PBS Holding, Inc. and Subsidiaries

BALANCE SHEET
AS OF SEPTEMBER 30, 2011
(Unaudited)

	SEPTEMBER 30, 2011
Current assets	
Cash & Cash Equivalents	707
Total Current Assets	707
Other Assets	
Consumers Insurance receivable	
Affiant Insurance rreceivable	
Investment in Subsidiarys	1,275,000
Total non-current assets	1,275,000
Total Assets	1,275,707
Current Liabilities	
Accounts Payable & Accrued Expenses	50,000
Total current liabilities	50,000
Long Term Liabilities	
Long Term Debt	182,461
Total Liabilities	232,461
Unitholder's equity	
Common stock - $.001 par value	
authorized 750,000,000	
28,214,203 issued & outstanding	16,413
Additional paid-in capital	7,676,550
Accumulated (deficit)	(6,649,717)
Total Stockholder's equity (Deficiency)	1,043,246
Total Liabilities and StockHolder's Equity	1,275,707

PBS Holding, Inc. and Subsidiaries

STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2011
(Unaudited)

	SEPTEMBER 30, 2011
Revenue	18,500
Gross revenue	18,500
Cost of Goods Sold	-
Gross Profit	18,500
Operating expenses	
General and Administrative expense	4,932,903
Total operating expense	4,932,903
Professional fees	
Professional fees (Legal & Accounting)	25,000
Total professional fees	25,000
Total expenses	4,957,903
Provision For Income Taxes	
Net (loss) income	(4,939,403)
Basic & Diluted Net (Loss) Per Share	(0.1751)
Basic and Diluted Weighted Average Shares Outstanding	28,214,203

PBS Holding, Inc. and Subsidiaries

Statement of Stockholders' Equity (Deficiency)
FOR THE PERIOD ENDED SEPTEMBER 30, 2011
(Unaudited)

	Common Stock		Additional		
	Shares	Amount	Paid-In Capital	Accumulated (Deficit)	Net Equity (Deficiency)
Balance December 31 , 2010	1,145,077	1,145	1,226,550	(1,710,314)	(641,491)
Shares Issued	27,069,126	27,069	6,450,000		
Net Income/(Loss)				(4,939,403)	
Balance SEPTEMBER 30, 2011	28,214,203	16,413	7,676,550	(6,649,717)	1,043,246

NOTE 1 - Organization and Nature of Business
History

The Company was incorporated in the State of Nevada in 1996 under the name of Anonymous Data Corporation. The Company went through various name changes over the years, and on September 20, 2005 its name was changed to PBS Holding, Inc.

On or about November 4, 2002, the Company effected a 1 for 2,500 reverse stock split with respect to its outstanding shares of Common Stock. And later, on October 4, 2005 the Company effected another reverse stock split of 1 for 8 shares of Common Stock. These reverse stock splits have been recognized from inception.

On February 28, 2003 the Company purchased all of the outstanding shares of AHJR, Inc. (AHJR), a Texas corporation, in a stock for stock transaction. AHJR was previously owned principally by Patrick Matthews, the primary shareholder of the Company today and its President and Chief Executive Officer. In the stock for stock transaction the Company acquired all of the shares of AHJR in exchange for 9,050,000 post split shares of restricted common stock.

Organization
PBS Holding, Inc. is the parent of two subsidiaries; The Dallas Diamonds and Starfest.

Business Activity
The original business of the Company, is to operate in the human resources outsourcing industries with particular emphasis in the professional employer organization (PEO) industry and the temporary staffing services industry.

However, On November 15, 2010, the Company executed a Stock Purchase Agreement to sell 8,549,198 shares of common stock of PBS Holding, Inc. ("PBHG") from Rick Matthews, an individual. The sale of PBHG stock was completed on November 15, 2010. The consideration for the PBHG shares consist of $48,000.00 payable as follows: (i) $25,000.00 in secured funds by certified payment, wire or cash to Seller; and (ii) $15,000.00 in secured funds by certified payment, wire or cash to Tuggey Rosenthal Pauerstein Sandoloski Agather, LLP.

As a result of the referenced purchase, Artfest International, Inc. became the majority shareholder of PBS Holding, Inc. The Agreement was concluded with the Bill of Sale and Assumption Agreement, dated February 17, 2011, after PBHG complied with the purchase requirements.

In the first quarter of 2011 the company purchased 90 percent of the outstanding equity of the Dallas Diamonds for $75,000 dollars, or 18,750 shares of PBHG 144 restricted shares at $ 4.00 per share. The revenues of the Dallas Diamonds is consolidated in the financial statements of the company.

NOTE 2 - Summary of Significant Accounting Policies
Principles of Consolidation

The accompanying consolidated financial statements includes the accounts of PBS Holding, Inc (parent), and its subsidiaries Starfest and the Dallas Diamonds. Revenues and expenses of PBS Holding, Inc. are included for the three months ending March 31, 2011. All material Intercompany accounts and transactions have been eliminated.

All significant intercompany transactions have been eliminated.

Cash Equivalents

For purposes of reporting of cash flows, the Company classifies all cash and short-term investments with maturities of three months or less to be cash equivalents.

Receivables

Accounting principles generally accepted in the United States require that the allowance for uncollectibles method be used to reflect bad debts. The Company uses the direct write-off method instead; but it approximates the allowance for uncollectibles in the case of these financial statements.

Property and Equipment

Property and equipment are valued at cost. Depreciation is provided by use of the straight-line method over the estimated useful lives of the assets. Useful lives of the respective assets are generally from three to seven years. Purchase of property and equipment greater than $500 and major repairs of existing equipment that extends the useful life of the asset are capitalized.
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The Financial Accounting Standards Board issued SFAS No.142 “Goodwill and Other Intangible Assets” effective for fiscal years beginning after December 15, 2001. According to SFAS 142, goodwill should not be amortized. Instead, it should be reviewed for impairment at least annually and charged to earnings only when its recorded value exceeds its fair value. The Company has elected to follow SFAS 142. The Company has no recorded goodwill on its financial statements and does not believe this accounting standard will affect the Company.

Impairment of Long-Lived Assets

It is the policy of the Company to periodically evaluate the economic recoverability of all of its long-lived assets. In accordance with that policy, when it is determined that an asset has been impaired the loss is recognized in the statement of operations.

Fair Value of Financial Instruments

The methods and assumptions used to estimate the fair value of each class of financial instruments are as follows:

Cash and cash equivalents, receivables, prepaid premiums, accounts payable, accrued expense, deferred revenue, notes payable are reflected in the financial statements at cost, which approximates fair value because of the relatively short maturity of these instruments.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash deposits. The Company will exceed the FDIC insurable limit in an account only when gross payrolls billed and collected post to the payroll bank account before the payroll checks and tax deposits are posted. The timeliness of the deposits and withdrawals are such that management estimates no material credit risk.

The Company provides its services to its clients based upon an evaluation of each client’s financial condition. Exposure to losses on receivables is primarily dependent on each client’s financial condition. The Company mitigates such exposure by requiring customers to immediately pay via electronic funds transfer the amount of the payroll billed, through cash on delivery payment of invoices, through deposits or letters-of-credit or personal guarantees from certain clients. Exposure to credit losses is monitored by the Company, and bad debts for anticipated losses are recognized when necessary.

Income Taxes

The Company has adopted the provisions of SFAS No. 109, “Accounting for Income Taxes,” which incorporates the use of the asset and liability approach of accounting for income taxes. The asset and liability approach requires the recognition of deferred tax assets and liabilities for the expected future consequences of temporary differences between the financial reporting basis and the income tax basis of assets and liabilities.

During 2002, the Company underwent an ownership change as defined in Section 382 of the Internal Revenue Code. Consequently, management believes the net operating loss carry forwards are lost for the tax year 2002 and before. The Federal net operating losses since the ownership change are significant. The Company continues to sustain operating losses and there remains an uncertainty as to whether any income tax benefit can be used in the future.

Comprehensive Income

The Company has adopted SFAS No. 130 Reporting Comprehensive Income. The Company has no reportable differences between net income and comprehensive income, therefore a statement of comprehensive income has not been presented.

Stock-Based Compensation

FASB No. 123, and FASB No 123R. “Accounting for Stock-Based Compensation” established accounting and disclosure requirements using a fair-value based method of accounting for stock-based employee compensation plans. In addition, the Emerging Issues Task Force has issued EITF 96-18 to further hald clarify FASB No. 123 & 123R.

Net (Loss) Per Share of Common Stock

The basic and diluted net income (loss) per common share in the accompanying statements of operations are based upon the net income (loss) divided by the weighted average number of shares outstanding during the periods presented. Diluted net (loss) per common share is the same as basic net (loss) per share because including any pending shares to issued services or otherwise would be anti-dilutive.

Advertising Costs

The Company’s advertising costs are expensed when incurred.

Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Other Recent Accounting Pronouncements

The Company does not expect that the adoption of other recent accounting pronouncements to have any material impact on its financial statements.

NOTE 3 - Equity & Common Stock
No warrants or stock transactions were issued for the years ended December 31, 2010 and 2009. In past years these warrants and stock transactions are issued in reliance upon the exemption provided by Section 4(2) of the Securities Act and/or Rule 506 of Regulation D. The fair values of the warrants granted are reported as equity grants using the guidance of FASB no. 123R and EITF 96-18. The fair values of the restricted stock issued are reported using the guidance of FASB no. 123R and EITF 96-18 and are computed at fair market value. In accordance with EITF 96-18 regarding value of non employee services paid with stock warrants granted, management has determined the services received on which the warrants were granted has no value. The Company has also determined that the value of the warrants using the stock price leaves no value for the warrants because the market value has continued to remain below the exercisable price of the warrants and the stock market continues to decline from what it was when the warrants were originally issued. Because the Company recognizes no value for the services received and no definitive value for the warrants granted using the market value of the stock, management has not recognized any value associated with the granting of warrants in this year or any prior year.

Based on prior year transactions the total warrants granted that remain outstanding as of December 31, 2008 are for the possible conversion of warrants for 1,522,500 shares of common stock. No options have been granted for the years ended December 31, 2010 and 2009.

NOTE 4 - Employee Benefit Plan
A 401-K employee benefit plan for the Company's client worksite employees is included in the package of services provided by PBS LLC as a PEO. The Company's office and administrative employees may also participate in the plan. The plan is year to year and is paid in full through December 31, 2010 with no obligation for past, present, or future funding required.

NOTE 5 – Long Term Debt
The company has outstanding debt in the form of a convertible note totaling at September 30, 2011, $189,923.44 (principal and accrued interest) bearing interest at 12% per annum. The note is held by an individual and it carry's certain conversion privileges for equity of the company's common stock. Holder may demand repayment by the Company of all principal and interest of this Note through the date of its repayment request, plus interest, at any time upon thirty (30) days written notice to the Company after one (1) year.

The Holder is entitled, at his option, at any time or from time to time, and in whole or in part, to convert the outstanding principal amount of this Note, or any portion of the principal amount hereof, and any accrued interest, into shares of the common stock. Any amounts Holder elects to convert will be converted into common stock at a conversion price which is the lower of (i) $.01 per share or (ii) a seventy five percent (75%) discount to the previous day's closing bid price immediately prior to the delivery of the Conversion Notice (the "Conversion Price").

NOTE 6 – Subsequent Events

On October 10, 2011 the company announced that the company has entered into an agreement with Kaloca Holdings Inc., to acquire majority interests in Kaloca Holdings Inc.'s wholly owned subsidiary Global Trading Group Inc. The purpose for acquisition of Global Trading Group Inc., is to enhance the compensation model for distributors in PBS Holding Inc.'s direct selling company Starfest Direct. GTG is a new and pre-owned luxury import car dealer that specializes in a wide range of imports including the sale of Bentley, Rolls Royce, Ferrari, Lamborghini, Mercedes Benz, BMW, Land Rover, Porsche and Audi cars. The acquisition is expected to add approximately $15 million ($15 USD) per year in revenue. Please see attached GTG YTD Finanacials.

GLOBAL TRADING GROUP, INC.

9039 BOLSA AVE. #210
WESTMINSTER, CA 92683
310-597-9161

Profit and Loss

January 1 through September 30, 2011

Ordinary Income/Expenses:		
Income:		
Sales	$	12,800,000.00
Returns & Allowances:		0
Services-Other:		0
Total Income:	$	12,800,000.00
Cost of Goods Sold		
Cars	$	12,160,000.00
Total COGS	$	12,160,000.00
Gross Profit	$	615,200.00
Bank Service Charges	$	156.00
Insurance	$	4,050.00
Liability Insurance:	$	-
Total Insurance:	$	4,206.00
Licenses and Permits	$	300.00
Professional Fees	$	900.00
Total Professional Fees	$	1,200.00
Rent	$	18,000.00
Advertising	$	4,250.00
Misc... Expenses	$	360.00
Total Rent & Misc. Expenses	$	22,610.00
Supplies:	$	25.00
Utilities	$	512.00
Telephone	$	1,890.00
Tools	$	856.00
Alarm	$	160.00
Water	$	425.00
Total Utilities	$	3,868.00
Car/Truck Expenses	$	214.00
Total Car/Truck Expenses	$	214.00
Total Expenses	$	32,098.00
Net Ordinary/Income	$	583,102.00
Net Income	$	583,102.00

GLOBAL TRADING GROUP, INC.

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BALANCE SHEET AS OF 09/30/11

Assets

Current Assets			
Cash		$ 226,200.00	
Account Receivables			
Less: Reserve for Bad Debts			
Auto Inventory		$ 533,728.00	
Prepaid Expenses			
Note Receivables			
Total Current Assets			$ 759,928.00
Fixed Assets			
Vehicles			
Less : Accumulated Depreciation			
Furniture and Fixtures			
Less : Accumulated Depreciation			
Equipment	$ 4,270.00		
Less : Accumulated Depreciation	$ 559.00		$ 3,711.00
Land			
Total Fixed Assets			
Total Assets			**$ 763,639.00**

Liabilities and Capitals

Current Liabilities			
Account Payables			$ 5,000.00
Sales Taxes Payable			
Payroll Taxes Payable			
Long Term Liabilities			
Long Term Notes Payable			
Mortgages Payable			$ 28,500.00
Total Long term Liabilities			$ 33,500.00
Capital			
Owner's Equity		$ 147,037.00	
Net Profit		$ 583,102.00	
Total Capital			$ 730,139.00
Total Liabilities and Shareholder's equity			**$ 763,639.00**