

RCC HOLDINGS CORP.  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDING  
SEPTEMBER 30, 2007

RCC HOLDINGS CORP.  
STATEMENT OF OPERATIONS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2007

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<b>Income</b>	\$	
<b>Operating Expenses</b>		
Donations		0
Depreciation		5,526
Lease Expense		59,490
Office supplies		265
Outside services		66,834
Postage		144
Professional fees (note 4)		63,000
Telephone		12,691
Travel & entertainment (note 5)		13,808
	<b>Total operating expenses</b>	<b>216,232</b>
	\$	
<b>Other Income:</b>		
Dividends		0
<b>Income before provision for income taxes</b>	<b>\$</b>	<b>(216,232)</b>

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STATEMENT OF OPERATIONS  
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	Jan - Mar 07	Apr - Jun 07	Jul - Sep 07	TOTAL
Ordinary Income/Expense Expense				
<b>61400</b> • Charitable Contributions	0.00	0.00	0.00	00,000.00
<b>62100</b> • Consulting	21,651.00	12,500.00	32,683.00	066,834.00
<b>63700</b> • Lease Expense	19,830.00	19,830.00	19,830.00	59,490.00
<b>64860 Office Expense</b>	33.23	18.74	88.92	140.89
<b>64900</b> • Office Supplies	58.56	13.47	52.54	124.57
<b>66500 Postage and Delivery</b>	21.00	92.00	30.67	143.67
<b>66700</b> • Professional Fees	21,000.00	21,000.00	21,000.00	63,000.00
<b>68100</b> • Telephone Expense	2,380.00	4,102.36	6,208.32	12,690.68
<b>68400</b> • Travel Expense	1200.00	2803.00	09,805.00	13,808.00
Total Expense	<u>66,173.79</u>	<u>60,359.57</u>	<u>089,698.45</u>	<u>216,231.81</u>
Net Ordinary Income	--66,173.79	--60,359.57	--089,698.45	--216,231.81
Other Income/Expense				
<b>Other Income</b>				
<b>80100</b> • Dividend Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other Income	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Other Income	0.00	0.00	0.00	0.00
Net Income	<u><u>--66,173.79</u></u>	<u><u>--60,359.57</u></u>	<u><u>--89,698.45</u></u>	<u><u>-216,231.81</u></u>

RCC HOLDINGS CORP.  
BALANCE SHEET  
FOR THE PERIOD ENDED SEPTEMBER 30, 2007

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**ASSETS**

Current Assets:

Cash and Cash equivalents	\$	142,194
Security Deposits		<u>13,220</u>
Total Current Assets		155,414

Fixed Assets: (note 1)

Equipment	\$	60,065
Furniture and Fixtures		212,828
Computers		36,246
Accumulated Depreciation		<u>(8,826)</u>
Total Fixed Assets		300,313

TOTAL ASSETS \$ 455,727

**LIABILITIES AND STOCKHOLDERS' (DEFICIT)**

Current Liabilities:

Due to Stockholder, G.N. (note 2)	\$	<u>883,317</u>
Total Current Liabilities		883,317
Total liabilities	\$	883,317

Stockholders' (deficit): (note 3)

(Deficit) prior year:	(71,681)
(Deficit) accumulated during the Development stage, year two	<u>(355,909)</u>

Preferred Stock, 50,000,000 shares authorized,  
0 Outstanding

Common Stock, 500,000,000 shares authorized,  
21,269,835 shares issued outstanding

TOTAL LIABILITIES & STOCKHOLDERS' (DEFICIT) \$ 455,727

RCC HOLDINGS CORP.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2007

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**NOTE 1- Fixed Assets**

Office furniture and equipment is presented at cost. Depreciation is computed utilizing the 200 declining balance method over an estimated useful life of seven years. Computers are presented at cost and the depreciation is computed utilizing the 200 declining balance method over an estimated useful life of five years. All furniture and equipment has been inventoried and listed on an attached sheet. This is to include all communication equipment such as T1 system, phone system and networking. (See Schedule 'A')

**NOTE 2- Due to Stockholder, G.N.**

Due to Stockholder represents a 6% interest bearing loan. All monies have been issued by primary stockholder, Gene Newton. Repayment of loan will be either in cash or stock or a combination of both.

**NOTE 3- Stockholders' (deficit)**

As of September 30, 2007 the Company has 477 stockholders.

**Common Stock**

The company incorporated under the laws of the State of Colorado. In accordance with its Articles of Incorporation, the Company has authorized 500,000,000 Common Shares and 50,000,000 Preferred Shares.

As of September 30, 2007, total shares/warrants were:

A total of twenty-one million, two hundred sixty-nine thousand, eight hundred thirty-five (21,269,835) of Common Stock shares issued and outstanding. This is held by Four hundred seventy-seven (477) shareholders.

**NOTE 4- Professional Fees**

This is composed of two line items. 1. Accounting \$21,738 and 2. Legal \$54,400. This note pertains to legal. The company had a lawsuit, Anza Marketing Company vs. RCC Holdings Corp. case #6737,000. Fees paid for General Counsel, SEC Counsel, SEC Accountant, Qualified SEC Auditor.....case was dismissed without prejudice.

**NOTE 5- Travel**

Two business trips to China. First trip to Hong Kong and Beijing, China, one person, we met with Ernest & Young to set up international accounting and met with associates on the completion of an acquisition and the finalizing of additional LOI contracts. Second trip to Hong Kong and Beijing, two people, we met with our associate and opened remote offices in Hong Kong and Beijing, China.

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**Schedule "A"**

<b>Equipment Description</b>	<b>Quantity</b>
Executive Desk	5
Desk	5
Receptionist Desk	1
Executive Chairs	5
Desk Chairs	8
Guest Chairs	22
Credenza	4
Executive Credenza	1
Bookcases	4
File Cabinets	6
Executive Fountain	1
Shredders	2
Conference Table	2
Conference Display Units	2
Small Table	1
Kitchen Wall Unit	1
Microwave	1
Arrowhead Water Unit	1
Refrigerator	2
Computer Modems	3
Computer Monitors	3
Executive Media Center	1
Lap Top Computers	5
HD TV Type Monitors	3
Printer	7
T1 Equipment	1
T1 Jacks	19
Phone Box	1
Phone Modem	2
Phone Router	1
Phones	10
Phone System	1