

United States Bankruptcy Court District of Minnesota		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): Twin Cities Entertainment, Inc.		Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): dba Aqua		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): 20-5131337		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): 2724 Edinbrook Terrace N. Brooklyn Park, MN		Street Address of Joint Debtor (No. & Street, City, State & Zip Code):
ZIPCODE 55443		ZIPCODE
County of Residence or of the Principal Place of Business: Hennepin		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address)		Mailing Address of Joint Debtor (if different from street address):
ZIPCODE		ZIPCODE
Location of Principal Assets of Business Debtor (if different from street address above): 400 1st Avenue N., Suite 110, Minneapolis, MN		ZIPCODE 55401
<p style="text-align: center;">Type of Debtor (Form of Organization) (Check one box.)</p> <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.) _____	<p style="text-align: center;">Nature of Business (Check one box.)</p> <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other _____	<p style="text-align: center;">Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.)</p> <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding
		<p>Nature of Debts (Check one box.)</p> <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
<p style="text-align: center;">Filing Fee (Check one box)</p> <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (Applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		<p style="text-align: center;">Chapter 11 Debtors</p> <p>Check one box:</p> <input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). <p>Check if:</p> <input checked="" type="checkbox"/> Debtor's aggregate noncontingent liquidated debts owed to non-insiders or affiliates are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter). ----- <p>Check all applicable boxes:</p> <input type="checkbox"/> A plan is being filed with this petition <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
<p>Statistical/Administrative Information</p> <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE IS FOR COURT USE ONLY
<p>Estimated Number of Creditors</p> <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> Over 100,000		
<p>Estimated Assets</p> <input type="checkbox"/> \$0 to \$50,000 <input checked="" type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1 million to \$10 million <input type="checkbox"/> \$10 million to \$50 million <input type="checkbox"/> \$50 million to \$100 million <input type="checkbox"/> \$100 million to \$500 million <input type="checkbox"/> \$500,000 to \$1 billion <input type="checkbox"/> More than \$1 billion		
<p>Estimated Liabilities</p> <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input checked="" type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1 million to \$10 million <input type="checkbox"/> \$10 million to \$50 million <input type="checkbox"/> \$50 million to \$100 million <input type="checkbox"/> \$100 million to \$500 million <input type="checkbox"/> \$500,000 to \$1 billion <input type="checkbox"/> More than \$1 billion		

Voluntary Petition <i>(This page must be completed and filed in every case)</i>	Name of Debtor(s): Twin Cities Entertainment, Inc.
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Prior Bankruptcy Case Filed Within Last 8 Years (If more than two, attach additional sheet)

Location Where Filed: None	Case Number:	Date Filed:
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Location Where Filed:	Case Number:	Date Filed:
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Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet)

Name of Debtor: None	Case Number:	Date Filed:
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District:	Relationship:	Judge:
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<p style="text-align: center;">Exhibit A</p> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>	<p style="text-align: center;">Exhibit B</p> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by § 342(b) of the Bankruptcy Code.</p> <p style="text-align: center;"> <input checked="" type="checkbox"/> _____ Signature of Attorney for Debtor(s) Date </p>
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Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

Yes, and Exhibit C is attached and made a part of this petition.

No

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

Exhibit D also completed and signed by the joint debtor is attached a made a part of this petition.

Information Regarding the Debtor - Venue

(Check any applicable box.)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property

(Check all applicable boxes.)

Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

(Name of landlord or lessor that obtained judgment)

(Address of landlord or lessor)

Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

<p>Voluntary Petition <i>(This page must be completed and filed in every case.)</i></p>	<p>Name of Debtor(s):</p>
Signatures	
<p style="text-align: center;">Signature(s) of Debtor(s) (Individual/Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____ Signature of Debtor</p> <p>X _____ Signature of Joint Debtor</p> <p>_____ Telephone Number (if not represented by attorney)</p> <p>_____ Date</p>	<p style="text-align: center;">Signature of a Foreign Representative</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p>X _____ (Signature of Foreign Representative)</p> <p>_____ (Printed Name of Foreign Representative)</p> <p>_____ Date</p>
<p style="text-align: center;">Signature of Attorney*</p> <p>X <u>/s/ Lynn J.D. Wartchow</u> Signature of Attorney for Debtor(s) <u>Lynn J.D. Wartchow #0339726</u> Printed Name of Attorney for Debtor(s) <u>Morris Law Group, P.A.</u> Firm Name <u>7241 Ohms Lane, Suite 275</u> <u>Edina, MN 55439</u> Address <u>(952) 832-2000 Fax (952) 832-0020</u> Telephone Number <u>06/28/2010</u> Date</p> <p><small>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</small></p>	<p style="text-align: center;">Signature of Non-Attorney Bankruptcy Petition Preparer</p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.</p> <p>_____ Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____ Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)</p> <p>_____ Address</p> <p>X _____ Date</p> <p>Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.</p> <p>Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><i>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.</i></p>
<p style="text-align: center;">Signature of Debtor (Corporation/Partnership)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X <u>/s/ Estephan Y. Hark</u> Signature of Authorized Individual <u>Estephan Y. Hark</u> Printed Name of Authorized Individual <u>President</u> Title of Authorized Individual <u>06/28/2010</u> Date</p>	

**United States Bankruptcy Court
District of Minnesota**

IN RE:

Case No. _____

Twin Cities Entertainment, Inc.

Chapter **11**

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

(1) Name of creditor and complete mailing address including zip code	(2) Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted	(3) Nature of claim (trade debt, bank loan, government contract, etc.)	(4) Indicate if claim is contingent, unliquidated, disputed or subject to setoff	(5) Amount of claim (if secured also state value of security)
Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413		Bank loan		172,932.41 Collateral: 65,492.71 Unsecured: 107,439.70
US Bank Eau Claire Barstow Office PO Box 790179 St. Louis, MO 63179-0179		Bank loan		58,902.29 Collateral: 65,492.71 Unsecured: 58,902.29
AFCO Credit Corporation 1000 Milwaukee Avenue Glenview, IL 60025		Insurance financing		37,011.73
Seaton, Beck & Peters, PA Attn: Alec Beck 7300 Metro Blvd., Suite 500 Minneapolis, MN 55439		Professional Services		20,546.10
Advanta Bank Corp. Mastercard PO Box 8088 Philadelphia, PA 19101-8088		Credit Card		10,919.17
Johnson Bros. Liquor, Inc. 1999 Shepard Road St. Paul, MN 55116		Trade debt		8,946.00
US Bank PO Box 790408 St. Louis, MO 63179-0408		Credit Card		7,540.71
Winner Tobacco Wholesale 763 Kasota Ave. SE Minneapolis, MN 55414		Trade debt		6,125.00
Elite Marketing Group, Inc. 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443		Trade debt		6,050.00
ASCAP 21678 Network Place Chicago, IL 60673-1216	Slater, Tenaglia, Fritz & Hunt, P.A. PO Box 5476 Mt. Laurel, NJ 08054	Trade debt	Disputed	5,053.71
Spark Electric 2114 Washington Street NE Minneapolis, MN 55418		Repair Services		3,705.00
BMI General Licensing PO Box 406741 Atlanta, GA 30384-6741		Trade debt	Disputed	2,241.34

Pro Mechanical, Inc. 15587 Vale Street NW Andover, MN 55304	Repair Services	2,061.25
Home Depot Credit Services PO Box 6029 The Lakes, NV 88901-6029	Credit Card	1,176.00
Sesac PO Box 900013 Raleigh, NJ 27675-9013	Trade debt Disputed	773.80
Schutta & Jones, PLLC 3050 Center Point Drive, Suite 170 Roseville, MN 55113	Professional Services	339.75

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, [the president *or* other officer *or* an authorized agent of the corporation][*or* a member *or* an authorized agent of the partnership] named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date: June 28, 2010 Signature: /s/ Estephan Y. Hark

Estephan Y. Hark, President
(Print Name and Title)

**United States Bankruptcy Court
District of Minnesota**

IN RE:

Case No. _____

Twin Cities Entertainment, Inc.

Chapter **11**

Debtor(s)

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors also must complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

NAME OF SCHEDULE	ATTACHED (YES/NO)	NUMBER OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	1	\$ 0.00		
B - Personal Property	Yes	3	\$ 65,492.71		
C - Property Claimed as Exempt	Yes	1			
D - Creditors Holding Secured Claims	Yes	1		\$ 231,834.70	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	1		\$ 0.00	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	4		\$ 168,999.56	
G - Executory Contracts and Unexpired Leases	Yes	1			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	No				\$
J - Current Expenditures of Individual Debtor(s)	No				\$
TOTAL		13	\$ 65,492.71	\$ 400,834.26	

**United States Bankruptcy Court
District of Minnesota**

IN RE:

Case No. _____

Twin Cities Entertainment, Inc.

Chapter **11**

Debtor(s)

LIST OF EQUITY SECURITY HOLDERS

Registered name and last known address of security holder	Shares (or Percentage)	Security Class (or kind of interest)
Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443	100	Common Stockholder

IN RE Twin Cities Entertainment, Inc.

Debtor(s)

Case No. _____

(If known)

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

DESCRIPTION AND LOCATION OF PROPERTY	NATURE OF DEBTOR'S INTEREST IN PROPERTY	HUSBAND, WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION	AMOUNT OF SECURED CLAIM
None				

TOTAL 0.00

(Report also on Summary of Schedules)

IN RE Twain Cities Entertainment, Inc.

Case No. _____

Debtor(s)

(If known)

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether the husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
1. Cash on hand.		Cash on premises- \$1,000.00		1,000.00
2. Checking, savings or other financial accounts, certificates of deposit or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		Northeast Bank: business checking #XXXX249- \$6,640.47 Northeast Bank: payroll checking #XXXX841- \$2,500.65 US Bank: business checking #XXXX9736- \$16.09		6,640.47 2,500.65 16.09
3. Security deposits with public utilities, telephone companies, landlords, and others.		Security deposit \$14,583.33 for commercial lease; in possession of lessor, 400 Wyman, LLC.		14,583.33
4. Household goods and furnishings, include audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interest in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.		Employment Practices Liability Insurance Policy West Bend Mutual Insurance Company No cash value		0.00
		General Liability Insurance Policy Illinois General Casualty Company No cash value		0.00
		Liquor Liability Insurance Policy Illinois General Casualty Company No cash value		0.00
		Workman's Compensation Insurance Policy Illinois General Casualty Company No cash value		0.00
10. Annuities. Itemize and name each issue.	X			

**SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)**

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	HUSBAND, WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	X			
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and non-negotiable instruments.	X			
16. Accounts receivable.		Refund on insurance premiums expected June 2010.		5,000.00
17. Alimony, maintenance, support, and property settlements in which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X			
19. Equitable or future interest, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X			
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.	X			
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			

IN RE Twin Cities Entertainment, Inc.

Debtor(s)

Case No. _____

(If known)

**SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)**

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	HUSBAND, WIFE, JOINT, OR COMMUNITY	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
25. Automobiles, trucks, trailers, and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.	X			
29. Machinery, fixtures, equipment, and supplies used in business.		Bar equipment and supplies- \$5,000.		5,000.00
		Computer systems- \$6,000.		6,000.00
		Furniture- \$3,500.		3,500.00
		Lighting systems- \$8,000.		8,000.00
		Sound systems- \$7,000.		7,000.00
		Inventory- \$6,252.17		6,252.17
30. Inventory.				
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			
TOTAL				65,492.71

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_____ **0** continuation sheets attached

(Include amounts from any continuation sheets attached.
Report total also on Summary of Schedules.)

IN RE Twin Cities Entertainment, Inc.

Debtor(s)

Case No. _____

(If known)

SCHEDULE C - PROPERTY CLAIMED AS EXEMPT

Debtor elects the exemptions to which debtor is entitled under:

Check if debtor claims a homestead exemption that exceeds \$146,450. *

(Check one box)

11 U.S.C. § 522(b)(2)

11 U.S.C. § 522(b)(3)

DESCRIPTION OF PROPERTY	SPECIFY LAW PROVIDING EACH EXEMPTION	VALUE OF CLAIMED EXEMPTION	CURRENT VALUE OF PROPERTY WITHOUT DEDUCTING EXEMPTIONS
Not Applicable			

* Amount subject to adjustment on 4/1/13 and every three years thereafter with respect to cases commenced on or after the date of adjustment.

IN RE Twain Cities Entertainment, Inc.

Case No. _____

Debtor(s)

(If known)

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is the creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Code Debtor," include the entity on the appropriate schedule of creditors, and complete Schedule H – Code Debtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim Without Deducting Value of Collateral" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion, if Any" on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND ACCOUNT NUMBER. <i>(See Instructions Above.)</i>	CODEB Debtor HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
ACCOUNT NO. 0404 Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413	X	01/11/10 Commercial Security Agreement Pursuant to the terms of the Agreement, collateral includes, but is not limited to, all inventory, accounts, equipment and general intangibles. MN Secretary of State Doc. No. 200614638779 (12/12/06). VALUE \$ 65,492.71				172,932.41	107,439.70
ACCOUNT NO. 3552 US Bank Eau Claire Barstow Office PO Box 790179 St. Louis, MO 63179-0179	X	03/19/2007 Business Loan Note and Security Agreement Pursuant to the terms of the Agreement, collateral includes, but is not limited to, all property, accounts, inventory, equipment, fixtures, instruments, documents, chattel paper, investment property, deposit accounts,				58,902.29	58,902.29
ACCOUNT NO.		letter of credit rights. MN Secretary of State Doc. No. 200716209250 (04/04/07). VALUE \$ 65,492.71					
ACCOUNT NO.		VALUE \$					

0 continuation sheets attached

Subtotal (Total of this page) \$ **231,834.70** \$ **166,341.99**

Total (Use only on last page) \$ **231,834.70** \$ **166,341.99**

(Report also on Summary of Schedules.)

(If applicable, report also on Statistical Summary of Certain Liabilities and Related Data.)

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

- Domestic Support Obligations**
Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).
- Extensions of credit in an involuntary case**
Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).
- Wages, salaries, and commissions**
Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).
- Contributions to employee benefit plans**
Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).
- Certain farmers and fishermen**
Claims of certain farmers and fishermen, up to \$5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).
- Deposits by individuals**
Claims of individuals up to \$2,600* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).
- Taxes and Certain Other Debts Owed to Governmental Units**
Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).
- Commitments to Maintain the Capital of an Insured Depository Institution**
Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507 (a)(9).
- Claims for Death or Personal Injury While Debtor Was Intoxicated**
Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

* Amounts are subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

0 continuation sheets attached

IN RE Twin Cities Entertainment, Inc.

Case No. _____

Debtor(s)

(If known)

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured nonpriority claims to report on this Schedule F.

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER. <i>(See Instructions Above.)</i>	CODEBTOR HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCOUNT NO. 0232 Advanta Bank Corp. Mastercard PO Box 8088 Philadelphia, PA 19101-8088		Credit Card Purchases				10,919.17
ACCOUNT NO. AFCO Credit Corporation 1000 Milwaukee Avenue Glenview, IL 60025		2010 Insurance Premium Financing				37,011.73
ACCOUNT NO. 8602 ASCAP 21678 Network Place Chicago, IL 60673-1216		Music License Fees			X	5,053.71
ACCOUNT NO. Slater, Tenaglia, Fritz & Hunt, P.A. PO Box 5476 Mt. Laurel, NJ 08054		Assignee or other notification for: ASCAP				

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3 continuation sheets attached

Subtotal
(Total of this page) \$ **52,984.61**

Total
(Use only on last page of the completed Schedule F. Report also on
the Summary of Schedules and, if applicable, on the Statistical
Summary of Certain Liabilities and Related Data.)

\$

IN RE Twin Cities Entertainment, Inc.

Case No. _____

Debtor(s)

(If known)

**SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)**

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER. <i>(See Instructions Above.)</i>	CODEBTOR HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCOUNT NO. 7861 BMI General Licensing PO Box 406741 Atlanta, GA 30384-6741		Music License Fees			X	2,241.34
ACCOUNT NO. Cassandra Jennissen C/O Joni M. Thome, Attorney 1650 IDS Center, 80 S. 8th Street Minneapolis, MN 55402		Employment lawsuit captioned Cassandra Jennissen vs Twin Cities Entertainment Inc., 27-CV-09-13711	X	X		unknown
ACCOUNT NO. Elite Marketing Group, Inc. 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443		2010 Marketing Services				6,050.00
ACCOUNT NO. Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443		2009/2010 Unsecured Loan				34,510.00
ACCOUNT NO. 4051 Home Depot Credit Services PO Box 6029 The Lakes, NV 88901-6029		2009 Credit Card Purchases				1,176.00
ACCOUNT NO. Johnson Bros. Liquor, Inc. 1999 Shepard Road St. Paul, MN 55116		2010 Liquor Inventory				8,946.00
ACCOUNT NO. Marguerite B. Hark 2724 Edinbrook Ter. Brooklyn Park, MN 55443		2010 Unsecured Loan				22,000.00

Sheet no. 1 of 3 continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page) \$ **74,923.34**

Total
(Use only on last page of the completed Schedule F. Report also on the Summary of Schedules, and if applicable, on the Statistical Summary of Certain Liabilities and Related Data.) \$

IN RE Twin Cities Entertainment, Inc.

Case No. _____

Debtor(s)

(If known)

**SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)**

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER. <i>(See Instructions Above.)</i>	CODEBTOR HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCOUNT NO. Pro Mechanical, Inc. 15587 Vale Street NW Andover, MN 55304		2010 Repair Services				2,061.25
ACCOUNT NO. Ryan Scott Lagerquist C/O Derk Karl Schwieger, LLC 7800 Metro Parkway, Suite 220 Bloomington, MN 55425		Negligence lawsuit captioned Ryan Scott Lagerquist vs Twin Cities Entertainment Inc., Steve Hark, and John Doe; no case number assigned.	X	X		unknown
ACCOUNT NO. Schutta & Jones, PLLC 3050 Center Point Drive, Suite 170 Roseville, MN 55113		2010 Accountant Services				339.75
ACCOUNT NO. Seaton, Beck & Peters, PA Attn: Alec Beck 7300 Metro Blvd., Suite 500 Minneapolis, MN 55439		2009/2010 Attorney Fees				20,546.10
ACCOUNT NO. 2311 Sesac PO Box 900013 Raleigh, NJ 27675-9013		Music License Fees		X		773.80
ACCOUNT NO. Spark Electric 2114 Washington Street NE Minneapolis, MN 55418		2010 Repair Services				3,705.00
ACCOUNT NO. Talicia Hewitt C/O Joni M. Thome, Attorney 1650 IDS Center, 80 S. 8th Street Minneapolis, MN 55402		Employment lawsuit captioned Talicia Hewitt vs Twin Cities Entertainment Inc., case no. 27-CV-09 -13710	X	X		unknown

Sheet no. 2 of 3 continuation sheets attached to
Schedule of Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page) \$ **27,425.90**

Total
(Use only on last page of the completed Schedule F. Report also on
the Summary of Schedules, and if applicable, on the Statistical
Summary of Certain Liabilities and Related Data.) \$

IN RE Twin Cities Entertainment, Inc.

Case No. _____

Debtor(s)

(If known)

**SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)**

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER. <i>(See Instructions Above.)</i>	CODEBTOR HUSBAND, WIFE, JOINT, OR COMMUNITY	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
ACCOUNT NO. 4402 US Bank PO Box 790408 St. Louis, MO 63179-0408		Credit Card Purchases				7,540.71
ACCOUNT NO. Winner Tobacco Wholesale 763 Kasota Ave. SE Minneapolis, MN 55414		2010 Inventory Purchases				6,125.00
ACCOUNT NO.						
ACCOUNT NO.						
ACCOUNT NO.						
ACCOUNT NO.						
ACCOUNT NO.						

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Sheet no. 3 of 3 continuation sheets attached to
Schedule of Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page) \$ **13,665.71**

(Use only on last page of the completed Schedule F. Report also on
the Summary of Schedules, and if applicable, on the Statistical
Summary of Certain Liabilities and Related Data.) \$ **168,999.56**

IN RE Twin Cities Entertainment, Inc.

Debtor(s)

Case No. _____

(If known)

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no executory contracts or unexpired leases.

NAME AND MAILING ADDRESS, INCLUDING ZIP CODE OF OTHER PARTIES TO LEASE OR CONTRACT	DESCRIPTION OF CONTRACT OR LEASE AND NATURE OF DEBTOR'S INTEREST. STATE WHETHER LEASE IS FOR NONRESIDENTIAL REAL PROPERTY. STATE CONTRACT NUMBER OF ANY GOVERNMENT CONTRACT.
<p>400 Wyman,LLC 510 North First Avenue Suite 500 Minneapolis, MN 55403</p>	<p>Commercial real estate lease for nonresidential real property. Debtor is Lessee. 07/2006</p>
<p>Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443</p>	
<p>Jad Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443</p>	
<p>LCA Bank Corporation PO Box 1650 Troy, MI 48099-1650</p>	<p>Lease of security equipment. Debtor is Lessee. 09/2007</p>
<p>Elias Yazbeck 763 Kasota Ave. SE Minneapolis, MN 55414</p>	
<p>Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443</p>	

IN RE Twin Cities Entertainment, Inc.

Debtor(s)

Case No. _____

(If known)

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by the debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight-year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
Assad Hark 763 Kasota Ave. SE Minneapolis, MN 55414	Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413
Elias A. Yazbeck 763 Kasota Ave. SE Minneapolis, MN 55414	Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413
	US Bank Eau Claire Barstow Office PO Box 790179 St. Louis, MO 63179-0179
Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443	Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413
	US Bank Eau Claire Barstow Office PO Box 790179 St. Louis, MO 63179-0179
Marcellino Hark 763 Kasota Ave. SE Minneapolis, MN 55414	Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413

IN RE Twin Cities Entertainment, Inc. Case No. _____
Debtor(s) (If known)

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY BY INDIVIDUAL DEBTOR

I declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of _____ sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date: _____ Signature: _____ Debtor

Date: _____ Signature: _____ (Joint Debtor, if any)

[If joint case, both spouses must sign.]

DECLARATION AND SIGNATURE OF NON-ATTORNEY BANKRUPTCY PETITION PREPARER (See 11 U.S.C. § 110)

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342 (b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required by that section.

Printed or Typed Name and Title, if any, of Bankruptcy Petition Preparer Social Security No. (Required by 11 U.S.C. § 110.)

If the bankruptcy petition preparer is not an individual, state the name, title (if any), address, and social security number of the officer, principal, responsible person, or partner who signs the document.

Address

Signature of Bankruptcy Petition Preparer Date

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document, unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional signed sheets conforming to the appropriate Official Form for each person.

A bankruptcy petition preparer's failure to comply with the provision of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the **President** _____ (the president or other officer or an authorized agent of the corporation or a member or an authorized agent of the partnership) of the **Twin Cities Entertainment, Inc.**

(corporation or partnership) named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 14 sheets (*total shown on summary page plus 1*), and that they are true and correct to the best of my knowledge, information, and belief.

Date: **June 28, 2010** Signature: **/s/ Estephan Y. Hark**

Estephan Y. Hark

(Print or type name of individual signing on behalf of debtor)

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571.

**United States Bankruptcy Court
District of Minnesota**

IN RE:

Case No. _____

Twin Cities Entertainment, Inc.

Chapter 11

Debtor(s)

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

1. Income from employment or operation of business

- None State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT SOURCE

0.00 YTD 2010: \$389,499. gross receipts
2009: \$844,751. gross receipts
2008: \$1,196,642. gross receipts

2. Income other than from employment or operation of business

- None State the amount of income received by the debtor other than from employment, trade, profession, operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

3. Payments to creditors

Complete a. or b., as appropriate, and c.

- None *a. Individual or joint debtor(s) with primarily consumer debts:* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

None *b. Debtor whose debts are not primarily consumer debts:* List each payment or other transfer to any creditor made within **90 days** immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,850. * If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

NAME AND ADDRESS OF CREDITOR	DATE OF PAYMENTS/TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
AFCO Credit Corporation 1000 Milwaukee Avenue Glenview, IL 60025	Payment made c/o Nesbit Agencies, Inc. of \$5,287.39 per month for insurance premiums on 03/31/10, 04/29/10, 05/27/10, and 06/25/10.	21,149.48	37,011.73
400 Wyman, LLC 510 North First Avenue Suite 500 Minneapolis, MN 55403	Lease payments of \$15,287.67 per month.	45,863.01	0.00
Johnson Bros. Liquor, Inc. 1999 Shepard Road St. Paul, MN 55116	Payment on deliveries of merchandise within 45 days: \$4,203.96 on 04/08/10; \$3,556.77 on 04/22/10; \$4,677.12 on 04/29/10; \$10,021.55 on 05/19/10; \$7,301.28 on 06/07/10; \$7,391.48 on 06/17/10; and \$1,877.17 on 06/24/10	39,029.33	8,946.00
Minnesota Department Of Revenue Bankruptcy Section P.O. Box 64447-BKY St. Paul, MN 55164-0447	Sales tax payments: \$6,150. on 04/20/10; \$6,101. on 05/21/10; \$7,944. on 06/22/10; and \$6,391. on 06/25/10	26,586.00	0.00
Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413	Regular payment of \$4,410 per month made pursuant to Commercial Security Agreement on 04/10/10, 05/10/10 and 06/10/10.	13,230.00	172,932.41
US Bank Eau Claire Barstow Office PO Box 790179 St. Louis, MO 63179-0179	Regular payment of \$3,068.11 per month made pursuant to Business Loan Note and Security Agreement on 04/18/10, 05/18/10 and 06/18/10.	9,204.33	58,902.29

None *c. All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

4. Suits and administrative proceedings, executions, garnishments and attachments

None a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
Talicia Hewitt vs Twin Cities Entertainment Inc. Case No. 27-CV-09-13710	Employment	District Court Hennepin County, MN	Consolidated with companion case 27-CV-09-13711; Trial 07/12/2010 (Zimmerman, Lloyd B.)
Cassandra Jennissen vs Twin Cities Entertainment Inc. Case No. 27-CV-09-13711	Employment	District Court Hennepin County, MN	Consolidated with companion case 27-CV-09-13710; Trial 07/12/2010 (Zimmerman, Lloyd B.)
Ryan Scott Lagerquist vs Twin Cities Entertainment Inc., Steve Hark, and John Doe	Negligence	District Court Hennepin County, MN	Summons and complaint served 11/09; Pending action is

No case number assigned.

subject to tolling agreement

None b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

5. Repossessions, foreclosures and returns

None List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

6. Assignments and receiverships

None a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and joint petition is not filed.)

None b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

7. Gifts

None List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

8. Losses

None List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
Equipment damage equal to insurance proceeds	Equipment breakdown; coverage by United Fire Insurance. Insurance proceeds of \$2,495.31 will be used for repair of equipment.	01/2010

9. Payments related to debt counseling or bankruptcy

None List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under bankruptcy law or preparation of a petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
Morris Law Group, P.A. 7241 Ohms Lane, Suite 275 Edina, MN 55439	06/02/10	15,000.00

10. Other transfers

None a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

None b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

11. Closed financial accounts

None List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

12. Safe deposit boxes

None List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

13. Setoffs

None List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

14. Property held for another person

None List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER
LCA Bank Corporation
PO Box 1650
Troy, MI 48099-1650

DESCRIPTION AND VALUE OF PROPERTY
Security equipment including cameras.
Value unknown.

LOCATION OF PROPERTY
Debtor's premises.

15. Prior address of debtor

None If debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

16. Spouses and Former Spouses

None If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

17. Environmental Information

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law.

None a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law.

None b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

None c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

18. Nature, location and name of business

None a. *If the debtor is an individual*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

None b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within six years immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

(An individual or joint debtor should complete this portion of the statement only if the debtor is or has been in business, as defined above, within the six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)

19. Books, records and financial statements

None a. List all bookkeepers and accountants who within the **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS	DATES SERVICES RENDERED
Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443	At all times
Thomas P. Jones Schutta & Jones, P.L.L.C. 3030 Centre Point Drive, Suite 400 Roseville, MN 55113	Tax years 2008 and 2009

None b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

None c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME AND ADDRESS
Thomas P. Jones
Schutta & Jones, P.L.L.C.
3030 Centre Point Drive, Suite 400
Roseville, MN 55113

None d. List all financial institutions, creditors, and other parties, including mercantile and trade agencies, to whom a financial statement was issued within the **two years** immediately preceding the commencement of the case by the debtor.

NAME AND ADDRESS	DATE ISSUED
Northeast Bank 77 Broadway Street NE Minneapolis, MN 55413	Annual financial statement

20. Inventories

None a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY	INVENTORY SUPERVISOR	DOLLAR AMOUNT OF INVENTORY (Specify cost, market, or other basis)
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06/01/10

Estephan Y. Hark

Liquor and beer: \$6,194.58
Non-alcoholic & juices: \$322.30

06/27/10

Estephan Y. Hark

Liquor and beer: \$5,885.62
Non-alcoholic & juices: \$366.55

None b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.



21. Current Partners, Officers, Directors and Shareholders

None a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.



None b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443	President	100%

22. Former partners, officers, directors and shareholders

None a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.



None b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.



23. Withdrawals from a partnership or distributions by a corporation

None If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
Estephan Y. Hark 2724 Edinbrook Terrace N. Brooklyn Park, MN 55443 President & Sole Shareholder	Bi-weekly payroll 07/04/09 through 06/19/10	\$16,223.12 total
Marguerite B. Hark 2724 Edinbrook Ter. Brooklyn Park, MN 55443 Spouse of President	Bi-weekly payroll 07/04/09 through 05/22/10	\$5,920.25 total
Jad Hark 5096 Hughes Ave. Fridley, MN 55421 Sibling of President	Bi-weekly payroll 07/04/09 through 06/19/10	\$8,370.90 total

24. Tax Consolidation Group

None If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within **six years** immediately preceding the commencement of the case.



25. Pension Funds.

None If the debtor is not an individual, list the name and federal taxpayer identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within **six years** immediately preceding the commencement of the case.



[If completed on behalf of a partnership or corporation]

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information, and belief.

Date: June 28, 2010 Signature: /s/ Estephan Y. Hark

Estephan Y. Hark, President

Print Name and Title

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

0 continuation pages attached

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. § 152 and 3571.

United States Bankruptcy Court
District of Minnesota

IN RE:

Case No. _____

Twin Cities Entertainment, Inc.

Chapter 11

Debtor(s)

STATEMENT OF COMPENSATION BY ATTORNEY FOR DEBTOR(S)

The undersigned, pursuant to Local Rule 1007-1, Bankruptcy Rule 2016(b) and § 329(a) of the Bankruptcy Code, states that:

1. The undersigned is the attorney for the debtor(s) in this case and files this statement as required by applicable rules.
2. (a) The filing fee paid by the undersigned to the clerk for the debtor(s) in this case is: \$ 1,039.00
(b) The compensation paid or agreed to be paid by the debtor(s) to the undersigned is: \$ 250.00/hr
(c) Prior to filing this statement, the debtor(s) paid to the undersigned: \$ 15,000.00
(d) The unpaid balance due and payable by the debtor(s) to the undersigned is:
3. The services rendered or to be rendered include the following:
 - (a) analysis of the financial situation and rendering advice and assistance to the debtor in determining whether to file a petition under Title 11 of the United States Code;
 - (b) preparation and filing of the petition, exhibits, attachments, schedules, statements and lists and other documents required by the court;
 - (c) representation of the debtor(s) at the meeting of creditors;
 - (d) negotiations with creditors; and
 - (e) other services reasonably necessary to represent the debtor(s) in this case.
4. The source of all payments by the debtor(s) to the undersigned was or will be from earnings or other current compensation of the debtor(s), and the undersigned has not received and will not receive any transfer of property other than such payments by the debtor(s), except as follows:
5. The undersigned has not shared or agreed to share with any other person other than with members of undersigned's law firm any compensation paid or to be paid.

Dated: June 28, 2010

/s/ Lynn J.D. Wartchow

Attorney for Debtor(s)

Lynn J.D. Wartchow (0339726)

Morris Law Group, P.A.

7241 Ohms Lane, Suite 275

Edina, MN 55439

Phone (952) 832-2000 Fax (952) 832-0020

lynn@morrislawmn.com

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Twin Cities Entertainment, Inc.,

Debtor.

Bky. 10-_____
Chapter 11 Case

**STATEMENT REGARDING
AUTHORITY TO SIGN AND FILE
PETITION**

STATEMENT REGARDING AUTHORITY TO SIGN AND FILE PETITION

I, Estephan Y. Hark, declare under penalty of perjury that I am the President of Twin Cities Entertainment, Inc., a Minnesota corporation and that on May 21, 2010 the following resolution was duly adopted by the Board of this corporation:

"Whereas, it is in the best interest of this corporation to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

NOW, BE IT THEREFORE

RESOLVED, that Estephan Hark, President of this corporation, is authorized and directed to execute and deliver all documents necessary to perfect the filing of a chapter 11 voluntary bankruptcy case on behalf of the corporation; and

FURTHER RESOLVED, that Estephan Hark, President of this corporation, is authorized and directed to appear in all bankruptcy proceedings on behalf of the corporation, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the corporation in connection with such bankruptcy case; and

FURTHER RESOLVED, that Estephan Hark, President of this corporation, is authorized and directed to employ Lynn J.D. Wartchow and the law firm of Morris Law Group, P.A. as its attorneys to represent the corporation in such bankruptcy case."

Executed on: 5-21-2010

By: Estephan Hark
Estephan Y. Hark
2724 Edinbrook Terr. N.
Brooklyn Park, MN 55443

Twin Cities Entertainment, Inc
Balance Sheet
 As of May 31, 2010

	May 31, 10
ASSETS	
Current Assets	
Checking/Savings	
1-Checking	-43,570.41
2-Payroll Account	-13,116.99
4-Cash In Registers	1,000.00
5-U.S.Bank Checking Account	16.09
Total Checking/Savings	-55,671.31
Accounts Receivable	
Accounts Receivable	-6.01
Total Accounts Receivable	-6.01
Other Current Assets	
Liquor Inventory	6,516.88
Undeposited Funds	19,229.90
Total Other Current Assets	25,746.78
Total Current Assets	-29,930.54
Fixed Assets	
Bar Equipment	43,983.44
Equipment	274,308.13
Furniture	49,172.34
Leasehold Improvements	479,069.20
Accumulated Depreciation	-332,580.00
Total Fixed Assets	513,953.11
Other Assets	
Organization Costs	2,678.45
Security Deposit	14,583.33
Accumulated Amortization	-1,740.98
Total Other Assets	15,520.80
TOTAL ASSETS	499,543.37
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	60,810.70
Total Accounts Payable	60,810.70
Credit Cards	
Advanta MasterCard	10,486.17
Home Depot	14,109.17
U.S. Bank Credit Card	7,540.71
Total Credit Cards	32,136.05
Other Current Liabilities	
Loan From Marguerite Bassil Har	15,000.00
Accrued Wages and Taxes	8,298.71
Loan From Estephan Hark	34,510.00
Merchant Fees Payable	1,535.29
Payroll Liabilities	
Futa Payable	697.91
SUTA Payable	941.35
Total Payroll Liabilities	1,639.26
Sales Tax Pyble	7,944.00
Total Other Current Liabilities	68,927.26
Total Current Liabilities	161,874.01
Long Term Liabilities	
Loan #2 From NorthEast Bank	168,053.86

12:18 PM
06/25/10
Accrual Basis

Twin Cities Entertainment, Inc
Balance Sheet
As of May 31, 2010

	May 31, 10
US Bank Loan	62,416.00
Total Long Term Liabilities	230,469.86
Total Liabilities	392,343.87
Equity	
Capital Stock	1,000.00
Retained Earnings	186,402.72
Net Income	-80,203.22
Total Equity	107,199.50
TOTAL LIABILITIES & EQUITY	499,543.37

Twin Cities Entertainment, Inc
Statement of Cash Flows
 January through May 2010

	Jan - May 10
OPERATING ACTIVITIES	
Net Income	-80,203.22
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	543.01
Liquor Inventory	10,308.15
Accounts Payable	29,885.68
Advanta MasterCard	-896.40
Home Depot	-2,098.36
U.S. Bank Credit Card	-101.18
Loan From Marguerite Bassil Har	15,000.00
Accrued Wages and Taxes	-1,470.30
Loan From Estephan Hark	30,000.00
Merchant Fees Payable	687.13
Payroll Liabilities:Futa Payable	545.83
Payroll Liabilities:SUTA Payable	-4,645.28
Sales Tax Pyble	2,014.00
Net cash provided by Operating Activities	-430.94
INVESTING ACTIVITIES	
Accumulated Depreciation	32,059.90
Accumulated Amortization	223.20
Net cash provided by Investing Activities	32,283.10
FINANCING ACTIVITIES	
Loan #2 From NorthEast Bank	-23,062.75
US Bank Loan	-12,911.29
Shareholder Distributions	6,976.10
Retained Earnings	-6,976.10
Net cash provided by Financing Activities	-35,974.04
Net cash increase for period	-4,121.88
Cash at beginning of period	-32,319.53
Cash at end of period	-36,441.41

Twin Cities Entertainment, Inc
Profit & Loss
 January through May 2010

	Jan - May 10
Ordinary Income/Expense	
Income	
Fees	5,276.00
Sales	
Beverages	75,363.03
Cover Charge	71,987.00
Liquor	136,094.47
Total Sales	283,444.50
Refund To Customer	-2,867.47
Total Income	285,853.03
Cost of Goods Sold	
Beer	4,051.50
Beverage	9,212.59
Beverages	6,125.00
Liquor	57,619.69
Vendor Rebate	-2,298.00
Inventory Adjustment	10,308.15
Total COGS	85,018.93
Gross Profit	200,834.10
Expense	
Advertising	
Online Advertising	5,500.00
Radio Advertising	525.00
Total Advertising	6,025.00
Amortization Expense	223.20
Bank Service Charges	1,954.04
Cable Television	319.75
Cell Phones	857.73
Charge Back	80.00
Credit Cards Fees	687.13
Depreciation Expense	32,059.90
Finance Charges	3,122.68
Insurance	
Health Insurance	9,160.00
Insurance - Other	26,565.92
Total Insurance	35,725.92
Licenses and Permits	
Liquor License Consultant	-497.16
Minneapolis Liquor License Fees	1,020.27
Licenses and Permits - Other	4,547.50
Total Licenses and Permits	5,070.61
Linen Services	944.31
Membership Fees	299.00
Merchant Fees	6,045.65
Miscellaneous	0.00
Office Supplies	
Equipment Purchased	
Computers	610.24
Total Equipment Purchased	610.24
Office Supplies - Other	188.93
Total Office Supplies	799.17
Payroll Taxes	3,036.11
Professional Fees	
Accounting	1,616.50
Legal Fees	28,785.60
Total Professional Fees	30,402.10

Twin Cities Entertainment, Inc
Profit & Loss
January through May 2010

	<u>Jan - May 10</u>
Rent	
Equipment Lease	2,043.68
Rent - Other	79,461.40
Total Rent	<u>81,505.08</u>
Repairs	
Maintenance	7,065.73
Computer Repairs	910.42
Equipment Repairs	2,227.50
Total Repairs	<u>10,203.65</u>
Salaries and wages	
Barback VIP Asst	6,753.95
Bartender	7,923.04
Cocktail/VIP Servers	14,401.66
Entrance	0.00
Floor Hosts	4,822.58
Managers	17,389.29
VIP Host	-1,800.00
Total Salaries and wages	<u>49,490.52</u>
Security Monitoring	294.42
Telephone	529.39
Utilities	
Electricity	5,607.27
Total Utilities	<u>5,607.27</u>
Wristbands	489.74
Total Expense	<u>275,772.37</u>
Net Ordinary Income	-74,938.27
Other Income/Expense	
Other Income	
Refund	294.66
Total Other Income	<u>294.66</u>
Other Expense	
Interest Expense	5,559.61
Total Other Expense	<u>5,559.61</u>
Net Other Income	<u>-5,264.95</u>
Net Income	<u><u>-80,203.22</u></u>

Form **1120S**

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0130

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.
▶ See separate instructions.

2009

Department of the Treasury
Internal Revenue Service

For calendar year 2009 or tax year beginning _____, ending _____

A S election effective date 01/01/07	Use IRS label. Otherwise, print or type.	Name Twin Cities Entertainment Inc	D Employer identification number 20-5131337
B Business activity code number (see instructions) 722410		Number, street, and room or suite no. If a P.O. box, see instructions. Aqua Nightclub 2724 Edinbrook Terrace N.	E Date incorporated 06/26/2006
C Check if Sch. M-3 attached <input type="checkbox"/>		City or town, state, and ZIP code Brooklyn Park MN 55443	F Total assets (see instructions) \$ 579,121

G Is the corporation electing to be an S corporation beginning with this tax year? Yes No If "Yes," attach Form 2553 if not already filed

H Check if: (1) Final return (2) Name change (3) Address change
(4) Amended return (5) S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year ▶ 1

Caution. Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a Gross receipts or sales	844,751	b Less returns and allowances	508	c Bal ▶	1c	844,243
	2 Cost of goods sold (Schedule A, line 8)					2	153,041
	3 Gross profit. Subtract line 2 from line 1c					3	691,202
	4 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)					4	
	5 Other income (loss) (see instructions—attach statement)		See Stmt 1			5	6,066
	6 Total income (loss). Add lines 3 through 5					6	697,268
Deductions (see instructions for limitations)	7 Compensation of officers					7	
	8 Salaries and wages (less employment credits)					8	200,841
	9 Repairs and maintenance					9	23,246
	10 Bad debts					10	
	11 Rents					11	204,459
	12 Taxes and licenses					12	46,283
	13 Interest					13	15,603
	14 Depreciation not claimed on Schedule A or elsewhere on return (attach Form 4562)					14	97,805
	15 Depletion (Do not deduct oil and gas depletion.)					15	
	16 Advertising					16	9,295
	17 Pension, profit-sharing, etc., plans					17	
	18 Employee benefit programs					18	
	19 Other deductions (attach statement)		See Stmt 2			19	124,074
	20 Total deductions. Add lines 7 through 19					20	721,606
	21 Ordinary business income (loss). Subtract line 20 from line 6					21	-24,338

Tax and Payments	22a Excess net passive income or LIFO recapture tax (see instructions)	22a	
	b Tax from Schedule D (Form 1120S)	22b	
	c Add lines 22a and 22b (see instructions for additional taxes)	22c	
	23a 2009 estimated tax payments and 2008 overpayment credited to 2009	23a	
	b Tax deposited with Form 7004	23b	
	c Credit for federal tax paid on fuels (attach Form 4136)	23c	
	d Add lines 23a through 23c	23d	
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached	24	<input type="checkbox"/>
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed	25	
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	26	
27 Enter amount from line 26 Credited to 2010 estimated tax ▶ Refunded ▶	27		

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Signature of officer _____ Date _____ Title _____

Paid Preparer's Use Only	Preparer's signature Thomas P. Jones	Date 04/15/10	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN P00525300
	Firm's name (or yours if self-employed), address, and ZIP code SCHUTTA & JONES, P.L.L.C. 3050 CENTRE POINTE DR STE 170 ROSEVILLE, MN 55113-1102	EIN 02-0647111	Phone no. 651-636-4050	

Schedule A Cost of Goods Sold (see instructions)

1	Inventory at beginning of year	1	33,279
2	Purchases	2	137,707
3	Cost of labor	3	
4	Additional section 263A costs (attach statement)	4	
5	Other costs (attach statement) Stmt 3	5	-1,120
6	Total. Add lines 1 through 5	6	169,866
7	Inventory at end of year	7	16,825
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	153,041

9a Check all methods used for valuing closing inventory: (i) Cost as described in Regulations section 1.471-3
(ii) Lower of cost or market as described in Regulations section 1.471-4
(iii) Other (Specify method used and attach explanation.) ▶

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) ▶

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
If "Yes," attach explanation.

Schedule B Other Information (see instructions)

	Yes	No
1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶		
2 See the instructions and enter the: a Business activity ▶ SERVICE b Product or service ▶ NIGHT CLUB		
3 At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) if 100% owned, was a QSub election made?		X
4 Has this corporation filed, or is it required to file, a return under section 6111 to provide information on any reportable transaction?		X
5 Check this box if the corporation issued publicly offered debt instruments with original issue discount if checked, the corporation may have to file Form 8281 , Information Return for Publicly Offered Original Issue Discount Instruments. <input type="checkbox"/>		
6 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years ▶ \$		
7 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$		
8 Are the corporation's total receipts (see instructions) for the tax year and its total assets at the end of the tax year less than \$250,000? If "Yes," the corporation is not required to complete Schedules L and M-1.		X

Schedule K Shareholders' Pro Rata Share Items

	Total amount
1 Ordinary business income (loss) (page 1, line 21)	1 -24,338
2 Net rental real estate income (loss) (attach Form 8825)	2
3a Other gross rental income (loss)	3a
b Expenses from other rental activities (attach statement)	3b
c Other net rental income (loss). Subtract line 3b from line 3a	3c
4 Interest income	4
5 Dividends: a Ordinary dividends	5a
b Qualified dividends	5b
6 Royalties	6
7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a
b Collectibles (28%) gain (loss)	8b
c Unrecaptured section 1250 gain (attach statement)	8c
9 Net section 1231 gain (loss) (attach Form 4797)	9
10 Other income (loss) (see instructions) Type ▶	10

		Shareholders' Pro Rata Share Items (continued)	Total amount	
Deductions	11	Section 179 deduction (attach Form 4562)	11	
	12a	Contributions See Stmt 4	12a	3,237
	b	Investment interest expense	12b	
	c	Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c(2)	
	d	Other deductions (see instructions) Type ▶	12d	
Credits	13a	Low-income housing credit (section 42(j)(5))	13a	
	b	Low-income housing credit (other)	13b	
	c	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468)	13c	
	d	Other rental real estate credits (see instructions) Type ▶	13d	
	e	Other rental credits (see instructions) Type ▶	13e	
	f	Alcohol and cellulosic biofuel fuels credit (attach Form 6478)	13f	
	g	Other credits (see instructions) Type ▶	13g	
Foreign Transactions	14a	Name of country or U.S. possession ▶		
	b	Gross income from all sources	14b	
	c	Gross income sourced at shareholder level Foreign gross income sourced at corporate level	14c	
	d	Passive category	14d	
	e	General category	14e	
	f	Other (attach statement) Deductions allocated and apportioned at shareholder level	14f	
	g	Interest expense	14g	
	h	Other Deductions allocated and apportioned at corporate level to foreign source income	14h	
	i	Passive category	14i	
	j	General category	14j	
	k	Other (attach statement) Other information	14k	
	l	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
	m	Reduction in taxes available for credit (attach statement)	14m	
	n	Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) items	15a	Post-1986 depreciation adjustment	15a	6,046
	b	Adjusted gain or loss	15b	
	c	Depletion (other than oil and gas)	15c	
	d	Oil, gas, and geothermal properties—gross income	15d	
	e	Oil, gas, and geothermal properties—deductions	15e	
	f	Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a	Tax-exempt interest income	16a	
	b	Other tax-exempt income	16b	
	c	Nondeductible expenses	16c	60
	d	Property distributions	16d	6,976
	e	Repayment of loans from shareholders	16e	
Other Information	17a	Investment income	17a	
	b	Investment expenses	17b	
	c	Dividend distributions paid from accumulated earnings and profits	17c	
	d	Other items and amounts (attach statement)		
Reconciliation	18	Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	-27,575

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		2,901		
2a	Trade notes and accounts receivable			537	
b	Less allowance for bad debts	(537
3	Inventories		33,279		16,825
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	846,534		846,534	
b	Less accumulated depreciation	(202,713)	643,821	(300,518)	546,016
11a	Depletable assets				
b	Less accumulated depletion	(
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)	2,678		2,678	
b	Less accumulated amortization	(982)	1,696	(1,518)	1,160
14	Other assets (attach statement) Stmt 5		14,583		14,583
15	Total assets		696,280		579,121
Liabilities and Shareholders' Equity					
16	Accounts payable		38,890		63,242
17	Mortgages, notes, bonds payable in less than 1 year				4,510
18	Other current liabilities (attach statement) Stmt 6		49,314		57,518
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		386,058		266,444
21	Other liabilities (attach statement)				
22	Capital stock		1,000		1,000
23	Additional paid-in capital				
24	Retained earnings		221,018		186,407
25	Adjustments to shareholders' equity (attach statement)				
26	Less cost of treasury stock		(
27	Total liabilities and shareholders' equity		696,280		579,121

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more—see instructions

1	Net income (loss) per books	-27,639	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14i (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14i, not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Travel and entertainment \$	60			
	Stmt 7	4	7	Add lines 5 and 6	
4	Add lines 1 through 3	-27,575	8	Income (loss) (Schedule K, line 18). Line 4 less line 7	-27,575

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	221,018	
2	Ordinary income from page 1, line 21		
3	Other additions		
4	Loss from page 1, line 21	(24,338)	
5	Other reductions Stmt 8	(3,297)	
6	Combine lines 1 through 5	193,383	
7	Distributions other than dividend distributions	6,976	
8	Balance at end of tax year. Subtract line 7 from line 6	186,407	

**Schedule K-1
(Form 1120S)**

Department of the Treasury
Internal Revenue Service

2009

For calendar year 2009, or tax
year beginning _____
ending _____

Final K-1

Amended K-1

Shareholder's Share of Income, Deductions, Credits, etc.

▶ See back of form and separate instructions.

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss) -24,338	13	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15 A	Alternative minimum tax (AMT) items 6,046
11	Section 179 deduction	16 C*	Items affecting shareholder basis 60
12 A	Other deductions 3,237	D	6,976
		17	Other information

* See attached statement for additional information.

Part I Information About the Corporation

A Corporation's employer identification number
20-5131337

B Corporation's name, address, city, state, and ZIP code
Twin Cities Entertainment Inc
Aqua Nightclub
2724 Edinbrook Terrace N.
Brooklyn Park MN 55443

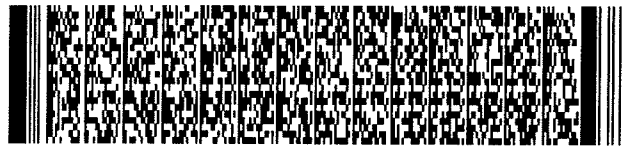
C IRS Center where corporation filed return
Ogden, UT 84201

Part II Information About the Shareholder

D Shareholder's identifying number
[REDACTED]

E Shareholder's name, address, city, state, and ZIP code
ESTEPHAN HARK
2724 Edinbrook Terrace North
Brooklyn Park MN 55443

F Shareholder's percentage of stock ownership for tax year 100.000000 %



For IRS Use Only

FYE: 12/31/2009

Statement 1 - Form 1120S, Page 1, Line 5 - Other Income

Description	Amount
CASH MACHINE INCOME	\$ 2,716
CLUB RENTAL FEE	1,900
PROMOTIONAL SUPPORT ADVERTISING INCOME	
ATM TRANSACTION FEES	1,450
Total	<u>\$ 6,066</u>

Statement 2 - Form 1120S, Page 1, Line 19 - Other Deductions

Description	Amount
BANK SERVICE CHARGES	\$ 3,114
BUSINESS TRAVEL	1,614
CABLE TELEVISION	611
CELEBRITY FEES	
CHARGE BACK	291
FINANCE CHARGES	7,736
INSURANCE	61,424
LIGHT & SOUND	
LINEN SERVICE	1,782
MEMBERSHIPS	720
MERCHANT FEES	16,437
MISCELLANEOUS	
MUSIC	
OFFICE SUPPLIES	913
PRINTING & REPRODUCTION	
PROFESSIONAL FEES	10,749
REIMBURSED EXPENSES	
SECURITY MONITORING	441
TELEPHONE	4,842
TRAINING	450
UTILITIES	10,333
WEBSITE FEES	260
WRISTBANDS	1,629
WRITEOFFS	132
Amortization	536
50% of Meals & Entertainment	60
Total	<u>\$ 124,074</u>

Statement 3 - Form 1120S, Page 2, Schedule A, Line 5 - Other Costs

<u>Description</u>	<u>Amount</u>
SALES TAX	\$ 731
BAR SUPPLIES	396
TOBACCO & CIGARETTES	983
VENDOR REBATES	-3,230
Total	<u>\$ -1,120</u>

Statement 4 - Form 1120S, Page 3, Schedule K, Line 12a - Cash Contributions

<u>Description</u>	<u>Cash Contrib 50%</u>	<u>Cash Contrib 30%</u>	<u>Total</u>
CSH DONATIONS	\$ <u>3,237</u>	\$ <u> </u>	\$ <u>3,237</u>
Total	\$ <u>3,237</u>	\$ <u>0</u>	\$ <u>3,237</u>

Federal Statements**Statement 5 - Form 1120S, Page 4, Schedule L, Line 14 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
SECURITY DEPOSITS	\$ 14,583	\$ 14,583
Total	\$ 14,583	\$ 14,583

Statement 6 - Form 1120S, Page 4, Schedule L, Line 18 - Other Current Liabilities

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
ACCRUED WAGES	\$ 9,769	\$ 9,769
CHARGE BACK PAYABLE		
MERCHANT FEES PAYABLE	1,761	848
PAYROLL TAXES PAYABLE	3,022	5,739
SALES TAX PAYABLE	10,721	5,930
CREDIT CARDS PAYABLE	24,041	35,232
Total	\$ 49,314	\$ 57,518

Statement 7 - Form 1120S, Page 4, Schedule M-1, Line 3 - Expenses on Books Not on Return

<u>Description</u>	<u>Amount</u>
Rounding Adjustment	\$ 4
Total	\$ 4

Statement 8 - Form 1120S, Page 4, Schedule M-2, Line 5(a) - Other Reductions

<u>Description</u>	<u>Amount</u>
Disallowed Entertainment Exp	\$ 60
Charitable Contributions	3,237
Total	\$ 3,297

124800 Twin Cities Entertainment Inc

20-5131337

FYE: 12/31/2009

Federal Statements

ESTEPHAN HARK

477-29-5237

Schedule K-1, Box 16, Code C - Nondeductible Expenses

<u>Description</u>	<u>Shareholder Amount</u>
Page 1 Meals/Entertainment	\$ 60
Total	<u>\$ 60</u>

Asset	Description	Date In Service	Cost	Bus Sec % 179Bonus	Basis for Depr	PerConv Meth	Prior	Current
Prior MACRS:								
1	BAR EQUIPMENT	2/26/07	7,050		7,050	5 HY 200DB	3,666	1,354
2	BAR EQUIPMENT	3/21/07	32,253		32,253	5 HY 200DB	16,772	6,192
3	BAR EQUIPMENT	4/01/07	2,000		2,000	5 HY 200DB	1,040	384
4	BAR EQUIPMENT	4/01/07	2,680		2,680	5 HY 200DB	1,394	514
5	EQUIPMENT	2/12/07	8,000		8,000	7 HY 200DB	3,102	1,399
6	EQUIPMENT	3/30/07	8,522		8,522	7 HY 200DB	3,304	1,491
7	EQUIPMENT	4/26/07	2,552		2,552	7 HY 200DB	989	447
8	EQUIPMENT	5/27/07	24,198		24,198	7 HY 200DB	9,383	4,233
9	EQUIPMENT	6/28/07	352		352	7 HY 200DB	137	61
10	EQUIPMENT	7/31/07	2,579		2,579	7 HY 200DB	1,000	451
11	EQUIPMENT	8/31/07	225,474		225,474	7 HY 200DB	87,429	39,441
12	EQUIPMENT	10/25/07	2,632		2,632	7 HY 200DB	1,020	461
13	FURNITURE	2/28/07	23,423		23,423	5 HY 200DB	12,180	4,497
14	FURNITURE	3/31/07	5,561		5,561	5 HY 200DB	2,892	1,067
15	FURNITURE	4/19/07	9,041		9,041	5 HY 200DB	4,701	1,736
16	FURNITURE	8/28/07	4,950		4,950	5 HY 200DB	2,574	950
17	FURNITURE	9/22/07	4,412		4,412	5 HY 200DB	2,294	847
18	FURNITURE	10/25/07	1,786		1,786	5 HY 200DB	929	343
19	LEASHOLD IMPROVEMENT	4/01/07	6,731		6,731	15 HY S/L	673	449
20	LEASHOLD IMPROVEMENT	4/01/07	7,850		7,850	15 HY S/L	785	523
21	LEASHOLD IMPROVEMENT	4/01/07	14,785		14,785	15 HY S/L	1,479	985
22	LEASHOLD IMPROVEMENT	4/01/07	449,703		449,703	15 HY S/L	44,970	29,980
			<u>846,534</u>		<u>846,534</u>		<u>202,713</u>	<u>97,805</u>
Amortization:								
23	Organization Costs	3/01/07	2,678		2,678	5 MOAmort	982	536
			<u>2,678</u>		<u>2,678</u>		<u>982</u>	<u>536</u>
Grand Totals			849,212		849,212		203,695	98,341
Less: Dispositions and Transfers			0		0		0	0
Less: Start-up/Org Expense			0		0		0	0
Net Grand Totals			<u>849,212</u>		<u>849,212</u>		<u>203,695</u>	<u>98,341</u>

Form 1120S	Retained Earnings Reconciliation Worksheet	2009
Name <u>Twin Cities Entertainment Inc</u>		Employer Identification Number <u>20-5131337</u>
For calendar year 2009 or tax year beginning _____, ending _____		

Schedule L - Retained Earnings

Retained Earnings - Unappropriated	0
Accumulated Adjustments Account	186,407
Other Adjustments Account	0
Undistributed Previously Taxed Income	0
 Schedule L, Line 24 - Retained Earnings	 186,407

Schedule M-2 - Retained Earnings

	Accumulated Adjustments Account	Other Adjustments Account	Undistributed Previously Taxed Income	Retained Earnings Unappropriated/ Timing Differences	Total Retained Earnings
Beg Yr Bal	221,018	0	0	0	221,018
Ordinary Inc (Loss)	-24,338				-24,338
Other Additions					
Other Reductions	3,297				3,297
Distributions	6,976				6,976
End Yr Bal	186,407	0	0	0	186,407

Form **1120S****Schedule K-1 Summary Worksheet****2009**

Name

Employer Identification Number

Twin Cities Entertainment Inc

20-5131337

Shareholder Name

SSN/EIN

Column A ESTEPHAN HARK

Column B

Column C

Column D

	Schedule K Items	Column A	Column B	Column C	Column D	Sch K Total
1	Ordinary income	-24,338				-24,338
2	Net rental RE inc					
3c	Net other rental inc					
4	Interest income					
5a	Ordinary dividends					
5b	Qualified dividends					
6	Royalties					
7	Net ST capital gain					
8a	Net LT capital gain					
8b	Collectibles 28% gain					
8c	Unrecap Sec 1250					
9	Net Sec 1231 gain					
10	Other income (loss)					
11	Sec 179 deduction					
12a	Contributions	3,237				3,237
12b	Invest interest exp					
12c	Sec 59(e)(2) exp					
12d	Other deductions					
13a,c	Low-inc house 42j5					
13b,d	Low-inc house other					
13e	Qualif rehab exp					
13f	Rental RE credits					
13g	Other rental credits					
13h	Fuel alcohol credit					
13i	Other credits					
14b	Gross inc all src					
14d-f	Total foreign inc					
14g-k	Total foreign deds					
14l	Total foreign taxes					
14m	Reduct in taxes					
15a	Depr adjustment	6,046				6,046
15b	Adjusted gain (loss)					
15c	Depletion					
15d	Inc-oil/gas/geoth					
15e	Ded-oil/gas/geoth					
15f	Other AMT items					
16a	Tax-exempt interest					
16b	Other tax-exempt					
16c	Nonded expense	60				60
16d	Total property dist	6,976				6,976
16e	Shr loan repmts					
17a	Investment income					
17b	Investment expense					
18	Income (loss)	-27,575				-27,575

Shareholder's Basis Worksheet Page 1

Form **1120S**
Schedule K-1

For calendar year 2009 or tax year beginning

, ending

2009

Name **Twin Cities Entertainment Inc**
ESTEPHAN HARK

Taxpayer Identification Number

20-5131337

Stock Basis

1. Beginning of year stock basis	136,513
2. Capital contributions	
Additions:	
3. Ordinary business income	
4. Net rental real estate income	
5. Other net rental income	
6. Interest, dividends and royalties	
7. Net capital gains	
8. Net section 1231 gain	
9. Tax-exempt interest and other income	
10. Other income	
11. Other increases	
12. Subtotal (Add line 1 through line 11)	<u>136,513</u>
Subtractions:	
13. Distributions	6,976
14. Total losses and deductions applied against stock basis (See Shareholder's Basis Worksheet Page 2)	27,635
15. Other decreases	
16. Amount used to restore loan basis	
17. End of year stock basis (Subtract the sum of lines 13 through 16 from line 12)	<u>101,902</u>

Loan Basis

18. Beginning of year loan basis	
19. Loans to corporation	
20. Loan basis restored - amount used in prior years to offset losses	
21. Other increases	
22. Loan repayments	
23. Total losses and deductions applied against loan basis (See Shareholder's Basis Worksheet Page 2)	
24. Other decreases	
25. End of year loan basis (Subtract the sum of lines 22 through 24 from the sum of lines 18 through 21)	<u>0</u>
26. End of year stock and loan basis (Add line 17 and line 25)	<u>101,902</u>

Gain Recognized on Excess Distributions

27. Distributions	
28. Stock basis before distributions and loss items	
29. Gain recognized on excess distributions (Subtract line 28 from line 27)	<u>*</u>

Gain Recognized on Repayment of Shareholder Loan

30. Loan basis at beginning of tax year	
31. Basis restored - amount used in prior years to offset losses	
32. Loan basis before loan repayment (Add line 30 and line 31)	
33. Face amount of shareholder loan at beginning of tax year	
34. Loan repayments to shareholder during tax year	
35. Nontaxable return of loan basis ((Line 32 divided by line 33) multiplied by line 34)	
36. Gain recognized on repayment of shareholder loan (Subtract line 35 from line 34)	<u></u>

* No gain recognized in current year.

Note to shareholder: This worksheet was prepared based on corporation records. Please consult with your tax advisor for adjustments.

Name **Twin Cities Entertainment Inc**
ESTEPHAN HARK

Taxpayer Identification Number
20-5131337

Loss Allocated to Stock and Loan Basis

	Suspended Losses	Current Year Loss	Total Loss	Percent	Allowed Stock Loss	Disallowed Stock Loss	Percent	Allowed Loan Loss	Disallowed Loss to Carryforward	Total Allowed Loss
Nondeductible noncap expenses		60	60	100.00	60					60
Deductible items:										
Ordinary business loss		24,338	24,338	88.26	24,338					24,338
Net rental real estate loss										
Other net rental loss										
Short-term capital loss										
Long-term capital loss										
Net section 1231 loss										
Other portfolio loss										
Other losses										
Section 179 expense										
Cash contributions (50%)			3,237	11.74	3,237					3,237
Cash contributions (30%)										
Noncash contributions (50%)										
Qual conserv contrib (50%)										
Noncash contributions (30%)										
Cap gain prop 50% org (30%)										
Cap gain prop (20%)										
Qual conserv contrib (100%)										
Portfolio deductions (2% floor)										
Portfolio deductions (other)										
Investment interest expense										
Deductions-royalty income										
Section 59(e)(2) expend										
Preproductive period exp										
Commercial revitalization ded										
Reforestation expense ded										
Other deductions										
Foreign taxes										
Total deductible items		27,575	27,575	100.00	27,575					27,575
Total nonded and deductible items		27,635	27,635		27,635					27,635

Note to shareholder: This worksheet was prepared based on corporation records. Please consult with your tax advisor for adjustments.

Form 1120S, Page 1, Line 12 - Taxes and Licenses

<u>Description</u>	<u>Amount</u>
PAYROLL TAXES	\$ 33,381
LICENSES	12,583
MN MINIMUM FEE	319
Total	<u>\$ 46,283</u>

124800 Twin Cities Entertainment Inc

20-5131337

FYE: 12/31/2009

Federal Statements

Page 2

Form 1120S, Page 3, Schedule K, Line 16c - Nondeductible Expenses

<u>Description</u>	<u>Amount</u>
Page 1 Meals/Entertainment	\$ 60
Total	<u>\$ 60</u>

Form 1120S, P4, Sch L, Line 20 - Mortgages, Notes Bonds Pay in One Year or More

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
#1 NORTHEAST STATE BANK	\$	\$
#2 NORTHEAST STATE BANK	281,547	191,117
US BANK LOAN	104,511	75,327
Total	<u>\$ 386,058</u>	<u>\$ 266,444</u>

Form **1120S****Two Year Comparison Worksheet Page 1****2008 & 2009**

Name

Twin Cities Entertainment Inc

Employer Identification Number

20-5131337

		2008	2009	Differences
Income	Gross profit percentage	85.1213	81.8724	-3.2489
	Gross receipts less returns and allowances	1,196,642	844,243	-352,399
	Cost of goods sold	178,045	153,041	-25,004
	Gross profit	1,018,597	691,202	-327,395
	Net gain (loss) from Form 4797			
	Other income (loss)	24,771	6,066	-18,705
	Total income (loss)	1,043,368	697,268	-346,100
Deductions	Compensation of officers			
	Salaries and wages less employment credits	209,479	200,841	-8,638
	Repairs and maintenance	28,476	23,246	-5,230
	Bad debts			
	Rents	194,648	204,459	9,811
	Taxes and licenses	64,296	46,283	-18,013
	Interest	34,120	15,603	-18,517
	Depreciation	128,926	97,805	-31,121
	Depletion			
	Advertising	19,716	9,295	-10,421
	Pension, profit-sharing, etc., plans			
	Employee benefit programs			
	Other deductions	288,884	124,074	-164,810
	Total deductions	968,545	721,606	-246,939
	Ordinary business income (loss)	74,823	-24,338	-99,161
Tax and Payments	Excess net passive income or LIFO recapture tax			
	Tax from Schedule D			
	Total tax	0	0	0
	Estimated tax and prior year overpayment credited			
	Tax deposited with Form 7004			
	Credit for federal tax paid on fuels			
	Refund applied for on Form 4466	()	()	
	Total payments and credits			
	Tax due (overpayment)	0	0	0
	Estimated tax penalty from Form 2220			
Penalties and interest				
Net tax due (overpayment)	0	0	0	
Overpayment credited to next year's estimated tax				
Overpayment refunded				

Form **1120S****Two Year Comparison Worksheet Page 2****2008 & 2009**

Name

Twin Cities Entertainment Inc

Employer Identification Number

20-5131337

		2008	2009	Differences
Income (Loss)	Ordinary business income (loss)	74,823	-24,338	-99,161
	Net rental real estate income (loss)			
	Other net rental income (loss)			
	Interest income			
	Dividend income			
	Royalties			
	Net short-term capital gain (loss)			
	Net long-term capital gain (loss)			
	Net Section 1231 gain (loss)			
Other income (loss)				
Deductions	Section 179 deduction			
	Charitable contributions			
	Investment interest expense		3,237	3,237
	Section 59(e)(2) expenditures			
	Other deductions			
Credits	Low-income housing credit (Section 42(j)(5))			
	Low-income housing credit (other)			
	Qualified rehabilitation expenditures (rental real estate)			
	Other rental real estate credits			
	Other rental credits			
	Alcohol and cellulosic biofuel fuels credit			
Other credits				
Foreign Transactions	Total foreign gross income			
	Total foreign deductions			
	Total foreign taxes			
	Reduction in taxes available for credit			
AMT Items	Post-1986 depreciation adjustment	18,794	6,046	-12,748
	Adjusted gain or loss			
	Depletion (other than oil and gas)			
	Oil, gas, and geothermal properties-gross income			
	Oil, gas, and geothermal properties-deductions			
	Other AMT items			
Items Affecting S/H Basis	Tax-exempt interest income			
	Other tax-exempt income			
	Nondeductible expenses	1,044	60	-984
	Property distributions	22,770	6,976	-15,794
	Repayment of loans from shareholders			
Other Information	Investment income			
	Investment expenses			
	Dividend distributions paid from accumulated E&P			
	Income (loss) (if Schedule M-1 is required)	74,823	-27,575	-102,398

Form **1120S**

Two Year Comparison Worksheet Page 3

2008 & 2009

Name
Twin Cities Entertainment Inc

Employer Identification Number
20-5131337

		2008	2009	Differences
Schedule L	Beginning assets	836,961	696,280	-140,681
	Beginning liabilities and equity	836,961	696,280	-140,681
	Ending assets	696,280	579,121	-117,159
	Ending liabilities and equity	696,280	579,121	-117,159
Schedule M-1	Net income (loss) per books	73,769	-27,639	-101,408
	Taxable income not on books			
	Book expenses not deducted	1,054	64	-990
	Income on books not on return			
	Return deductions not on books			
	Income (loss) per return	74,823	-27,575	-102,398
Schedule M-2 AAA	Balance at beginning of year	170,009	221,018	51,009
	Ordinary income (loss) from page 1, line 21	74,823	-24,338	-99,161
	Other additions			
	Other reductions	1,044	3,297	2,253
	Distributions other than dividend distributions	22,770	6,976	-15,794
	Balance at end of year	221,018	186,407	-34,611
Schedule M-2 OAA	Balance at beginning of year			
	Other additions			
	Other reductions			
	Distributions other than dividend distributions			
Schedule M-2 PTI	Balance at beginning of year			
	Distributions other than dividend distributions			
	Balance at end of year			
Schedule M-3	Total income (loss) items:			
	Income (loss) per income statement			
	Temporary difference			
	Permanent difference			
	Income (loss) per tax return			
	Total expense/deduction items:			
	Expense per income statement			
	Temporary difference			
	Permanent difference			
	Deduction per tax return			
	Other items with no differences:			
	Income (loss) per income statement			
	Income (loss) per tax return			
	Reconciliation totals:			
	Income (loss) per income statement			
Temporary difference				
Permanent difference				
Income (loss) per tax return				