,000 at March 31, 2014) revolving line of credit bearing interest based on changes in an Independent index which is the highest Wall Street Journal Prime Base Lending Rate. Interest on the unpaid balance of the note will be calculated using a rate of .25 percentage points over the Index. The credit facility requires an annual 30 day clean-up period. The index at March 31, 2015 is 3.25%, resulting in a rate of 3.5%. The note is due on demand. At March 31, 2015, $500,000 was outstanding. At March 31, 2014, no amount was outstanding.

NOTE 9 — LINES OF CREDIT (Continued)

Under the third line of credit, the Company has available a $1,000,000 ($500,000 at March 31, 2014) demand note credit facility. Borrowings under the note bear interest at prime plus one quarter percent (.25%) and are due on demand. The credit facility is subject to an annual review by the lender. At March 31, 2015, $500,000 was outstanding. At March 31, 2014, $400,000 was outstanding.

Under the fourth line of credit, the Company has available a $250,000 revolving line of credit facility. Borrowings under the note bear interest at prime plus 1.5% (with a floor of 4.75%) and are due on demand. The credit facility requires an annual 30 day clean-up period and is subject to an annual review by the lender. No amount was outstanding on this line of credit at March 31, 2015 and 2014.

The Company obtained a fifth line of credit in the amount of $250,000 bearing interest based on changes in an Independent index which is the Highest Wall Street Journal Prime Base Lending Rate, and is collateralized by accounts receivable, inventory and property and equipment, subject to a first claim by the bank noted in the first paragraph. The index at March 31, 2015 is 3.25%. The credit facility requires an annual 30 day clean-up period and requires that the Company maintain a minimum deposit account balance of $250,000 with the lender. The note is due on demand. At March 31, 2015 and 2014, no amount was outstanding.

NOTE 10 — ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at March 31, 2015 and 2014 are summarized as follows:

	2015	2014
Accounts payable	$ 289,197	$ 318,550
Technology benefits	450,000	261,729
Distributor commissions	1,678,873	1,407,740
Deferred first year commissions	3,283,977	2,903,940
Accrued compensation	494,610	463,957
Other	197,331	309,914
	$6,393,988	$5,665,830

Accrued technology benefits represents amounts payable pursuant to the Company's technology and marketing benefit program. The program is designed to encourage its member agencies to invest in technology and marketing by reimbursing the agencies for qualified expenditures. Agencies qualify for benefits based upon attaining annual production levels as defined in the plan. Benefits payable under the program are based upon calendar year production and are payable in the calendar year subsequent to meeting production criteria.

NOTE 11 — INCOME TAXES

The provision for income taxes at March 31, 2015 and 2014 is summarized as follows:

	2015	2014
Current	$ 700,625	$ 57,387
Deferred	(118,400)	184,800
	$ 582,225	$ 242,187

Deferred tax assets and liabilities at March 31, 2015 and 2014 were attributable to the following:

	2015	2014
Deferred Tax Assets:		
Stock appreciation compensation	$ 142,300	$ 167,200
Accrued compensation	9,600	15,000
Unrealized losses on investments	-	10,300
Total gross deferred tax assets	151,900	192,500
Deferred Tax Liabilities:		
Unrealized gains on investments	(230,000)	(402,600)
Property and equipment	(397,500)	(383,900)
Total gross deferred tax liabilities	(627,500)	(786,500)
Total deferred taxes	$ (475,600)	$ (594,000)
Deferred Tax Liabilities, Current	(220,400)	(377,300)
Deferred Tax Liabilities, Long-Term	(255,200)	(216,700)
	$ (475,600)	$ (594,000)

Deferred tax liabilities related to property and equipment have been classified as long-term liabilities as of March 31, 2015 and 2014.

The reconciliation of income taxes calculated at the Federal tax statutory rate to the Company's effective rate is set forth below:

	2015		2014	
	$	%	$	%
Tax at federal statutory rate	$ 550,614	34%	$ 285,513	34%
State income taxes	50,203	3%	26,032	3%
Permanent differences	(20,547)	-1%	(16,451)	-2%
Other	1,955	0%	(52,907)	-6%
	$ 582,225	36%	$ 242,187	29%

NOTE 12 — LONG-TERM DEBT

Long-term debt as of March 31, 2015 and 2014 is as follows:

	2015	2014
Note payable to a bank, payable in fixed monthly principal payments of $25,000 a month plus interest, payments commenced on April 30, 2012. The interest rate on the note is 2% plus BBA LIBOR (2.17625% at March 31, 2015). The note matures on March 31, 2017. The note is collateralized by all accounts receivable, inventory and property and equipment and contains both financial and non-financial covenants. At March 31, 2015, the Company was not in compliance with one of the financial covenants. A waiver was obtained for this instance of noncompliance.	$ 575,000	$ 900,000
Note payable to a bank, payable in fixed monthly principal payments of $25,000 a month plus interest, payments commenced on April 30, 2013. The interest rate on the note is 2% plus BBA LIBOR (2.17625% at March 31, 2015). The note matures on March 29, 2018. The note is collateralized by all accounts receivable, inventory and property and equipment and contains both financial and non-financial covenants. At March 31, 2015, the Company was not in compliance with one of the financial covenants. A waiver was obtained for this instance of noncompliance.	925,000	1,200,000
Total	1,500,000	2,100,000
Less current portion	600,000	600,000
Long-term portion	$ 900,000	$ 1,500,000

Future principal maturities at March 31, 2015 are as follows:

Year Ending March 31,	
2016	$ 600,000
2017	600,000
2018	300,000
	$ 1,500,000

NOTE 13 — SHAREHOLDERS' EQUITY

In July 2013, the Board of Directors declared a stock split of 6 shares for every 5 shares held by shareholders of record on July 26, 2013, payable on August 9, 2013. As a result, each shareholder received one new share of common stock for every five shares of common stock held as of the record date. All share amounts outstanding prior to July 26, 2013 have been retroactively adjusted for this split.

NOTE 13 — SHAREHOLDERS' EQUITY (Continued)

In February 2014, the Board of Directors declared a stock split of 2 shares for every 1 shares held by shareholders of record on February 28, 2014, payable on March 28, 2014. As a result, each shareholder received one new share of common stock for every one share of common stock held as of the record date. All share amounts outstanding prior to February 28, 2014 have been retroactively adjusted for this split.

In February 2014, the Company amended its articles of incorporation to increase the number of authorized shares of stock from 10 million shares of common stock to 50 million shares of common stock and 10 million shares of preferred stock.

In November 2014, the Board of Directors authorized a $.21 per share cash dividend for shareholders of record on December 12, 2014. The dividend was paid on January 30, 2015.

NOTE 14 — COMMITMENTS AND CONTINGENCIES

Leases

The Company has noncancellable operating leases for office, administration, processing, and family entertainment space at its St. Louis, Omaha, and Fairview Heights locations. Additionally, the Company leases office equipment under operating leases for use in both its administrative offices and in offices of several of its brokers, pursuant to its technology and marketing benefit program.

Approximate future minimum lease payments required under these operating leases at March 31, 2015 are as follows:

	Office Space	Office Equipment	Total
2016	$ 849,867	$ 36,969	$ 886,836
2017	734,570	19,719	754,289
2018	604,302	15,016	619,318
2019	528,190	-	528,190
2020	241,591	-	241,591
Thereafter	429,432	-	429,432
	$ 3,387,952	$ 71,704	$ 3,459,656

Rent expense for office space approximated $524,100 and $385,500 for the years ended March 31, 2015 and 2014, respectively. Rent expense for office equipment approximated $81,000 and $128,700 for the years ended March 31, 2015 and 2014 respectively. A substantial portion of the office equipment operating leases is classified as distributor related expenses in the accompanying consolidated statement of operations.

NOTE 15 — CONCENTRATIONS

During the year ended March 31, 2015, the Company derived approximately 61% of its commission income from three insurance carriers. During the year ended March 31, 2014, the Company derived approximately 52% of its commission income from two insurance carriers.

NOTE 16 — BENEFIT PLANS

Profit Sharing Plan

The Company has a qualified profit sharing plan with 401(k) deferred compensation provisions. Substantially all employees are eligible to participate in the plan. The plan provides for both matching and discretionary contributions determined by the Board of Directors. Contributions under the plan were approximately $58,000 and $74,000 for the years ended March 31, 2015 and 2014, respectively.

Stock Appreciation Plan

The Company maintains a stock appreciation plan (the "SAP") for a member of management. Units of stock are allocated under a compensation agreement at a specified price per unit. The Company recognizes the estimated compensation cost of these stock appreciation units over the vesting term.

The estimated compensation cost is based on the Black-Scholes option model and is remeasured at each financial reporting date. Stock units cliff vest at the end of a five year period. Upon vesting, the value is calculated as the difference between the current value of the stock and the specified price per unit multiplied by the number of shares and paid in cash. Under the agreement, stock appreciation units were granted on April 1, 2010, 2011, 2012, 2013, and 2014.

Additionally, the stock appreciation units, whether vested or not vested, are entitled to receive payment in an amount equal to the actual cash dividends paid on shares of common stock, as of and when such dividends are paid.

NOTE 17 — RELATED PARTY TRANSACTIONS

The Company has entered into a service agreement with an affiliate of one of its brokers/agents for bookkeeping and other administrative services provided for the benefit of the Company. Administrative service fees and rent paid to the affiliated entity approximated $559,500 and $430,200 for the years ended March 31, 2015 and 2014, respectively.

The Company compensates its Board of Directors for attendance at its meetings. In addition, the Company compensates its Directors for work performed on behalf of the Company outside of their duties as Board members. Such compensation, which is computed and paid at an hourly rate commensurate with experience and expertise as determined by the Board of Directors, is classified as a component of compensation and net investment income in the accompanying consolidated statement of operations.

The Company previously leases office and warehouse space in Iowa for $60,000 annually from the former owner of JDC Construction, Inc. The lease was terminated April 30, 2014. The Company purchased real property in Iowa for approximately $240,000 which is used as office and warehouse space.