

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-KSB**

☒ ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2007

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

**Commission file number: 000-49600**

**SIGNATURE LEISURE, INC.**  
(Exact name of small business issuer as specified in its charter)

1375 Semoran Boulevard  
Unit 1035  
Casselberry, Florida 32707  
(407) 599-2886  
Address of Principal Executive Offices

Colorado  
(State of incorporation)

50-0012982  
(IRS Employer Identification #)

Securities registered under Section 12(b) of the Exchange Act: None  
Securities registered under Section 12(g) of the Exchange Act: Common Stock, par value \$.0001 per share

☐ Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act

☒ Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports, and (2) has been subject to such filing requirements for the past 90 days.

☒ Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation SB contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10KSB or any amendment to this Form 10-KSB.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ YES ☒ NO

Issuer's revenues for its most recent fiscal year: \$859,610

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the bid/ask price of \$.005 at April 7, 2008 is \$643,543

The number of shares outstanding of the Registrant's common stock as of December 31, 2007 was 234,477,965

The number of shares outstanding of the Registrant's preferred stock is -0-

Transitional Small Business Disclosure Format: ☐ YES ☒ NO

**Table of Contents**

<b>Description of Business</b>	3
<b>Description of Property</b>	7
<b>Legal Proceedings</b>	8
<b>Submission of Matters to a Vote of Security Holders</b>	8
<b>Market for Common Equity and Related Stockholder Matters</b>	8
<b>Recent Sales of Unregistered Securities</b>	9
<b>Management's Discussion and Analysis or Plan of Operations</b>	10
<b>Financial Statements</b>	14
<b>Changes In / Disagreements on Accounting and Financial Disclosure</b>	32
<b>Controls and Procedures</b>	32
<b>Directors, Executive Officers, Promoters and Control Persons</b>	34
<b>Section 16(a) Beneficial Ownership Reporting Compliance</b>	35
<b>Code of Ethics</b>	35
<b>Executive Compensation</b>	36
<b>Security Ownership of Certain Beneficial Owners and Management</b>	37
<b>Certain Relationships and Related Transactions and Director Independence</b>	38
<b>Exhibits and Reports on Form 8-K</b>	39
<b>Index to Exhibits and Reports</b>	39
<b>Principal Accountant Fees and Services</b>	40
<b>Signatures</b>	41

## **Description of Business**

### Overview

Signature Leisure, Inc. was incorporated in the State of Colorado on March 15, 2000 as JDLPhotos.com, Inc. Through January 20, 2003, JDLPhotos.com, Inc. was located in Longmont, Colorado and was a retailer of matted and framed photographs. Due to the continuing losses from operations and the increasing expense related to the public entity, a new management and business opportunities were sought. On January 20, 2003, the Company underwent a change of control, and as a result of this change in control, the Company became a public shell.

In February of 2003, the Company changed its name from JDLPhotos.com, Inc. to Valde Connections, Inc. The Company began pursuing a business strategy of identifying profitable clinical day spa and salons for potential acquisitions, as well as considering future company growth through building new facilities in selected locations. In August of 2003 the Company changed its name to Signature Leisure, Inc., to more closely relate with the business direction of the company. Due to the difficulty the Company had trying to complete agreements for spa operations; management began considering other opportunities to establish revenue for the Company.

In February 2004, Signature Leisure completed the registration process to become buyers and sellers of vehicles at five Central Florida vehicle auction facilities. The Company received a license from the State of Florida's Department of Highway Safety and Motor Vehicles to operate as an independent dealer in motor vehicles. Signature Leisure, Inc., d.b.a. Signature Auto operated this pre-owned automobile dealership at 1111 N. Orlando Avenue, Winter Park, Florida 32789. Signature Leisure, Inc., d.b.a. Signature Auto sold its first six vehicles during the week of March 8<sup>th</sup>, 2004.

The hurricanes that hit Central Florida in August and September 2004 severely damaged the Company's offices and auto sales facility; subsequently causing the Company to relocate to office and warehouse space located at 100 Candace Drive, Suite 100, Maitland, Florida 32751, such relocation occurring at the end of September 2004. Having been unable to generate profitable auto sales, the Company decided to terminate auto sales operations in January of 2007 and has surrendered its Florida automotive dealer license.

On February 15, 2005, Signature Leisure, Inc. acquired certain assets from Parker Productions, a sole proprietorship operating in the State of Florida. Parker productions operations consisted of modeling and event staffing services. During February 2005, Signature Leisure incorporated a new company with the name Parker Productions, Inc. as a wholly-owned subsidiary of Signature Leisure. Following Signature Leisure's acquisition of Parker Production's assets, Signature Leisure placed the assets in Parker Productions, Inc.

On July 21, 2005 Signature Leisure, Inc. formally incorporated E Cubed Technologies, Inc. in the state of Florida in order to better organize and market its network and technology services offerings. E Cubed Technologies, Inc. is an authorized dealer for DocSTAR, a document imaging solutions company.

In January of 2007 the Company formed a wholly owned subsidiary, Signature Leisure, Inc. in the State of Minnesota to provide business consulting services to assist non public companies who are going public. Additionally, the Company provides investor relation services to these companies by fielding inquiries from investors. During the course of these services the Company is given the opportunity to invest in the client's common stock.

### Business of Issuer

The business of Signature Leisure, Inc. during the period ending December 31, 2007 included the operations of Parker Productions, Inc., a modeling and event staffing business, E Cubed Technologies, an information technology services company; and, an investor relations and business consulting segment started in January 2007, a Minnesota based corporation under the name of Signature Leisure, Inc.

The focus of operations for the next 12-month period will be primarily the operations of Signature Leisure, Inc. (Investor Relations Division). E Cubed Technologies and Parker Productions are currently functioning operating units but have not historically generated significant revenues. Signature Leisure, Inc. expects to use profits from each operating units' operations to maintain and grow the operations of each operating unit. Parker Productions operations is a modeling and event staffing business. The individual models and staff that we provide to our clients operate as independent contractors. E Cubed Technologies is a network and technologies service company which currently is a non-exclusive dealer for the DocSTAR archival system. Investor relations and consulting operations began in January 2007 and will continue to be developed as our primary business segment in 2008.

**Signature Leisure, Inc. (Investor Relations Division)**

Signature Leisure, Inc. operations are being developed as investor relations and consulting business. The Company has formed a Minnesota based corporation under the name of Signature Leisure, Inc. Signature presently has offices in Champlain, MN and Fort Wayne, IN. This business segment was started in January 2007.

The addresses are:

Signature Leisure, Inc.  
11108 Zealand Ave N Ste 201  
Champlain, MN 55316

Presently the company is providing customers with two basic forms of service. The first form of service is providing investor relations services for publicly traded companies. Signature represents client companies as the primary point of contact for investors acting as an Investor Relations representative for our clients. We field phone calls and emails from investors so that the company management of our clients can focus on operating and growing their businesses rather than fielding inquiries from investors. Presently, we are focused on developing a list of clients that are listed on either the Pink Sheets or the Over-The-Counter Bulletin Boards.

The second form of services is in the form of providing privately held companies with general business consulting services. Signature assists client companies with various projects and business management services. In addition, Signature provides services relating to business structure and organizational management, corporate planning and strategic growth management.

**E Cubed Technologies, Inc.**

E Cubed Technologies has started business operations in the greater Orlando, Florida area. We are an authorized dealer for DocStar, one of the leading document imaging solution builders. DocSTAR, which is a product of AuthentiDate, Inc., provides clients with a document imaging and retrieval solution. DocSTAR (Document Storage and Retrieval) offers software products for the document imaging industry with a suite of software solutions that securely scans, stores and retrieves documents.

DocSTAR is a total document storage and retrieval system which takes paper documents, indexes them and stores them securely for later retrieval by end users either at the host system or a client workstation on the local computer network. After E Cubed Technologies installs a system sold to a client, the client employees are then trained in the usage of DocSTAR's filing and retrieval process. The clients then use a high speed scanner connected to either the host machine or a computer attached to the organizations computer network designated as a scan station to scan paper documents and file them in the DocSTAR system. The filing process differs for every client, as each of the document types they use will have what is called a template setup for them to more efficiently file the document and ease the retrieval process. The template is simply a set of instructions that have been specified by the client telling the DocSTAR system how to file each document and what information to use when indexing the document. Once retrieved by a client computer, the documents can be faxed emailed, or printed to paper directly from the DocSTAR system.

As per our agreement with DocSTAR, sales staff is to be trained by DocSTAR in a short product application course. Additionally, any representatives servicing DocSTAR must be trained in a more intensive technical course. The agreement specifies the counties of Orange, Seminole, Volusia, Brevard, Lake, and Osceola in the state of Florida as our direct market territories. Clients outside of that area would require us to involve DocSTAR corporate and, in many cases, another DocSTAR partner. The agreement does not prohibit us from selling and servicing other products. The agreement does not have minimum requirement for sales over any period of time. The agreement can be terminated by either party at anytime for any reason. In the event that DocSTAR terminates the agreement we will have a period of twelve months to continue servicing clients owing to the incidental fact that any particular client may have an existing service contract in place with us that may not have yet expired.

E Cubed Technologies is an authorized reseller of Dell products. This means we have the ability to purchase computer and network hardware and software at reseller pricing for resale to our clients. It gives us the ability to access a partner website where we can get customized support, training options and partner only specials.

#### **Parker Productions, Inc.**

Parker Productions, Inc. is a modeling and event staffing business. The individual models and staff that the Company provides to clients operate as independent contractors to the Company.

Parker Productions generates revenues by contracting models and event staff for client companies and organizations to utilize for special events and promotions. Some projects get billed as a flat fee for the entire promotional project; however, the majority is single event contracts which we charge the client a premium rate per hour for the contracted staff.

Presently the company is providing customers with two basic forms of service. The first type of service is providing staff (models) for area conventions. Such type of services would include providing staff members to assist in managing the company's booth at a convention. The staff member would assist the client with visitors to the client's booth.

The second form of service is in the form of beverage promotions. Such promotions take place in area bars, in which Parker staff assist the client to gain product awareness from the bar patrons.

#### Competitive Business Conditions

##### **Signature Leisure, Inc. (Investor Relations Division)**

Providing investor relations services to Pink Sheet and OTC BB listed companies is a niche market. Our competitors consist primarily of smaller privately held companies, as well as individuals, that solicit public companies to become employed as their investor relation's representative.

Our competitors will target the same public companies that may have an interest in our investor relation's services and we will only be able to distinguish our services by the ultimate quality and efficiency of services that we provide. We will attempt to differentiate our services by building trusted relationships with client companies and the investment community as well as working to build shareholder bases for the long term.

Additionally, the consulting service being provided to privately held companies is a niche market. Our competitors consist primarily of smaller privately held companies, as well as individuals, that assist such companies with consulting services. We will attempt to differentiate our services by providing uniquely structured opportunities for each of our clients to facilitate efficient growth within their business.

**Parker Productions - Modeling and Event Staffing Business**

The modeling and event staffing business is another industry characterized by intense competition. Our main competition in the region is Axis Talent and Promotions. Competition is intense and we expect it to increase. Increased competition could result in:

- inability to gain market share;
- loss of market share; and
- increased marketing expenditures.

As a result of our competition targeting our same market; individuals and corporate entities interested in our modeling and event staffing services, we will only be able to distinguish our services as the result of our advertising programs and ultimately quality and efficiency of service. Our goal is to determine methods by which we can maximize contacts with national clients. We do not anticipate distinguishing our services from other like services available in the market in the near future.

**E Cubed Technologies - Networked Technology Services**

E Cubed Technologies focuses on maintaining and evaluating our clients and helping them to acquire, configure, and maintain systems that we believe make sense in their business environments.

The competitors for E Cubed Technologies include: hardware focused dealers; storefront computer resellers, chain stores and computer super stores which include major chains such as CompUSA and Best Buy. Our average competitor has more than 10,000 square feet of space and usually offers walk-in service.

Marketing**Signature Leisure, Inc. (Investor Relations Division)**

Within the investor relations segment of this division, we currently focus on Pink Sheet and OTC BBB listed companies. We utilize cold call selling techniques in an attempt to locate potential client whose needs generally match our offerings. We then tailor the services being offered to the potential client to more specifically match the client's needs. We believe clients rarely compare investor relations companies directly, looking for two, or more, possible providers of a proposed project or job. We believe they typically follow word-of-mouth recommendations, rather than selecting from a menu of possible providers.

Within the consulting services segment of the division, we focus on word-of-mouth referrals from business associates. We believe potential clients rarely would compare our services with other consulting firms because typically potential clients are not even aware of any potential competitors offering similar services.

**E Cubed**

We currently have an informational Kiosk type system placed that has a potential to generate leads for the DocSTAR system. We are not currently performing cold call prospecting of potential clients in our general geographic area. No advertising campaigns are anticipated or planned. We currently do not have dedicated staff to market this segment.

The target customer is a small business with five to twenty-five employees using network and computer based applications. We believe that this type of entity will generally have a small number of decision makers and are very cost and customer service conscious. We believe that the particular advantage of this customer is the fact that most small business owners and decision makers know and align themselves with other small business owners and decision makers. We believe that this presents us with an ideal scenario for word of mouth marketing.

**Parker Productions**

We currently focus on businesses, whose needs generally match our offerings, outlining several benefits to potential clients including fiscal and time efficiencies as well as more effective exposure and campaign results

We believe clients rarely compare promotional groups directly, looking for two, or more, possible providers of a proposed project or job. We believe they typically follow word-of-mouth recommendations, rather than selecting from a menu of possible providers.

We currently do not have dedicated staff to market this segment. We have a functional website for our services and maintain functionality for any event staffing opportunities.

**Government Regulation**

Other than the local licensing and registration requirements of our former Auto dealership segment, we are not aware of any specific government regulations that we need to comply with in order to operate our businesses.

**Consultants/Employees**

Signature Leisure currently utilizes two consultant/employees, in addition to our sole officer and director Mr. Carnes, for operations in our business segments. Additional services required for our operations are provided by subcontractors engaged as required.

Signature Leisure, Inc. (Parent)

- Stephen W. Carnes, President
- Cynthia Wainwright, Administrative Assistant
- Barbara Moran, Staff Attorney

Signature Leisure, Inc. (Investor Relations Division)

- Stephen W. Carnes, President

Parker Productions (Event Staffing)

- Stephen W. Carnes, President
- Cynthia Wainwright, Administrative Assistant

E Cubed Technologies (Information Technology Services)

- Stephen W. Carnes, Sales Director

Parker Productions, Inc. maintains a large list of independent contractors for use at tradeshow and promotional events, these contractors used on a random basis wholly dependent upon client need. All independent contractors are contracted on an "as needed" basis.

**Description of Property**

Signature Leisure, Inc. has office space located at 1375 S.R. 436, Suite 1035, Casselberry, FL 32707. The Company entered into a lease in January of 2007 whereby it utilizes approximately 1,500 sq. ft. of office space in exchange for providing document storage and retrieval services. The lease is on a month-to-month basis. Management believes these facilities are sufficient for our current operations.

Signature Leisure, Inc. has office space located at 11108 Zealand Ave N., Suite 201, Champlain, MN 55316. The Company entered into a lease agreement in January 2007 whereby it utilizes approximately 131 sq. ft. of office space. Currently, we lease this office space on a month to month lease for \$543.50 per month.

## Legal Proceedings

No legal proceedings were initiated by or served upon the Company in the fiscal year ending December 31, 2007.

## Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of fiscal year 2007.

The company conducted an Annual Meeting of Shareholders on August 23, 2007; and discloses herein final voting results as pertaining to the matters voted upon at the annual meeting.

78.73% (184,623,504 of 234,477,965) of the shares outstanding as of the record date were voted.

### *Proposal One – Elections of Directors:*

	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
Stephen W. Carnes	99.84%	0%	0.16%
	184,321,115	0	302,389

### *Proposal Two – Approval of Independent Public Accountant:*

	<u>YES</u>	<u>NO</u>	<u>ABSTAIN</u>
Weaver & Martin, LLC.	98.72%	1.12%	0.14%
	182,266,292	2,085,894	271,317

## Market for Common Equity and Related Stockholder Matters

Signature Leisure, Inc. common stock is listed on the NASDAQ Bulletin Board under the symbol “SGLS”. Previously, the common stock was listed under the symbol “VLDE” (effective February 14, 2003). Prior to that, the common stock was listed under the symbol “JDLP” (effective May 24, 2002). The following table sets forth the high and low bid prices for our common stock for the periods indicated as reported by the NASDAQ Over-the-Counter Bulletin Board. The quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

<u>YEAR 2006</u>	<u>High Bid</u>	<u>Low Bid</u>
Quarter Ended March 31, 2006	\$0.268	\$0.111
Quarter Ended June 30, 2006	\$0.185	\$0.080
Quarter Ended September 30, 2006	\$0.033	\$0.019
Quarter Ended December 31, 2006	\$0.009	\$0.003
<u>YEAR 2007</u>	<u>High Bid</u>	<u>Low Bid</u>
Quarter Ended March 30, 2007	\$0.028	\$0.010
Quarter Ended June 29, 2007	\$0.046	\$0.013
Quarter Ended September 28, 2007	\$0.0279	\$0.020
Quarter Ended December 31, 2007	\$0.0145	\$0.008

### Holdings

Signature Leisure, Inc. had 234,477,965 shares of common stock issued and outstanding as of December 31, 2007.

Signature Leisure, Inc.’s shares of outstanding common stock are held by approximately 59 shareholders of record and an undetermined number of holders in street name.

Signature Leisure, Inc. has currently 0 shares of preferred stock issued and outstanding.

Dividend Policy

Signature Leisure, Inc. has not paid a cash dividend on its common stock in the past two fiscal years. There are no restrictions on the common stock or otherwise that limit the ability of us to pay cash dividends if declared by the Board of Directors. The holders of common stock are entitled to receive dividends if and when declared by the Board of Directors, out of funds legally available therefore and to share pro-rata in any distribution to the shareholders. Generally, we are not able to pay dividends if after payment of the dividends, we would be unable to pay our liabilities as they become due or if the value of our assets, after payment of the liabilities, is less than the aggregate of our liabilities and stated capital of all classes. The Company does not anticipate paying any cash dividends on its common stock in the next 12 month period. Management anticipates that earnings, if any, will be retained to fund the Company's working capital needs and the implementation of its business plan. The payment of any dividends is at the discretion of the Board of Directors.

Equity Compensation Plan Information

The following table provides information as of December 31, 2007 regarding compensation plans (including individual compensation arrangements) under which equity securities are authorized for issuance:

<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted-average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities available for future issuance under equity compensation plans (excluding securities shown in first column)</u>
Equity compensation plans approved by shareholders	0	\$0.0	0
Equity compensation plans not approved by shareholders <sup>(1)(2)</sup>	0	\$ 0.0	0
<b>Total</b>	<b>0</b>	<b>\$ 0.0</b>	<b>0</b>

<sup>(1)</sup> Consists of shares of our common stock issued or remaining available for issuance under our Second Amended Signature Leisure Stock Compensation Plan dated January 24, 2006.

<sup>(2)</sup> Our Second Amended Signature Leisure Stock Compensation Plan dated January 24, 2006 authorized 20,000,000 common shares and was registered on Form S-8 Effective January 27, 2006. This plan authorizes the board of directors to issue common stock as compensation to employees, advisors and consultants. As of June 30, 2007, the Company has issued all shares under the plan.

**Recent Sales of Unregistered Securities**

None, during the three month period ended December 31, 2007.

## **Management's Discussion and Analysis or Plan of Operations**

This statement may include projections of future results and “forward looking statements” as that term is defined in Section 27A of the Securities Act of 1933 as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934 as amended (the “Exchange Act”). All statements that are included in this Quarterly Report, other than statements of historical fact, are forward looking statements. Although management believes that the expectations reflected in these forward looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct.

### **Summary of Operations**

The business of Signature Leisure, Inc. during the period ending December 31, 2007 included the operations of Parker Productions, Inc., a modeling and event staffing business, E Cubed Technologies, an information technology services company; and, an investor relations and business consulting segment started in January 2007, a Minnesota based corporation under the name of Signature Leisure, Inc. Our focus of operations for the next 12-month period will be to develop our business segments focusing on growing operations in each entity to generate revenues. Signature Leisure, Inc. intends to use profits from operations to maintain and grow each business segment. We will continue our efforts to raise additional capital to maintain existing and generate expanded operations. To date the only segment we have generated any significant profits is our investor relations and business consulting segment started in January 2007.

### **Financial Condition and Results of Operations**

#### **Results of Operations for the Twelve Month period Ended December 31, 2007**

During the fiscal year ending December 31, 2007 the Company had revenues of \$859,610 and experienced a net operating loss of \$332,932. Selling, general and administrative expenses of \$839,149 and contract services expenses totaling \$353,393 were contributors to the net operating loss.

During the fiscal year ending December 31, 2006 the Company had revenues of \$58,498 and experienced a net operating loss of \$2,166,108. Selling, general and administrative expenses of \$1,960,633 and provision for doubtful accounts of \$216,781 were primary contributors to the net operating loss.

The significant difference in net operating loss for the fiscal years ending December 31, 2007 and 2006 is primarily due to a significant increase in revenues for the period ending December 31, 2007. Revenues for the year ending December 31, 2007 were \$859,610; as compared to revenues of \$58,498 for the prior year.

#### **Expenses**

For the twelve months ended December 31, 2007, our selling, general and administrative expenses were \$839,149, as compared to \$1,960,633 for the twelve months ended December 31, 2006. Selling, general and administrative expenses decreases were primarily contributed to as a result of a reduction in stock-based compensation for consulting services. In 2006, expenses of \$1,243,750 were expended for consulting services; in 2007, the amount expended for consulting services was \$126,313.

#### **Revenue by Segment**

Revenues from consulting for the twelve month period ended December 31, 2007 were \$811,000; service revenues for the period were \$30,000; and, revenue from sales totaled \$18,610.

#### **Net Loss**

We incurred a net loss of \$419,982 for the year ended December 31, 2007, compared to a net loss of \$2,291,293 for the year ended December 31, 2006. At December 31, 2007, we had current assets of \$401,449 and current liabilities of \$1,045,986, resulting in a working capital deficit of \$644,537; comparably, at December 31, 2006, we had current assets of \$91,327 and current liabilities of \$432,167, resulting in a working capital deficit of \$340,840.

Investment Activities

## Revenge LLC, Loan and Equity Purchase

In July, 2006, Signature Leisure entered into a Loan and Stock Purchase Agreement with Revenge Designs, LLC ("Revenge"), Thomas Cress and Peter Collorafi (collectively "Owner").

On July 14, 2006 the Company loaned to Revenge \$50,000. On July 19, 2006 the Company loaned Revenge an additional \$50,000 to bring the total loan to \$100,000 with interest at 25%. Revenge agreed to pay \$7,000 per quarter starting on January 1, 2007 and continuing on the 1st day of each subsequent quarter through September 30, 2008. The principal balance and any unpaid accrued interest mature on October 1, 2008.

On July 19, 2006 the Company paid to Revenge \$100,000 for a 25% ownership interest. The Company is accounting for the investment under the equity method. The Company records its proportionate share of Revenge's income or loss and reduces the investment accordingly. At December 31, 2006, the losses incurred by Revenge reduced the Company's investment to \$0.

On September 29, 2006 the Company loaned Revenge an additional \$100,000. Payments of interest only at 25% of the unpaid balance began on January 15, 2007 and continue quarterly on the 15<sup>th</sup> day of the first month of each quarter. The principal balance and any unpaid accrued interest mature on October 1, 2008.

As of September 30, 2007, the Company's management recorded an allowance against the two promissory notes and related accrued interest totaling \$243,178.

On September 19, 2007 the Company loaned Revenge an additional \$32,000. Interest will accrue at 25%. The principal balance and any accrued interest mature on September 30, 2008.

In October of 2007 the Company combined the \$200,000 notes receivable and the \$32,000 note receivable. The Company sold the note in October 2007 for \$50,000. The Company received a note receivable at an interest rate of 10%, payable in monthly installments beginning June 1, 2008.

In October 2007 the Company received 2,400,000 shares of preferred stock in Revenge Designs, Inc. for its 25% share in Revenge Designs, LLC. The Company has announced its intention of remitting all of its Revenge Designs, Inc. preferred shares to the Company's shareholders in the form of a dividend.

Liquidity and Capital Resources

During the fiscal year ending December 31, 2007 the Company received \$71,332 net cash provided by financing activities primarily from proceeds from borrowings. Net cash used in operating activities totaled \$87,570. Cash used in investing activities was \$33,339. The resultant overall net decrease in cash for the period was \$49,577; where the beginning balance for the period was \$83,479, the cash balance at the end of the period was \$33,902.

During the fiscal year ending December 31, 2006 the Company received \$779,109 net cash provided by financing activities primarily from proceeds from sale of common stock. Net cash used in operating activities totaled \$431,173. Cash used in investing activities was \$300,000. The resultant overall net increase in cash for the period was \$47,936; where the beginning balance for the period was \$35,543, the resultant cash balance at the end of the period was \$83,479.

Currently, the majority of our operations have been funded through loans and from the issuance of our common stock. We have not generated sufficient revenue to pay for our operations. We continue to experience substantial cash flow difficulties and we expect to experience cash flow difficulties for an indefinite period. Although no assurances can be given, we believe that our cash flow deficit will improve as revenues and sales increase. In addition, although no assurances can be given, we believe that we may be able to secure additional equity and/or debt financing.

A critical component of our operating plan impacting our continued existence is the ability to obtain additional capital through additional equity and/or debt financing. We do not anticipate enough positive internal operating cash flow until such time as we can generate substantial revenues, which may take the next few years to fully realize. In the event we cannot obtain the necessary capital to pursue our strategic plan, we may have to cease or significantly curtail our operations. This would materially impact our ability to continue operations.

Our near term cash requirements are anticipated to be offset through the receipt of funds from private placement offerings and loans obtained through private sources. Since inception, we have financed cash flow requirements through debt financing and issuance of common stock for cash and services. As we expand operational activities, we may continue to experience net negative cash flows from operations, pending receipt of servicing or licensing fees, and will be required to obtain additional financing to fund operations through common stock offerings and bank borrowings to the extent necessary to provide working capital.

Over the next twelve months we believe that existing capital and anticipated funds from operations will not be sufficient to sustain operations and planned expansion. Consequently, we will be required to seek additional capital in the future to fund growth and expansion through additional equity or debt financing or credit facilities. No assurance can be made that such financing would be available, and if available it may take either the form of debt or equity. In either case, the financing could have a negative impact on our financial condition and our Stockholders.

We anticipate incurring operating losses over the next twelve months. Our lack of operating history makes predictions of future operating results difficult to ascertain. Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development. Such risks include, but are not limited to, an evolving and unpredictable business model and the management of growth. To address these risks we must, among other things, obtain a customer base, implement and successfully execute our business and marketing strategy, continue to develop and upgrade technology and products, respond to competitive developments, and attract, retain and motivate qualified personnel. There can be no assurance that we will be successful in addressing such risks, and the failure to do so can have a material adverse effect on our business prospects, financial condition and results of operations.

#### Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Based upon current operating levels, the Company may require additional capital or significant reconfiguration of its operations to sustain its operations for the foreseeable future.

The financial statements do not include any adjustments relating to the recoverability and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis and ultimately to attain profitability. The Company has limited capital with which to pursue its business plan. There can be no assurance that the Company's future operations will be significant and profitable, or that the Company will have sufficient resources to meet its objectives. The Company is partially dependent upon its officers and other insiders to provide working capital. However, there is no assurance that these loans and capital advances will continue in the future. The Company intends to generate sufficient revenues from consulting, investor relations, information technology consulting, and modeling and event planning services to fund its business plan. There is no assurance that the Company will be successful in raising additional funds.

Notes payable

On July 5, 2007 the Company borrowed \$25,000 from KCG Capital, Ltd. The note was due during February, 2008. If unpaid at that date interest begins to accrue at 15% (APR) on the unpaid balance monthly.

Related Party Notes Payable Transactions

The following notes were issued to the Company's president and sole director and are included in the accompanying financial statements as "Indebtedness to related parties".

On December 31, 2006, the Company executed a promissory note totaling \$256,360 for all outstanding debt to its president. The note carries a 12% interest rate and matures on July 15, 2007. During year end December 31, 2007 the note was repaid.

During the year ended December 31, 2007, the Company executed promissory notes to its president totaling \$180,973 as reimbursement for payment of expenses. The note matured on January 15, 2008. Total debt to president totaled \$180,973 and accrued interest totaled \$51,921 at December 31, 2007.

A promissory note was issued to the Company's vice president on December 31, 2006 in the amount of \$31,576. The note was paid during the year ended December 31, 2007. No interest was paid or accrued on this note.

On September 29, 2006 K & L International loaned the Company \$50,000. Payments of interest only at 15% of the unpaid balance began on January 15, 2007 and continue quarterly on the 15<sup>th</sup> day of the first month of each subsequent quarter. The note matures on October 31, 2008. In January 2007, the interest payment was extended to April 15, 2007. In September 2007 K & L International loaned the Company \$47,000 and combined the notes and accrued interest as of September 30, 2007 into one convertible note totaling \$104,879. Interest accrues at 10%. Principle and interest are payable when the note matures on December 31, 2008. The note can be paid in either cash or can be converted at the lenders discretion into common stock of the borrower at a discount of 50%(fifty percent) of the closing bid price of the borrower's stock price on the day prior to the date of the conversion notice. The beneficial conversion was recorded as interest expense of \$78,659 through additional paid in capital.

On February 28, 2007, a shareholder loaned the Company \$25,000 in exchange for a promissory note. The principal was due on May 1, 2007. The note was amended to have principal due on September 1, 2007. This note was repaid during September 2007. No interest was paid or accrued.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

**Signature Leisure, Inc.**  
**Financial Statements**

Contents

	<u>Page</u>
Reports of Independent Registered Public Accounting Firms	15 - 16
Consolidated Financial Statements	
Balance Sheet	17
Statements of Operations	18
Statement of Changes In Shareholders' Deficit	19
Statements of Cash Flows	20 - 21
Notes to Consolidated Financial Statements	22 - 31

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders  
Signature Leisure, Inc.

We have audited the accompanying balance sheet of Signature Leisure, Inc. as of December 31, 2007, and the related statements of operations, changes in shareholders' deficit and cash flows for the year then ended. These financial statements are the responsibility of Signature Leisure, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Signature Leisure, Inc. as of December 31, 2007, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses and had negative cash flows from operations that raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in the Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Weaver & Martin LLC  
Kansas City, Missouri  
April 14, 2008

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders:  
Signature Leisure, Inc.

We have audited the consolidated balance sheet of Signature Leisure, Inc. as of December 31, 2006 (not separately included herein), and the related statements of operations, changes in shareholders' deficit, and cash flows for the years ended December 31, 2006 and 2005 (not separately included herein). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Signature Leisure, Inc. as of December 31, 2006, and the results of their operations and their cash flows for the years ended December 31, 2006 and 2005, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 6 to the financial statements, the Company has incurred recurring losses, has negative working capital and a net capital deficiency at December 31, 2006 and, based upon current operating levels, requires additional capital or significant restructuring to sustain its operations for the foreseeable future. Management's plans in regard to this matter are also described in Note 6. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As discussed in Notes 3, 5 and 7 to the financial statements, the Company has entered into several transactions with its president and sole director including, but not limited to, the issuance of over 120,000,000 shares of the Company's common stock in exchange for compensation and the approval of \$1,050,000 in bonuses under the terms of an employment agreement. Related party transactions are not considered to be arms-length transactions under accounting principles generally accepted in the United States of America.

Cordovano and Honeck LLP  
Englewood, Colorado  
March 23, 2007

**SIGNATURE LEISURE, INC.  
CONSOLIDATED BALANCE SHEET**

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**December 31, 2007**

**Assets**

Current assets:

Cash	\$ 33,902
Accounts receivable	19,889
Deposits	5,425
Investment in marketable securities	283,125
Notes receivable	51,260
Inventory	<u>7,848</u>

Total current assets 401,449

Equipment, less accumulated depreciation of \$1,901 2,296

Intangible assets:

Website, net	416
Contact list, net	<u>416</u>

Total assets \$ 404,577

**Liabilities and Shareholders' Equity**

Current liabilities:

Accounts payable	\$ 198,415
Accrued liabilities	1,227
Indebtedness to related parties	695,695
Line of credit	18,126
Notes payable	129,879
Accrued interest payable	<u>2,644</u>

Total current liabilities 1,045,986

Shareholders' equity:

Preferred stock, \$.001 par value, 10,000,000 shares authorized, no shares issued and outstanding	-
Common stock, \$.0001 par value, 500,000,000 shares authorized, 234,477,965 shares issued and outstanding	23,448
Additional paid-in capital	7,108,013
Treasury stock, 932,000 shares, at cost	(26,673)
Retained deficit	<u>(7,746,197)</u>
Total shareholders' deficit	<u>(641,409)</u>

Total liabilities and shareholders' deficit \$ 404,577

The accompanying notes are an integral part of these financial statements.

**SIGNATURE LEISURE, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	<b>For the Year Ended December 31,</b>	
	<b><u>2007</u></b>	<b><u>2006</u></b>
Revenues		
Consulting	\$ 811,000	\$ -
Sales	18,610	-
Service revenues	<u>30,000</u>	<u>58,498</u>
Total revenue	<u>859,610</u>	<u>58,498</u>
Operating expenses:		
Contract services	353,393	47,192
Selling, general and administrative	839,149	1,960,633
Provision for doubtful accounts	<u>-</u>	<u>216,781</u>
Total operating expenses	<u>1,192,542</u>	<u>2,224,606</u>
Operating loss	(332,932)	(2,166,108)
Interest income	14,727	16,781
Loss on sale of marketable securities	(79,040)	-
Gain on sale of note receivable	18,000	-
Unrealized gain on marketable securities	81,268	-
Loss on LLC investment	-	(100,000)
Interest expense	<u>(122,005)</u>	<u>(22,682)</u>
Loss before income taxes	(419,982)	(2,272,009)
Provision for income taxes (Note 4)	<u>-</u>	<u>-</u>
Net loss from continuing operations	(419,982)	(2,271,009)
Loss from discontinued operations	<u>-</u>	<u>(19,284)</u>
Net income (loss)	<u><u>\$ (419,982)</u></u>	<u><u>\$ (2,291,293)</u></u>
Weighted average loss per share:		
Basic and diluted	<u>\$ (0.00)</u>	<u>\$ (0.02)</u>
Weighted average number of shares of common stock outstanding	<u><u>232,265,567</u></u>	<u><u>142,188,472</u></u>

The accompanying notes are an integral part of these financial statements.

**SIGNATURE LEISURE, INC.**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIT**

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Treasury Stock</u>	<u>Retained Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Par Value</u>				
<b>Balance – December 31, 2005</b>	100,138,265	\$ 10,014	\$ 4,099,007		\$ (4,964,579)	\$ (855,558)
Common stock issued in exchange for consulting services	31,250,000	3,125	1,240,625		-	\$ 1,243,750
Common stock issued in exchange for legal services	78,378	8	14,492		-	14,500
Common stock issued in exchange for accounts payable	78,378	8	14,492		-	14,500
Common stock issued for cash under terms of the equity distribution agreement	15,464,961	1,547	608,453		-	610,000
Common stock issued for payment of loan and accrued interest	2,057,993	206	82,513		-	82,719
Common stock issued for payment for accrued salary, bonus and auto allowance	42,965,415	4,296	637,371		-	641,667
Common stock issued for payment for officer salary	29,761,857	2,976	205,357		-	208,333
Net loss	-	-	-		(2,291,293)	(2,291,293)
<b>Balance – December 31, 2006</b>	221,795,247	22,180	6,902,310	-	(7,255,872)	(331,382)
Common stock issued in exchange for consulting services	12,397,004	1,240	125,073		-	126,313
Common stock issued in exchange for legal services	285,714	28	1,971		-	1,999
Beneficial interest in conversion of debt			78,659		-	78,659
Purchase of Treasury Stock				(26,673)	-	(26,673)
Dividend paid					(70,343)	(70,343)
Net loss					(419,982)	(419,982)
<b>Balance, December 31, 2007</b>	<u>234,477,965</u>	<u>\$ 23,448</u>	<u>\$ 7,108,013</u>	<u>\$ (26,673)</u>	<u>\$ (7,746,197)</u>	<u>\$ (641,409)</u>

The accompanying notes are an integral part of these financial statements.

**SIGNATURE LEISURE, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>For the Year Ended December 31,</b>	
	<u><b>2007</b></u>	<u><b>2006</b></u>
<b>CASH FLOWS FROM OPERATIONS</b>		
Net loss from continuing operations	\$ (419,982)	\$ (2,272,009)
Net loss from discontinued operations		\$ (19,284)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock issued for services	128,313	1,258,250
Stock issued for officer compensation	-	208,333
Beneficial interest in debt conversion	78,659	-
Gain on sale of note receivable	(18,000)	
Depreciation and amortization expense	7,668	7,941
Provision for doubtful accounts	-	216,781
Loss on LLC investment	-	100,000
Loss on sale of equity securities	79,040	-
Unrealized gain on investments	(81,268)	-
Purchase of equity securities	(1,570,623)	-
Proceeds from sale of equity securities	1,219,383	-
Changes in assets and liabilities:		
Accounts receivable	(19,889)	15,522
Deposit on equipment	(5,425)	-
Accrued interest income	(1,260)	(16,781)
Allowance for bad debt	-	(7,405)
Inventory and other current assets	-	18,513
Accounts payable and accrued liabilities	181,489	(10,396)
Accrued interest expense	733	19,295
Accrued salaries and related expenses	<u>333,592</u>	<u>50,067</u>
Net cash used in operating activities	<u>(87,570)</u>	<u>(431,173)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	(2,203)	-
Proceeds from sale of equipment	864	-
Cash loan to Revenge Designs, LLC	(32,000)	(200,000)
Purchase of 25% investment in Revenge Designs, LLC	<u>-</u>	<u>(100,000)</u>
Net cash used in investing activities	<u>(33,339)</u>	<u>(300,000)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	79,879	60,000
Proceeds from line of credit	18,126	-
Purchase of treasury stock	(26,673)	-
Proceeds from sales of common stock	-	610,000
Proceeds from notes issued to related parties	<u>-</u>	<u>109,109</u>
Net cash provided by financing activities	<u>71,332</u>	<u>779,109</u>
Net change in cash	(49,577)	47,936
Cash, beginning of period	83,479	35,543
Cash, end of period	<u>\$ 33,902</u>	<u>\$ 83,479</u>

The accompanying notes are an integral part of these financial statements.

**SIGNATURE LEISURE, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>For the Year Ended December 31,</b>	
	<b><u>2007</u></b>	<b><u>2006</u></b>
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	\$ <u>580</u>	\$ <u>-</u>
Income Taxes	\$ <u>-</u>	\$ <u>-</u>
Non-cash investing and financing transactions:		
Common stock issued as payment for accrued compensation	\$ <u>-</u>	\$ <u>641,667</u>
Dividend paid by issuing client stock	\$ <u>70,343</u>	\$ <u>-</u>
Common stock issued as payment for accounts payable	\$ <u>-</u>	\$ <u>14,500</u>
Common stock issued as payment for note payable	\$ <u>-</u>	\$ <u>79,689</u>
Common stock issued as payment for accrued interest	\$ <u>-</u>	\$ <u>3,030</u>

The accompanying notes are an integral part of these financial statements.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

**Note 1 – Nature of business and significant accounting policies**

Description of organization

Signature Leisure, Inc. (referred to as “Signature” or the “Company”) has been focused on the following operations during the years ended December 31, 2007 and 2006:

On February 15, 2005, the Company acquired assets from Parker Productions for the purpose of providing modeling and event staffing services.

In July 2005, E Cubed Technologies, Inc. (“E Cubed”) was incorporated by the Company to assume the existing information technology consulting operations of Signature. Additionally, E Cubed is an authorized dealer for a company that provides document imaging and retrieval solutions through software products that securely scan, store, and retrieve documents.

In January of 2007 the Company formed a wholly owned subsidiary, Signature Leisure, Inc. in the State of Minnesota to provide business consulting services to assist non public companies who are going public. Additionally, the Company provides investor relation services to these companies by fielding inquiries from investors. During the course of these services the Company is given the opportunity to invest in the client’s common stock.

Management may also consider other opportunities as additional or alternative means to develop revenue for the company.

Consolidation

The condensed consolidated financial statements for the year ended December 31, 2007 and 2006 included in this report include the activities of Signature Leisure, Inc. and its wholly-owned subsidiaries, Parker Productions, Inc., E Cubed Technologies, Inc. and Signature Leisure, Inc. (Minnesota). All significant intercompany balances and transactions have been eliminated in consolidation.

Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities; 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. Accordingly, actual results could differ from those estimates.

Accounts Receivable

Accounts receivable consists of amounts due from customers for sales of products and services. The Company considers accounts more than 30 days old to be past due. The Company uses the allowance method for recognizing bad debts. When an account is deemed uncollectible, it is written off against the allowance. An account is considered doubtful when it is over 90 days past due and any attempts to collect are unsuccessful. The Company generally does not require collateral for its accounts receivable.

Inventory

Inventory is stated at the lower of cost (specific identification) or market. Market is generally considered to be net realizable value. Inventory consists of the following at December 31, 2007:

Docstar System	\$ 7,848
Total Inventory	<u>\$ 7,848</u>

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

Equipment

Equipment is stated at cost. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets, currently estimated at three years. Expenditures for additions and improvements are capitalized, while repairs and maintenance costs are expensed as incurred. The cost and related accumulated depreciation of property and equipment sold or otherwise disposed of are removed from the accounts and any gain or loss is recorded in the year of disposal. Depreciation expense totaled \$1,001 and \$1,274 for the years ended December 31, 2007 and 2006, respectively.

Intangible assets

The intangible assets are stated at cost and amortized over an estimated useful life of three years using the straight-line method. Amortization commenced on February 15, 2005 and amortization expense for the year ended December 31, 2007 and 2006 totaled \$6,667 and \$6,667, respectively.

Major classes of intangible assets consist of the following at December 31, 2007 and 2006:

	December 31,	
	2007	2006
Website	\$ 10,000	\$ 10,000
Customer list	10,000	10,000
Accumulated amortization	(19,168)	(12,500)
	<u>\$ 832</u>	<u>\$ 7,500</u>

Long-Lived Assets and Impairment

In accordance with SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets* ("SFAS No. 144"), when current events or circumstances indicate that the carrying value of an asset may not be recoverable, the Company tests the carrying value of the asset. If the tests indicate that the carrying value of the asset is greater than the expected undiscounted cash flows to be generated by such asset, then an impairment adjustment needs to be recognized. Such adjustment consists of the amount by which the carrying value of such asset exceeds its fair value. The Company generally measures fair value by considering sale prices for similar assets or by discounting estimated future cash flows from such asset using an appropriate discount rate. Considerable management judgment is necessary to estimate the fair value of assets, and accordingly, actual results could vary significantly from such estimates. Assets to be disposed of are carried at the lower of their carrying value or fair value less costs to sell.

Revenue recognition

The Company recognizes revenue for modeling and event staffing services in the period the services are provided.

The Company recognizes revenue from information technology consulting operations and document imaging and retrieval solutions when services are provided or when software is shipped.

The Company recognizes revenue from investor relation services when services are provided. Business consulting services are contracted for over a course of one year and recognized monthly.

Cash and cash equivalents

For the purpose of the statements of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

Advertising Costs

The Company expenses all costs of advertising as incurred. There were advertising costs included in general and administrative expenses of \$1,783 and \$40 as of December 31, 2007 and December 31, 2006, respectively.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

General and administrative expenses

General and administrative expenses consist of the following for the year ended December 31, 2007 and 2006:

	2007	2006
Officer compensation	\$ 250,000	\$ 41,667
Officer bonus	150,000	-
Stock-based compensation: (Note 5):		
Legal services	2,000	14,500
Officer salary	-	208,333
Consulting services	126,313	1,243,750
Consulting service	45,146	243,210
Legal fees	120,300	87,451
Other G & A expense	145,390	121,722
	<u>\$ 839,149</u>	<u>\$ 1,960,633</u>

Fair value of financial instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2007. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash, notes and accounts receivable, marketable securities, accounts payable, accrued expenses and notes payable. Fair values were assumed to approximate carrying values for these items because they are short term in nature or are payable on demand.

Income taxes

The Company accounts for income taxes under the provisions of SFAS No. 109, "*Accounting for Income Taxes*". SFAS No. 109 requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities arise from the difference between the tax basis of an asset or liability and its reported amount on the financial statements. Deferred tax amounts are determined by using the tax rates expected to be in effect when the taxes will actually be paid or refunds received, as provided under currently enacted law. Valuation allowances are established when necessary to reduce the deferred tax assets to the amounts expected to be realized. Income tax expense or benefit is the tax payable or refundable, respectively, for the period plus or minus the change during the period in the deferred tax assets and liabilities.

Earnings per share

The Company has adopted Statement of Financial Accounting Standards No. 128, *Earnings per Share* ("SFAS No. 128"). Basic earnings per common share ("EPS") calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earning per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding. During periods when common stock equivalents, if any, are anti-dilutive they are not considered in the computation. The Company had no stock awards outstanding at December 31, 2007.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

Stock-Based Compensation

On January 1, 2006, the Company adopted SFAS 123 (revised 2004), *Share-Based Payment* ("SFAS 123(R)"), which requires the measurement and recognition of compensation expense for all share-based awards made to employees and directors, including employee stock options and shares issued through its employee stock purchase plan, based on estimated fair values. In March 2005, the Securities and Exchange Commission issued Staff Accounting Bulletin 107 ("SAB 107") relating to SFAS 123(R). The Company has applied the provisions of SAB 107 in its adoption of SFAS 123(R). The Company adopted SFAS 123(R) using the modified prospective transition method, which requires the application of the accounting standard as of the beginning in 2006. The Company's financial statements as of and for the years ended December 31, 2007 and 2006 reflect the impact of SFAS 123(R). In accordance with the modified prospective transition method, the Company's financial statements for prior periods do not include the impact of SFAS 123(R).

Stock compensation expense recognized during the period is based on the value of share-based awards at the date of the award. Stock compensation expense in 2007 and 2006 includes compensation expense for the share-based awards granted subsequent to January 1, 2006 based on the grant date fair value estimated in accordance with the provisions of SFAS 123(R). 2007 and 2006 stock compensation also includes expense for any share-based awards granted prior to January 1, 2006, but vested subsequent to January 1, 2006, based on the grant date fair value estimated in accordance with the provisions of SFAS 123(R). As stock compensation expense recognized in the statement of operations is based on awards ultimately expected to vest, it has not been reduced for estimated forfeitures because they are estimated to be negligible. SFAS 123(R) requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Prior to the adoption of SFAS 123(R), the Company accounted for stock-based awards to employees and directors using the intrinsic value method in accordance with Accounting Principles Board Opinion 25, *Accounting for Stock Issued to Employees* ("APB 25"). Under the intrinsic value method that was used to account for stock-based awards prior to January 1, 2006, which had been allowed under the original provisions of SFAS 123, compensation expense is recorded on the date of grant if the current market price of the underlying stock exceeded the exercise price.

The Company accounts for stock issued to non-employees in accordance with the provisions of SFAS 123 and EITF Issue No. 96-18, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services". SFAS 123R did not change the accounting for stock issued to non-employees, which were previously recorded under the fair value method under SFAS 123.

Recent pronouncements

In December 2004, the FASB issued Financial Accounting Standards No. 123 (revised 2004) ("FAS 123R"), *Share-Based Payments*, FAS 123R replaces FAS No. 123, *Accounting for Stock-Based Compensation*, and supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*. FAS 123R requires compensation expense, measured as the fair value at the grant date, related to share-based payment transactions to be recognized in the financial statements over the period that an employee provides service in exchange for the award. FAS 123R is effective January 1, 2006. The company has adopted this accounting standard for the year ended December 31, 2007 and 2006. The implementation of this standard did not have a material impact on the Company's financial position, results of operations or cash flows.

In November 2004, FASB issued Financial Accounting Standards No. 151, *Inventory Costing*, an amendment amends the guidance in ARB No. 43, Chapter 4, "Inventory Pricing," to clarify the accounting for abnormal amounts such as wasted material. This Statement requires that those items be recognized as current-period charges regardless of whether they meet the criterion of "abnormal." The implementation of this standard did not have a material impact on the Company's financial position, results of operations or cash flows for the years ended December 31, 2007 and 2006.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

In September of 2006, the FASB issued SFAS No. 157 “Fair Value Measurements” (SFAS No. 157). SFAS No. 157 establishes a framework for measuring fair value under generally accepted accounting procedures and expands disclosures on fair value measurements. This statement applies under previously established valuation pronouncements and does not require the changing of any fair value measurements, though it may cause some valuation procedures to change. Under SFAS No. 157, fair value is established by the price that would be received to sell the item or the amount to be paid to transfer the liability of the asset as opposed to the price to be paid for the asset or received to transfer the liability. Further, it defines fair value as a market specific valuation as opposed to an entity specific valuation, though the statement does recognize that there may be instances when the low amount of market activity for a particular item or liability may challenge an entity’s ability to establish a market amount. In the instances that the item is restricted, this pronouncement states that the owner of the asset or liability should take into consideration what affects the restriction would have if viewed from the perspective of the buyer or assumer of the liability. This statement is effective for all assets valued in financial statements for fiscal years beginning after November 15, 2007. Although SFAS No. 157 applies to and amends the provisions of existing FASB and AICPA pronouncements, it does not, of itself, require any new fair value measurements, nor does it establish valuation standards. SFAS No. 157 applies to all other accounting pronouncements requiring or permitting fair value measurements, except for: SFAS No. 123(R), share-based payment and related pronouncements, the practicability exceptions to fair value determinations allowed by various other authoritative pronouncements, and AICPA Statements of Position 97-2 and 98-9 that deal with software revenue recognition. The Company is currently evaluating the impact of SFAS No. 157 to its financial position and result of operations.

In July 2006, the FASB issued FASB Interpretation No. 48 “Accounting for Uncertain Tax Positions” (“FIN 48”). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements in accordance with FASB Statement No. 109 “Accounting for Income Taxes”. It prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken, in a tax return. FIN 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The implementation of this standard did not have a material impact on the Company’s financial position, results of operations or cash flows for the years ended December 31, 2007.

In December 2007, FASB issued Statement of Financial Accounting Standards No. 141 (revised 2007) on Business Combinations. This guidance retains the fundamental requirements in Statement 141 that the acquisition method of accounting (which Statement 141 called the *purchase method*) be used for all business combinations and for an acquirer to be identified for each business combination. This Statement defines the acquirer as the entity that obtains control of one or more businesses in the business combination and establishes the acquisition date as the date that the acquirer achieves control. This guidance requires an acquirer to recognize the assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree at the acquisition date, measured at their fair values as of that date, with limited exceptions specified in the Statement. It replaces Statement 141’s cost-allocation process, which required the cost of an acquisition to be allocated to the individual assets acquired and liabilities assumed based on their estimated fair values. For example, Statement 141 required the acquirer to include the costs incurred to effect the acquisition (acquisition- related costs) in the cost of the acquisition that was allocated to the assets acquired and the liabilities assumed. This guidance requires those costs to be recognized separately from the acquisition. In addition, in accordance with Statement 141, restructuring costs that the acquirer expected but was not obligated to incur were recognized as if they were a liability assumed at the acquisition date. This guidance requires the acquirer to recognize those costs separately from the business combination. The Company has followed the above guidance in accounting for all acquisitions that happened in 2007.

Reclassifications

Certain reclassifications have been made to the prior years’ financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of operations or retained earnings.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

**Note 2 – Going concern**

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Based upon current operating levels, the Company may require additional capital or significant reconfiguration of its operations to sustain its operations for the foreseeable future.

The financial statements do not include any adjustments relating to the recoverability and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis and ultimately to attain profitability. The Company has limited capital with which to pursue its business plan. There can be no assurance that the Company's future operations will be significant and profitable, or that the Company will have sufficient resources to meet its objectives. The Company is partially dependent upon its officers and other insiders to provide working capital. However, there is no assurance that these loans and capital advances will continue in the future. The Company intends to generate sufficient revenues from consulting, investor relations, information technology consulting, and modeling and event planning services to fund its business plan. There is no assurance that the Company will be successful in raising additional funds.

**Note 3 – Related party transactions**

Notes payable

The following notes were issued to the Company's president and sole director and are included in the accompanying financial statements as "Indebtedness to related parties".

On December 31, 2006, the Company executed a promissory note totaling \$256,360 for all outstanding debt to its president. The note carries a 12% interest rate and matures on July 15, 2007. During year end December 31, 2007 the note was repaid.

During the year ended December 31, 2007, the Company executed promissory notes to its president totaling \$180,973 as reimbursement for payment of expenses. The note matured on January 15, 2008. Total debt to president totaled \$180,973 and accrued interest totaled \$51,921 at December 31, 2007.

A promissory note was issued to the Company's vice president on December 31, 2006 in the amount of \$31,576. The note was paid during the year ended December 31, 2007. No interest was paid or accrued on this note.

On September 29, 2006 K & L International loaned the Company \$50,000. Payments of interest only at 15% of the unpaid balance began on January 15, 2007 and continue quarterly on the 15<sup>th</sup> day of the first month of each subsequent quarter. The note matures on October 31, 2008. In January 2007, the interest payment was extended to April 15, 2007. In September 2007 K & L International loaned the Company \$47,000 and combined the notes and accrued interest as of September 30, 2007 into one convertible note totaling \$104,879. Interest accrues at 10%. Principle and interest are payable when the note matures on December 31, 2008. The note can be paid in either cash or can be converted at the lenders discretion into common stock of the borrower at a discount of 50%(fifty percent) of the closing bid price of the borrower's stock price on the day prior to the date of the conversion notice. The beneficial conversion was recorded as interest expense of \$78,659 through additional paid in capital.

On February 28, 2007, a shareholder loaned the Company \$25,000 in exchange for a promissory note. The principal was due on May 1, 2007. The note was amended to have principal due on September 1, 2007. This note was repaid during September 2007. No interest was paid or accrued.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

Accrued compensation and common stock

Under the terms of his employment agreement, the president and sole director was awarded a monthly auto allowance of \$700 per month and opportunities to receive performance-based bonuses. The balance owed at December 31, 2007 for the auto allowance totaled \$21,133, which is included in “Indebtedness to related parties”.

On January 18, 2007 the Company accrued a bonus to its president and sole director of \$150,000 for the formation of a new business entity. This accrual is included in “Indebtedness to related parties”.

For the year ended December 31, 2007, accrued salaries totaled \$291,667 of which \$291,667 was owed to the Company’s President. These accruals are included in “Indebtedness to related parties”.

**Note 4 – Investments**

The Company may purchase equity securities from its investor relations clients. These investments are classified as trading securities. The investments are recorded at market value. The cost of the investments held at December 31, 2007 was \$201,857. The Company recorded an unrealized gain on equity investments of \$81,268 for the year ended December 31, 2007. For the year ended December 31, 2007 the Company had realized losses of \$79,040 from the sale of equity securities.

**Note 5 – Line of Credit**

The Company borrowed \$20,000 on a MasterCard business line of credit. The interest rate is Prime plus 7.75%. The Company made \$23,455 in advances on the line of credit. The Company made principal payments of \$5,329. The remaining unused line of credit at December 31, 2007 was \$1,874.

**Note 6 – Notes payable**

On July 5, 2007 the Company borrowed \$25,000 from KCG Capital, Ltd. The note is due during February, 2008. If unpaid at that date interest begins to accrue at 15% (APR) on the unpaid balance monthly.

**Note 7 – Income taxes**

A reconciliation of the U.S. statutory federal income tax rate to the effective rate is as follows for the years ended December 31, 2007 and 2006:

	For the years ended December 31,	
	2007	2006
U.S. statutory federal rate, graduated	34.00%	34.00%
State income tax rate, net of federal benefit	3.63%	3.63%
Permanent book-to-tax differences	-0.01%	-0.04%
Net operating loss carryforward	-37.62%	-37.59%
Effective tax rate	0.00%	0.00%

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

Net deferred tax assets consist of the following:

	For the years ended	
	December 31,	
	2007	2006
Gross deferred tax asset	\$2,731,087	\$2,587,847
Gross deferred tax liability	-	-
Valuation allowance	(2,731,087)	(2,587,847)
Net deferred tax asset	\$ -	\$ -

At December 31, 2007, the Company's current tax benefit consisted of a net tax asset of \$2,731,087, due to operating loss carryforwards of \$7,536,525, which was fully allowed for, in the valuation allowance of \$2,731,087. The valuation allowance results in deferred tax expense, which offsets the net deferred tax asset for which there is no assurance of recovery. The changes in the valuation allowance for the years ended December 31, 2007 and 2006 totaled \$143,240 and \$861,297, respectively. Net operating loss carryforwards will expire through 2027. The Company did not pay any income taxes during the year ended December 31, 2007 or 2006.

The valuation allowance will be evaluated at the end of each year, considering positive and negative evidence about whether the asset will be realized. At that time, the allowance will either be increased or reduced; reduction could result in the complete elimination of the allowance if positive evidence indicates that the value of the deferred tax asset is no longer impaired and the allowance is no longer required.

Should the Company undergo an ownership change, as defined in Section 382 of the Internal Revenue Code, the Company's tax net operating loss carryforwards generated prior to the ownership change will be subject to an annual limitation which could reduce or defer the utilization of those losses.

**Note 8 – Common Stock**

Preferred stock

Preferred stock may be issued in series as determined by the Board of Directors. As required by law, each series must designate the number of shares in the series and each share of a series must have identical rights of (1) dividend, (2) redemption, (3) rights in liquidation, (4) sinking fund provisions for the redemption of the shares, (5) terms of conversion and (6) voting rights. The Company is authorized to issue 10,000,000 of its \$0.001 par value preferred stock. No preferred stock was issued and outstanding at December 31, 2007.

Stock-based compensation plan

During the year ended December 31, 2004, the Company adopted a stock compensation plan in order to provide compensation to consultants, advisors and employees. On January 24, 2006, the Company amended the stock compensation plan in order to provide additional compensation to consultants, advisors and employees. The plan was amended to add 20,000,000 shares. The plan will terminate when the last of the 20,000,000 allocated shares is granted or in August 2014, whichever is earlier. As of December 31, 2007, the Company has issued all shares under the plan. Shares issued for services are recorded at the fair value of the services provided.

During the year ended December 31, 2007, the Company issued 12,682,718 shares of its common stock to consultants in exchange for business legal and consulting services. Stock-based compensation expense of \$128,313 was recognized in the accompanying financial statements for the year ended December 31, 2007.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

Standby Equity Distribution Agreement

During October 2004, the Company entered into a Standby Equity Distribution Agreement (the “Agreement”) with Katalyst Capital Group Ltd (Katalyst). Under the terms of the Agreement, Katalyst has committed to purchase up to \$5 million of the Company’s common stock over the course of 24 months after an effective registration of the Company’s common stock. Any purchases are to be issued under the securities laws of the United States under Regulation D. The purchase price has been set at 99% of the market price, which is to be calculated based on the lowest daily volume weighted average price of the stock over the five trading days following the Company’s funding request. The registration of the Company’s common stock took effect in June of 2006. 17,522,954 shares have been issued at a value of \$692,719 under the Agreement through December 31, 2007.

**Note 9 – Commitments and contingencies**

Leases – The Company entered into a lease in January of 2007 whereby it utilizes office space in exchange for providing document storage and retrieval services. The lease is on a month to month basis. The value of the services exchanged for rent is \$3,000 per month.

The Company entered into a lease in January of 2007 to utilize office space for the services of investor relations. The term of the lease is for one year. Rent expenses for the year ended December 31, 2007 was \$7,483.

Employment Agreement - On September 3, 2003, the Company executed an Employment Agreement (the “Agreement”) with its president. Under the terms of the Agreement, the president is to receive a salary of \$250,000 per year and an automobile allowance of \$700 per month. In addition, the president has the opportunity to earn a bonus of \$150,000 for each additional merger and/or acquisition and/or business unit start-up brought to the Company.

**Note 10 – Loan and equity purchase agreement**

Revenge LLC, Loan and Equity Purchase

In July, 2006, Signature Leisure entered into a Loan and Stock Purchase Agreement with Revenge Designs, LLC (“Revenge”), Thomas Cress and Peter Collorafi (collectively “Owner”).

On July 14, 2006 the Company loaned to Revenge \$50,000. On July 19, 2006 the Company loaned Revenge an additional \$50,000 to bring the total loan to \$100,000 with interest at 25%. Revenge agreed to pay \$7,000 per quarter starting on January 1, 2007 and continuing on the 1st day of each subsequent quarter through September 30, 2008. The principal balance and any unpaid accrued interest mature on October 1, 2008.

On July 19, 2006 the Company paid to Revenge \$100,000 for a 25% ownership interest. The Company is accounting for the investment under the equity method. The Company records its proportionate share of Revenge’s income or loss and reduces the investment accordingly. At December 31, 2006, the losses incurred by Revenge reduced the Company’s investment to \$0.

On September 29, 2006 the Company loaned Revenge an additional \$100,000. Payments of interest only at 25% of the unpaid balance began on January 15, 2007 and continue quarterly on the 15<sup>th</sup> day of the first month of each quarter. The principal balance and any unpaid accrued interest mature on October 1, 2008.

As of September 30, 2007, the Company’s management recorded an allowance against the two promissory notes and related accrued interest totaling \$243,178.

On September 19, 2007 the Company loaned Revenge an additional \$32,000. Interest will accrue at 25%. The principal balance and any accrued interest mature on September 30, 2008.

**Signature Leisure, Inc.**  
**Notes to Consolidated Financial Statements.**

In October of 2007 the Company combined the \$200,000 notes receivable and the \$32,000 note receivable. The Company sold the note in October 2007 for \$50,000. The Company received a note receivable at an interest rate of 10%, payable in monthly installments beginning June 1, 2008.

In October 2007 the Company received 2,400,000 shares of preferred stock in Revenge Designs, Inc. for its 25% share in Revenge Designs, LLC. As described in footnote 12, the Company has announced its intention of remitting all of its Revenge Designs, Inc. preferred shares to the Company's shareholders in the form of a dividend.

**Note 11 – Discontinued Operations**

In January 2007, The Company discontinued its auto sales operations. The Company cancelled its auto dealer's license with the State of Florida. The discontinued segment did not have any long-lived assets. Additionally, there are not any contingent liabilities or on-going cash flows as a result of discontinuing the auto sale segment. No adjustments were made to any previously reported amounts. The only assets attributable to the segment were cash and inventory, which was sold in normal course of business during 2006.

**Note 12 – Subsequent Event**

In February of 2008 the Company declared a dividend to its shareholders of the 2,400,000 shares of preferred stock in Revenge Designs, Inc. The dividend is payable to shareholders of record on April 7, 2008 and is payable on April 14, 2008.

In March of 2008 the Company terminated a long term consulting contract. The client notified the Company that they no longer desired to use our services to become a public company.

**Changes In / Disagreements with Accountants on Accounting/Financial Disclosure**

On June 20, 2007, the President and CEO of Signature Leisure, Inc. (the “Company”) received notice of the resignation of Cordovano and Honeck, LLP (“Honeck”), as its independent registered public accounting firm to audit the Company’s financial statements. The resignation was effective immediately.

Honeck resigned due to recent changes in rules promulgated by the Public Company Accounting Oversight Board. Under these changes, Honeck is precluded from auditing the financial statements due to the partner rotation requirements approved by the Securities and Exchange Commission as part of the Sarbanes-Oxley Act of 2002.

A Current Report on Form 8-K was filed June 26, 2007 by Signature Leisure, Inc. to report and provide disclosure of the resignation of Honeck.

Management has retained Weaver & Martin, LLC as the independent registered public accounting firm for the Company.

Weaver & Martin, LLC  
411 Valentine Rd. Suite 300  
Kansas City, MO 64111

The prior independent registered public accounting firm for the Company.

Cordovano and Honeck, LLP.  
88 Inverness Circle East, Bldg. M-103  
Englewood, Colorado 80112

There have been no disagreements between the Company and its independent accountants on any matter of accounting principles or practices or financial statement disclosure.

The financial statements audited by the prior principal accountant for the past two years do not contain an adverse opinion or disclaimer of opinion or were modified as to uncertainty, audit scope or accounting principles.

**Controls and Procedures**

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of December 31, 2007. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, Stephen Carnes and with the assistance of Terry L. Johnson, CPA our outside accountant. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2007, our disclosure controls and procedures have not been identified and we have not yet tested their effectiveness. Because of this lack of identification and testing, we cannot assure the effectiveness of the controls and procedures. There have been no significant changes in our internal controls over financial reporting during the year ended December 31, 2007 that have materially affected or are reasonably likely to materially affect such controls.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related financial statements was properly recorded, processed, summarized and reported to the Company’s Board of Directors. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

There has been no change in the Company’s disclosure controls during 2007 that has materially affected or is likely to materially affect its control over financial reporting.

**Management's Report on Internal Control over Financial Reporting**

The CEO and CFO of the Company acknowledge that they are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Rule 240.13a-15(f) or Rule 240.15d-15(f). This report shall not be deemed to be filed for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section.

Management and the Board of Directors work to mitigate the risk of a material misstatement in financial reporting, however, there can be no assurance that this risk can be reduced to less than a remote likelihood of a material misstatement.

Management has not yet identified the critical disclosure controls and procedures associated with the Company's internal control over financial reporting for the fiscal year ending December 31, 2007 and has not yet tested the effectiveness of these disclosure controls and procedures and, therefore, cannot yet deem these controls to be effective. Therefore, the Company has determined that a material weakness exists related to the lack of identification and testing of disclosure controls and procedures associated with the Company's internal control over financial reporting for the fiscal year ending December 31, 2007. This material weakness could materially affect the Company's control over financial reporting.

**Limitations on the Effectiveness of Internal Controls**

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. Our disclosure controls and procedures are designed

Weaver & Martin LLC, the Company's independent registered public accounting firm, was not required to and has not issued a report concerning the effectiveness of the Company's internal control over financial reporting as of December 31, 2007.

**Directors, Executive Officers, Promoters and Control Persons**

The directors and officers are as follows:

NAME	POSITION(S)	TENURE
Stephen W. Carnes	President, Director	January 20, 2003 to present
Office Street Address:	1375 S.R. 436, Suite 1035 Casselberry, FL 32707	
Telephone:	(407) 599-2886	

Stephen W. Carnes serves as the President of Signature Leisure, Inc. and is the Company's sole director.

Employment History

<u>Employer</u>	<u>Title</u>	<u>Dates of Position</u>
Signature Leisure, Inc. (OTC BB: SGLS)	President and CEO	February 2003 to Present
Renovo Holdings, Inc. (OTC BB: RNVO)	President and CEO	July 2003 to Present

Renovo Holdings is a publicly traded company on the Over-the-Counter Bulletin Board under the symbol RNVO. Renovo Holdings is presently a development stage company that intends to capitalize upon the niche market opportunities within the commercial and residential restoration service markets.

Self-employed as an independent manufacturers representative acting as an outside sales representative for various companies	1998 through 2003
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Founder and co-owner of a private public relations firm that assisted companies with marketing and public relations	2000 through 2003
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Education

1982 to 1986, Indiana University at Fort Wayne, Indiana. Received a B.S. degree in Business Administration

The directors shall be elected at an annual meeting of the stockholders and except as otherwise provided within the Bylaws of Signature Leisure, Inc., as pertaining to vacancies, shall hold office until his successor is elected and qualified.

The directors of Signature Leisure, Inc. are aware of no petitions or receivership actions having been filed or court appointed as to the business activities, officers, directors, or key personnel of Signature Leisure, Inc.

All Directors serve in such capacity until the next annual meeting of our shareholders and until their successors have been elected and qualified. The officers serve at the discretion of the company's Directors.

There are no familial relationships among the officers and directors, nor are there any arrangements or understanding between any of our directors or officers or any other person pursuant to which any officer or director was or is to be selected as an officer or director.

No non-compete or non-disclosure agreements exist between the management of Signature Leisure, Inc. and any prior or current employer.

All key personnel are not formal employees or under written contracts with of Signature Leisure, Inc. Currently, Mr. Carnes, our sole officer and director, is under an employment agreement with Signature Leisure, Inc. In the event one of our consultants that assist with operations in our businesses becomes unavailable, our operations could be negatively impacted while a suitable replacement is found.

Signature Leisure, Inc. has not, nor proposes to do so in the future, make loans to any of its officers, directors, key personnel, 10% stockholders, relatives thereof, or controllable entities.

None of Signature Leisure, Inc.'s officers, directors, key personnel, or 10% stockholders has guaranteed or co-signed any bank debt, obligation, or any other indebtedness pertaining to Signature Leisure, Inc.

### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934 requires the company's directors and officers, and persons who own more than ten-percent (10%) of the company's common stock, to file with the Securities and Exchange Commission reports of ownership on Form 3 and reports of change in ownership on Forms 4 and 5. Such officers, directors and ten-percent stockholders are also required to furnish the company with copies of all Section 16(a) reports they file. Based solely on its review of the copies of such forms received by the company and on written representations from certain reporting persons, the company believes that all Section 16(a) reports applicable to its officers, directors and ten-percent stockholders with respect to the fiscal year ended December 31, 2007 were filed.

### **Code of Ethics**

On June 6, 2005, our board of directors adopted a written Code of Ethics designed to deter wrongdoing and promote honest and ethical conduct, full, fair and accurate disclosure, compliance with laws, prompt internal reporting and accountability to adherence to the Code of Ethics. This Code of Ethics was filed with the SEC as an exhibit to our Annual Report on Form 10-KSB for the period ending December 31, 2005.

## Executive Compensation

### Board of Director Meetings and Committees

The Board of Directors held no meetings during the year ended December 31, 2007, but conducted board activities through unanimous consent board resolutions in lieu of meetings.

### Compensation Summary

SUMMARY COMPENSATION TABLE

Position	Year	Annual Compensation			Award(s)		Payouts	
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Restricted Stock Award(s) (\$)	Securities Underlying Options/SARs (#)	LTIP Payouts (\$)	All Other Compensation (\$)
Steven W. Carnes	2007	250,000	150,000	8,400	0	0	0	0
President and Director	2006	250,000	0	8,400	0	0	0	0
	2005	250,000	300,000	8,400	0	0	0	0

### Significant employees/consultants

During the year ended December 31, 2007, we have issued 12,397,004 shares of our \$0.001 par value common stock as payment of \$126,313 to provide compensation for business consulting services. The shares issued were restricted pursuant to Rule 144 and valued at \$126,313.

During the year ended December 31 2007, we have issued 285,714 shares of our \$0.001 par value common stock as payment of \$1,999 to provide compensation for legal services. The shares issued were restricted pursuant to Rule 144 and valued at \$1,999.

During the twelve month period ended December 31 2006, we have issued 2,750,000 shares of our \$0.001 par value common stock to Ed Miers, a consultant, as compensation for services. The shares issued were unrestricted pursuant to an S-8 Registrations filed with the SEC as amended on January 27, 2006 and valued at \$271,950

During the twelve month period ended December 31 2006, we have issued 6,000,000 shares of our \$0.001 par value common stock to Andra Espinoza, a consultant, as compensation for services. The shares issued were unrestricted pursuant to an S-8 Registrations filed with the SEC as amended on January 27, 2006 and valued at \$373,200

During the twelve month period ended December 31 2006, we have issued 5,500,000 shares of our \$0.001 par value common stock to Cynthia Wainwright, a consultant, as compensation for services. 2,500,000 of the shares issued were unrestricted pursuant to an S-8 Registrations filed with the SEC as amended on January 27, 2006 and valued at \$190,800. 3,000,000 of the shares were issued as Restricted under Rule 144 and were valued at \$21,000.

### Notes:

Stephen W. Carnes is the sole officer and director of Signature Leisure, Inc.

Commencing July 1, 2003, the Company began accruing an annual salary of \$250,000 for its sole officer and director based on an employment agreement executed during the three months ended September 30, 2003. In addition, under the terms of the employment agreement, the sole officer and director was awarded a monthly auto allowance of \$700 per month and opportunities to receive performance-based bonuses.

The sole officer and director was given the opportunity to earn a bonus of \$750,000 upon the successful completion of (1) raising a minimum of \$200,000 for the Company, and (2) the opening or acquisition of the Company's first business unit. During 2003, the sole officer and director raised \$250,000 through the sale of the Company's common stock and in 2004, the sole officer and director opened the Company's first business unit (Signature Auto). As a result, the Company accrued \$750,000 in officer compensation to recognize the bonus earned by the sole officer and director during the year ended December 31, 2004.

During February 2005, the sole officer and director earned a \$150,000 bonus for the acquisition and business unit start-up as pertaining to Parker Productions, Inc., a wholly owned subsidiary of Signature Leisure, Inc.

During April 2005, the sole officer and director approved the issuance of 40,000,000 shares of the Company's restricted common stock as payment of \$600,000 of the sole officer and director's accrued bonus.

On August 30, 2006 the company issued the president 22,727,272 shares of restricted common stock as payment of \$250,000 of accrued bonus and \$250,000 of accrued salary.

On October 4, 2006 the company issued the president 50,000,000 shares of restricted common stock as payment of \$125,000 of accrued bonus, \$208,333 of accrued salary and \$16,667 of accrued auto allowance.

As of December 31, 2007, under the terms of his employment agreement, accrued salaries owed to the Company president totaled \$291,667; a bonus of \$150,000 was awarded January 18, 2007 for the formation of a new business entity, and is accrued and outstanding; the balance owed at December 31, 2007 for the president's auto allowance is \$21,133.

As of December 31, 2007, Signature Leisure, Inc. had no group life, health, hospitalization, medical reimbursement or relocation plans in effect. Further, we had no pension plans or plans or agreements which provide compensation on the event of termination of employment or change in control of us.

No family relationships exist among any directors, executive officers, or persons nominated or chosen to become directors or executive officers.

#### Compensation of Directors

We currently do not pay members of our Board of Directors any fees for attendance or similar remuneration or reimburse them for any out-of-pocket expenses incurred by them in connection with our business.

There was no compensation paid to any directors of Signature Leisure, Inc. as director's fees for the twelve month period ended December 31, 2007.

#### Employment Agreements

On September 3, 2003, the Company executed an Employment Agreement (the "Agreement") with its president. Under the terms of the Agreement, the president is to receive a salary of \$250,000 per year and an automobile allowance of \$700 per month. In addition, the president has the opportunity to earn the following bonuses:

- a) A bonus of \$750,000 upon the successful completion of (1) raising a minimum of \$200,000 for the Company, and (2) the opening or acquisition of the Company's first business unit.
- b) A bonus of \$150,000 for each additional merger and/or acquisition and/or business unit start-up brought to the Company.

### **Security Ownership of Certain Beneficial Owners and Management**

The following table sets forth, all individuals known to beneficially own 5% or more of the Company's common stock, and all officers and directors of the registrant, with the amount and percentage of stock beneficially owned at:

#### **December 31, 2007**

<u>Name and Address of Beneficial Holder</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Stephen W. Carnes President, Director 4185 W. Lake Mary Blvd, # 137. Lake Mary, FL 32746	105,769,271 shares	45 %

Total shares outstanding as of December 31, 2007 were 234,477,965 held by approximately 59 shareholders of record and an undetermined number of holders in street name.

All ownership is beneficial and of record except as specifically indicated otherwise. Beneficial owners listed above have sole voting and investment power with respect to the shares shown unless otherwise indicated.

**Certain Relationships and Related Transactions and Director Independence**

The board of directors of Signature Leisure, Inc. has determined that for the purpose of and pursuant to the instructions of item 401(e) of regulation S-B titled Audit Committee Financial Expert, Stephen W. Carnes does not possess the attributes of an Audit committee financial expert. Stephen W. Carnes is the sole Officer and a Director of Signature Leisure, Inc. Signature Leisure, Inc. does not have a designated Audit Committee and relies on the board of directors to perform those functions. Stephen W. Carnes is not independent as defined by item 401(e)(ii) of regulation S-B. He receives compensation through an employment/consulting agreement for his executive services to Signature Leisure, Inc. and is an affiliated person.

**Notes payable**

The following notes were issued to the Company's president and sole director and are included in the accompanying financial statements as "Indebtedness to related parties".

On December 31, 2006, the Company executed a promissory note totaling \$256,360 for all outstanding debt to its president. The note carries a 12% interest rate and matures on July 15, 2007. During year end December 31, 2007 the note was repaid.

During the year ended December 31, 2007, the Company executed promissory notes to its president totaling \$180,973 as reimbursement for payment of expenses. The note matured on January 15, 2008. Total debt to president totaled \$180,973 and accrued interest totaled \$51,921 at December 31, 2007.

A promissory note was issued to the Company's vice president on December 31, 2006 in the amount of \$31,576. The note was paid during the year ended December 31, 2007. No interest was paid or accrued on this note.

On September 29, 2006 K & L International loaned the Company \$50,000. Payments of interest only at 15% of the unpaid balance began on January 15, 2007 and continue quarterly on the 15<sup>th</sup> day of the first month of each subsequent quarter. The note matures on October 31, 2008. In January 2007, the interest payment was extended to April 15, 2007. In September 2007 K & L International loaned the Company \$47,000 and combined the notes and accrued interest as of September 30, 2007 into one convertible note totaling \$104,879. Interest accrues at 10%. Principle and interest are payable when the note matures on December 31, 2008. The note can be paid in either cash or can be converted at the lenders discretion into common stock of the borrower at a discount of 50%(fifty percent) of the closing bid price of the borrower's stock price on the day prior to the date of the conversion notice. The beneficial conversion was recorded as interest expense of \$78,659 through additional paid in capital.

On February 28, 2007, a shareholder loaned the Company \$25,000 in exchange for a promissory note. The principal was due on May 1, 2007. The note was amended to have principal due on September 1, 2007. This note was repaid during September 2007. No interest was paid or accrued.

**Leases**

The Company entered into a lease in January of 2007 whereby it utilizes office space in exchange for providing document storage and retrieval services. The lease is on a month to month basis. The value of the services exchanged for rent is \$3,000 per month. The Company entered into a lease in January of 2007 to utilize office space for the services of investor relations. The term of the lease is for one year. Rent expenses for the year ended December 31, 2007 was \$7,483.

**Accrued Compensation**

Commencing July 1, 2003, the Company began accruing an annual salary of \$250,000 for its president and sole director based on an employment agreement executed in 2003. In addition, under the terms of the employment agreement, the president and sole director was awarded a monthly auto allowance of \$700 per month and opportunities to receive performance-based bonuses. As of December 31, 2006, outstanding accrued salaries and bonuses of the president and sole director totaled \$41,667. No additional bonuses were authorized or accrued for the year ended December 31, 2006.

On January 18, 2007 the Company accrued a bonus to its president and sole director of \$150,000 for the formation of a new business entity. Accrued salaries at December 31, 2007 totaled \$291,667. The balance owed at December 31, 2007 for the auto allowance totaled \$21,133.

**Exhibits and Reports on Form 8-K**Reports on Form 8-K

The following lists all Reports on Form 8-K as filed by the registrant during the period ending December 31, 2007; and all Reports on Form 8-K filed by the registrant as to the date of the filing of this Report on Form 10-KSB;

June 26, 2007

Report on Form 8-K; Section 4; Item 4.01 – Change in Registrant’s Certifying Accountant

March 4, 2008

Report on Form 8-K; Section 1; Item 1.02 – Termination of a Material Definitive Agreement

**Index to Exhibits and Reports**

Signature Leisure, Inc. includes by reference the following exhibits:

- 3.1 Articles of Incorporation as amended, Amendment to Articles of Incorporation as filed with the Colorado Secretary of State on July 14, 2004; as filed with the registrant’s Annual Report on Form 10-KSB for the period ending December 31, 2004; as filed with the Securities and Exchange Commission on April 18, 2005.
- 3.2 Bylaws; as filed with the registrant’s Annual Report on Form 10-KSB for the period ending December 31, 2004; as filed with the Securities and Exchange Commission on April 18, 2005.

Signature Leisure, Inc. includes herewith the following exhibits:

- 31.1 Certification of Principal Executive Officer and Principal Accounting Officer (Rule 13a-14(a)/15d-14(a))
- 32.1 Certification of Principal Executive Officer and Principal Accounting Officer (18 U.S.C. 1350)

**Principal Accountant Fees and Services****(1) Audit Fees**

The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal accountant for the audit of the registrant's annual financial statements and review of financial statements included in the registrant's Form 10-KSB or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for the fiscal years ending December 31, 2007 and 2006 were: \$29,000 and \$19,200, respectively.

**(2) Audit-Related Fees**

The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of the registrant's financial statements and are not reported under item (1) for the fiscal years ending December 31, 2007 and 2006 were: \$ 0 and \$0, respectively.

**(3) Tax Fees**

No aggregate fees were billed for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning for the fiscal years ending December 31, 2007 and 2006.

**(4) All Other Fees**

No aggregate fees were billed for professional services provided by the principal accountant, other than the services reported in items (1) through (3) for the fiscal years ending December 31, 2007 and 2006.

**(5) Audit Committee**

The registrant's Audit Committee, or officers performing such functions of the Audit Committee, have approved the principal accountant's performance of services for the audit of the registrant's annual financial statements and review of financial statements included in the registrant's Form 10-KSB or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for the fiscal year ending December 31, 2007. Audit-related fees, tax fees, and all other fees, if any, were approved by the Audit Committee or officers performing such functions of the Audit Committee.

**(6) Work Performance by others**

The percentage of hours expended on the principal accountant's engagement to audit the registrant's financial statements for the most recent fiscal year that were attributed to work performed by persons other than the principal accountant's full-time, permanent employees was less than 50 percent.

## **SIGNATURES**

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### **Signature Leisure, Inc.**

Registrant

Date: April 14, 2008

By: \s\ Stephen W. Carnes, President  
Stephen W. Carnes, President  
Principal Executive Officer and Principal Accounting Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: April 14, 2008

By: \s\ Stephen W. Carnes, President  
Stephen W. Carnes, President and Director  
Principal Executive Officer and Principal Accounting Officer