

**Luxury Kitchen Hoods LLC**  
**Notes to Financial Statements**  
**August 31, 2010**

**1. Accounting Policies**

These Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles. A summary of Luxury Kitchen Hoods LLC's accounting policies are as follows:

Inventories are stated at lower of cost or market, determined by the first-in first-out method.

Automobiles, Furniture & Fixtures, Equipment and Buildings are stated at cost, less accumulated depreciation or amortization computed on the straight-line method, and are depreciated over their estimated useful lives of three to ten years.

**2. Member Equity**

Members Shares consists of authorized 300,000,000 shares. Issued and Outstanding 119,000,800.