

CERTIFICATION

I, Allan D. Smethers, CEO of The Kingsley Coach, Inc., hereby certify that the financial statements filed herewith and any notes thereto, fairly present, in all material respects, the financial position, results of operations and cash flows for the periods presented, in conformity with accounting principles generally accepted in the United States, consistently applied.

/s/ Allan D. Smethers

Allan D. Smethers, CEO

The Kingsley Coach, Inc.

Balance Sheet
September 30, 2006
(Unaudited)

ASSETS

Current Assets:

Cash	\$	86,364
Accounts receivable (trade) (net of allowance)		130,000
Accounts receivable (other)		52,398
Inventory		911,566
Total Current Assets		<u>1,180,328</u>

Property & Equipment	<u>45,075</u>
----------------------	---------------

Other Assets

Deferred Charges (Debt Issuance)	<u>8,286</u>
----------------------------------	--------------

TOTAL ASSETS	<u><u>\$ 1,233,689</u></u>
--------------	----------------------------

The Kingsley Coach, Inc.

Balance Sheet
September 30, 2006
(Unaudited)

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current Liabilities:

Cash overdraft	\$	29,431
Accounts payable		1,712,439
Accrued liabilities		691,539
Customer deposits		1,618,285
Warranty reserve		436,490
Unearned revenue		270,000
Short-Term Notes Payable		601,114
Current portion long-term debt		722,883
Total Current Liabilities		<u>6,082,181</u>

Long-Term Liabilities:

Note payables		<u>218,458</u>
Total Long-Term Liabilities		<u>218,458</u>
Total Liabilities		<u>6,300,639</u>

Stockholders' Deficit

Preferred stock, \$.0001 par value; authorized 5,000,000 shares; issued and outstanding -0- shares		0
Common stock, \$.00001 par value; authorized 100,000,000 shares; issued and outstanding 51,129,239 shares		521
Common Stock, \$.00001 par value class B; authorized 1,000,000 shares; issued and outstanding 1,000,000 shares		10
Deferred compensation		(690,529)
Additional paid-in capital		6,187,149
Accumulated Deficit		<u>(10,564,101)</u>
Total Stockholders' Deficit		<u>(5,066,950)</u>

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT

\$	<u><u>1,233,689</u></u>
----	-------------------------

The Kingsley Coach, Inc.
 Statements of Operations
 For the Three Month Periods
 Ended September 30, 2006 and 2005
 (unaudited)

	<u>Three Months Ended</u>	
	September 30, 2006	September 30, 2005
Revenues:		
Sales	\$ 887,900	\$ 1,728,330
Cost of Sales	<u>(904,253)</u>	<u>(1,585,334)</u>
Gross Margin	(16,353)	142,996
General and administrative expenses	<u>428,678</u>	<u>386,067</u>
Net Income/(Loss) from Operations	(445,031)	(243,071)
Other Income/(Expense):		
Other income	774	14,219
Interest expense	<u>(130,455)</u>	<u>(47,700)</u>
Total Other Income/(Expense)	<u>(129,681)</u>	<u>(33,481)</u>
Net Income/(Loss) Before Taxes	(574,712)	(276,552)
Income taxes	0	0
Net Income/(Loss)	<u>\$ (574,712)</u>	<u>\$ (276,552)</u>
Income/(Loss) Per Share—basic and diluted	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
Weighted Average Shares Outstanding	<u>50,616,196</u>	<u>48,978,514</u>

The Kingsley Coach, Inc.
Statements of Stockholders' Deficit
For the Three Month Periods
Ended September 30, 2006 and 2005
(Unaudited)

	Shares Issued	Common Stock	Class B Common Stock	Deferred Compen- sation	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance, June 30, 2005	48,862,572	488	10	(1,156,568)	5,866,926	(7,565,156)	(2,854,300)
Issued shares at \$.15 per share	666,667	7			99,993		100,000
Amortization of deferred compensation	0	0		133,874			133,874
Net loss for the three months ended September 30, 2005						(276,552)	(276,552)
Balance, September 30, 2005	49,529,239	495	10	(1,022,694)	5,966,919	(7,841,708)	(2,896,978)

	Shares Issued	Common Stock	Class B Common Stock	Deferred Compen- sation	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance, June 30, 2006	49,729,239	497	10	(621,069)	5,995,173	(9,989,390)	(4,614,778)
Issued shares for services at \$.08 per share	400,000	4		(32,000)	31,996		0
In Issued shares for services at \$.08 per share	2,000,000	20		(160,000)	159,980		0
Amortization of deferred compensation	0	0		122,540			122,540
Net loss for the three months ended September 30, 2006						(574,712)	(574,712)
Balance, September 30, 2006	52,129,239	521	10	(690,529)	6,187,149	(10,564,102)	(5,066,950)

The Kingsley Coach, Inc.
 Statements of Cash Flows
 For the Three Month Periods
 Ended September 30, 2006 and 2005
 (Unaudited)

	<u>Three Months Ended</u>	
	September 30, 2006	September 30, 2005
<u>Cash Flows Provided by/(Used for) Operating Activities</u>		
Net Income/(Loss)	\$ (574,712)	\$ (276,552)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	8,025	4,947
Issued stock for services/expenses	122,540	133,874
Debt issuance costs	8,286	17,222
Decrease (increase) in accounts receivable	1,300,000	(4,144)
Decrease (increase) in receivable related party		2,192
Decrease (increase) other receivables		(1,864)
Decrease (increase) in inventory	288,358	(31,013)
Increase (decrease) in accounts payable	(223,228)	(149,083)
Increase (decrease) in warranty reserve	217	
Increase in other current liabilities	(30,440)	(65,656)
Increase (decrease) in customer deposits	(246,925)	313,002
Net Cash Provided by/(used for) Operating Activities	652,121	(57,075)
<u>Cash Flows Provided by/(Used for) Investing Activities</u>		
Acquisition of property and equipment		(98,694)
Net Cash Used for Investing Activities	0	(98,694)
<u>Cash Flows Provided by/(Used for) Financing Activities</u>		
Issued stock for cash		100,000
Bank overdrafts	(76,197)	181,199
Proceeds from Stockholders loan	(6,425)	19,363
Proceeds from notes payable	150,000	39,053
Principal payments/reductions	(635,330)	(220,496)
Net Cash Provided by/(Used for) Financing Activities	(567,952)	119,119
Net Increase/(Decrease) in Cash	84,169	(36,650)
Beginning Cash Balance	2,195	37,092
Ending Cash Balance	\$ 86,364	\$ 442
Interest paid	\$ 130,455	\$ 47,700

