

**United States Bankruptcy Court  
Eastern District of Virginia**

**Voluntary Petition**

|   |  |
|---|--|
| Name of Debtor (if individual, enter Last, First, Middle):<br><b>B.R. Flowers &amp; Co., Inc.</b>   | Name of Joint Debtor (Spouse) (Last, First, Middle):   |
| All Other Names used by the Debtor in the last 8 years<br>(include married, maiden, and trade names):   | All Other Names used by the Joint Debtor in the last 8 years<br>(include married, maiden, and trade names):  |
| Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN<br>(if more than one, state all)<br><b>54-1008552</b>   | Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN<br>(if more than one, state all)   |
| Street Address of Debtor (No. and Street, City, and State):<br><b>102 Mallory Street<br/>Hampton, VA</b><br><div style="text-align: right; margin-top: 5px;">                     ZIP Code<br/> <b>23663</b> </div> | Street Address of Joint Debtor (No. and Street, City, and State):<br><div style="text-align: right; margin-top: 5px;">                     ZIP Code                 </div>   |
| County of Residence or of the Principal Place of Business:<br><b>Hampton City</b>   | County of Residence or of the Principal Place of Business:   |
| Mailing Address of Debtor (if different from street address):<br><div style="text-align: right; margin-top: 5px;">                     ZIP Code                 </div>  | Mailing Address of Joint Debtor (if different from street address):<br><div style="text-align: right; margin-top: 5px;">                     ZIP Code                 </div> |
| Location of Principal Assets of Business Debtor<br>(if different from street address above):<br><b>102 Mallory Street<br/>Hampton, VA 23663</b>   |  |

|  |  |   |
|--|--|---|
| <b>Type of Debtor</b><br>(Form of Organization)<br>(Check one box)<br><br><input type="checkbox"/> Individual (includes Joint Debtors)<br><i>See Exhibit D on page 2 of this form.</i><br><input checked="" type="checkbox"/> Corporation (includes LLC and LLP)<br><input type="checkbox"/> Partnership<br><input type="checkbox"/> Other (If debtor is not one of the above entities,<br>check this box and state type of entity below.) | <b>Nature of Business</b><br>(Check one box)<br><br><input type="checkbox"/> Health Care Business<br><input type="checkbox"/> Single Asset Real Estate as defined<br>in 11 U.S.C. § 101 (51B)<br><input type="checkbox"/> Railroad<br><input type="checkbox"/> Stockbroker<br><input type="checkbox"/> Commodity Broker<br><input type="checkbox"/> Clearing Bank<br><input checked="" type="checkbox"/> Other<br><br><hr/> <b>Tax-Exempt Entity</b><br>(Check box, if applicable)<br><input type="checkbox"/> Debtor is a tax-exempt organization<br>under Title 26 of the United States<br>Code (the Internal Revenue Code). | <b>Chapter of Bankruptcy Code Under Which<br/>the Petition is Filed</b> (Check one box)<br><br><input type="checkbox"/> Chapter 7<br><input type="checkbox"/> Chapter 9<br><input checked="" type="checkbox"/> Chapter 11<br><input type="checkbox"/> Chapter 12<br><input type="checkbox"/> Chapter 13<br><br><input type="checkbox"/> Chapter 15 Petition for Recognition<br>of a Foreign Main Proceeding<br><input type="checkbox"/> Chapter 15 Petition for Recognition<br>of a Foreign Nonmain Proceeding<br><br><b>Nature of Debts</b><br>(Check one box)<br><br><input type="checkbox"/> Debts are primarily consumer debts,<br>defined in 11 U.S.C. § 101(8) as<br>"incurred by an individual primarily for<br>a personal, family, or household purpose."<br><input checked="" type="checkbox"/> Debts are primarily<br>business debts. |
|--|--|---|

|   |  |
|---|--|
| <b>Filing Fee</b> (Check one box)<br><br><input checked="" type="checkbox"/> Full Filing Fee attached<br><br><input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must<br>attach signed application for the court's consideration certifying that the debtor<br>is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.<br><br><input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must<br>attach signed application for the court's consideration. See Official Form 3B. | <b>Chapter 11 Debtors</b><br>Check one box:<br><input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).<br><input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).<br>Check if:<br><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed<br>to insiders or affiliates) are less than \$2,190,000.<br><br>Check all applicable boxes:<br><input type="checkbox"/> A plan is being filed with this petition.<br><input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more<br>classes of creditors, in accordance with 11 U.S.C. § 1126(b). |
|---|--|

|   |                                  |
|---|----------------------------------|
| <b>Statistical/Administrative Information</b><br><input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors.<br><input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid,<br>there will be no funds available for distribution to unsecured creditors.<br><br>Estimated Number of Creditors<br><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<br><br>Estimated Assets<br><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"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion<br><br>Estimated Liabilities<br><input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input checked="" type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion | THIS SPACE IS FOR COURT USE ONLY |
|---|----------------------------------|

|   |   |
|---|---|
| <b>Voluntary Petition</b><br><i>(This page must be completed and filed in every case)</i> | Name of Debtor(s):<br><b>B.R. Flowers &amp; Co., Inc.</b> |
|---|---|

**All Prior Bankruptcy Cases Filed Within Last 8 Years** (If more than two, attach additional sheet)

|                                       |              |             |
|---------------------------------------|--------------|-------------|
| Location Where Filed: <b>- None -</b> | Case Number: | Date Filed: |
| Location Where Filed:                 | Case Number: | Date Filed: |

**Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor** (If more than one, attach additional sheet)

|                                    |               |             |
|------------------------------------|---------------|-------------|
| Name of Debtor:<br><b>- None -</b> | Case Number:  | Date Filed: |
| District:                          | Relationship: | Judge:      |

|   |  |
|---|--|
| <p style="text-align: center;"><b>Exhibit A</b></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;"><b>Exhibit B</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 11 U.S.C. §342(b).</p> <p><b>X</b> _____<br/>Signature of Attorney for Debtor(s) (Date)</p> |
|---|--|

**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 and 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 that obtained judgment)

\_\_\_\_\_  
(Address of landlord)

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)).

**Voluntary Petition**  
*(This page must be completed and filed in every case)*

Name of Debtor(s):  
**B.R. Flowers & Co., Inc.**

**Signatures**

**Signature(s) of Debtor(s) (Individual/Joint)**

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).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

**X** \_\_\_\_\_  
Signature of Debtor

**X** \_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Telephone Number (If not represented by attorney)

\_\_\_\_\_  
Date

**Signature of a Foreign Representative**

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.

(Check only one box.)

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.

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.

**X** \_\_\_\_\_  
Signature of Foreign Representative

\_\_\_\_\_  
Printed Name of Foreign Representative

\_\_\_\_\_  
Date

**Signature of Attorney\***

**X /s/ Joseph T. Liberatore VSB** \_\_\_\_\_  
Signature of Attorney for Debtor(s)

**Joseph T. Liberatore VSB #32302** \_\_\_\_\_  
Printed Name of Attorney for Debtor(s)

**Crowley, Liberatore & Ryan, PC** \_\_\_\_\_  
Firm Name

**1435 Crossways Blvd**  
**Suite 300**  
**Chesapeake, VA 23320-2896**

\_\_\_\_\_  
Address

**(757) 333-4500 Fax: (757) 333-4501** \_\_\_\_\_  
Telephone Number

**October 8, 2009** \_\_\_\_\_  
Date

\*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.

**Signature of Non-Attorney Bankruptcy Petition Preparer**

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.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
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.)

\_\_\_\_\_  
Address

**X** \_\_\_\_\_

\_\_\_\_\_  
Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

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 sheets conforming to the appropriate official form for each person.

*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.*

**Signature of Debtor (Corporation/Partnership)**

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.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

**X /s/ Belan R. Flowers, Jr.** \_\_\_\_\_  
Signature of Authorized Individual

**Belan R. Flowers, Jr.** \_\_\_\_\_  
Printed Name of Authorized Individual

**President** \_\_\_\_\_  
Title of Authorized Individual

**October 8, 2009** \_\_\_\_\_  
Date

UNANIMOUS CONSENT OF SHAREHOLDERS  
AND OFFICERS OF B.R. FLOWERS & CO., INC.

The undersigned, being all of the shareholders and officers (the 'Shareholders and officers') of B.R. FLOWERS & CO., INC. a Virginia corporation (the "Company"), do hereby consent to the adoption of the following resolutions in lieu of a formal meeting:

WHEREAS, it is in the best interest of the Company to file a voluntary petition in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;


NOW, THEREFORE, BE IT RESOLVED, that Belan R. Flowers, Jr., as Sole Shareholders and Officer of the Company 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 Company; and be it further RESOLVED, that Belan R. Flowers, Jr., as an Officer of the Company is authorized and directed to appear in all bankruptcy proceedings on behalf of the Company, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the Company in connection with such bankruptcy case; and be it further

RESOLVED, that Belan R. Flowers, Jr. as an Officer of the Company is authorized and directed to employ Joseph T. Liberatore VBS #32302, attorney, and the law firm of Crowley, Liberatore & Ryan, P.C. to represent the Company in such bankruptcy case; and be it further

RESOLVED, that this instrument may be executed in one or more counterparts, including facsimile counterparts, and all such executed counterparts shall contain one agreement, binding on all the parties hereto, notwithstanding that all the parties are not signators to the original or the same counterpart.

WE HEREBY CERTIFY that said resolutions are not inconsistent with the Operating Agreement, Articles of Organization and Certificate of Organization of the Company, as such documents have been amended from time to time, and that the undersigned is the name of all of the Shareholders and officers of the Company.

IN WITNESS WHEREOF, we have hereunto set our hands as of this 8<sup>th</sup> day of October, 2009.

  
\_\_\_\_\_  
Belan R. Flowers, Jr. (SEAL)

**United States Bankruptcy Court**  
**Eastern District of Virginia**

In re B.R. Flowers & Co., Inc.

Debtor(s)

Case No. \_\_\_\_\_

Chapter 11

**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; Fed. R. Bankr. P. 1007(m).

| (1)   | (2)  | (3)   | (4)  | (5)   |
|---|--|---|--|---|
| <i>Name of creditor and complete mailing address including zip code</i>   | <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>   | <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | <i>Amount of claim [if secured, also state value of security]</i> |
| <b>Advance Auto Parts<br/>P. O. Box 5219<br/>Carol Stream, IL 60197-5219</b>  | <b>Advance Auto Parts<br/>P. O. Box 5219<br/>Carol Stream, IL 60197-5219</b>   | <b>Purchase Account</b>   |  | <b>1,963.65</b>   |
| <b>Advanced Temporaries Inc.<br/>PO Box 13531<br/>Richmond, VA 23225</b>  | <b>Advanced Temporaries Inc.<br/>PO Box 13531<br/>Richmond, VA 23225</b>   |   |  | <b>24,773.71</b>  |
| <b>Baker Corp.<br/>3020 Old Ranch Parkway<br/>Suite 220<br/>Seal Beach, CA 90740</b>  | <b>Baker Corp.<br/>3020 Old Ranch Parkway<br/>Suite 220<br/>Seal Beach, CA 90740</b>   |   |  | <b>7,456.76</b>   |
| <b>CBI<br/>Cliff Berry Incorporated<br/>PO Box 13079<br/>Fort Lauderdale, FL 33316</b>  | <b>CBI<br/>Cliff Berry Incorporated<br/>PO Box 13079<br/>Fort Lauderdale, FL 33316</b>   |   |  | <b>20,781.25</b>  |
| <b>Certified<br/>PO Box 2493<br/>Fort Worth, TX 76113</b>   | <b>Certified<br/>PO Box 2493<br/>Fort Worth, TX 76113</b>  |   |  | <b>6,863.79</b>   |
| <b>Chase Cardmember Services<br/>PO Box 15153<br/>Wilmington, DE 19886-5163</b>   | <b>Chase Cardmember Services<br/>PO Box 15153<br/>Wilmington, DE 19886-5163</b>  | <b>Business Credit Card</b>   |  | <b>14,267.42</b>  |
| <b>Citi Cards<br/>PO Box 183064<br/>Columbus, OH 43218-3064</b>   | <b>Citi Cards<br/>PO Box 183064<br/>Columbus, OH 43218-3064</b>  | <b>Business Credit Card</b>   |  | <b>10,693.08</b>  |
| <b>Cliff Berry, Inc.<br/>c-o Shalanda Franklin-Verdell, Esq.<br/>Vandeventer Black LLP<br/>101 W. Main St., Ste 500<br/>Norfolk, VA 23510</b> | <b>Cliff Berry, Inc.<br/>c-o Shalanda Franklin-Verdell, Esq.<br/>Vandeventer Black LLP<br/>Norfolk, VA 23510</b>   | <b>Judgment Granted in PCC on 07/31/2009 in the amount of \$28,888.25 plus \$108.25 costs, plus \$5,777.65 attorney's fees and 18% interest from 10/30/2007</b> |  | <b>39,973.78</b>  |
| <b>H2O Jet<br/>1043 D Kaiser Rd., SW<br/>Olympia, WA 98512</b>  | <b>H2O Jet<br/>1043 D Kaiser Rd., SW<br/>Olympia, WA 98512</b>   |   |  | <b>3,549.58</b>   |

Debtor(s) \_\_\_\_\_

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**

(Continuation Sheet)

| (1)   | (2)  | (3)   | (4)  | (5)   |
|---|--|---|--|---|
| <i>Name of creditor and complete mailing address including zip code</i>                         | <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i> | <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>   | <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i> | <i>Amount of claim [if secured, also state value of security]</i> |
| Harris Tire Service<br>169 N. Military Hwy.<br>Norfolk, VA 23502                                | Harris Tire Service<br>169 N. Military Hwy.<br>Norfolk, VA 23502   |   |  | 1,386.30  |
| Industrial Vacuum Equipment Corporation<br>N8091 Maple Street<br>Ixonla, WI 53036               | Industrial Vacuum Equipment Corporation<br>N8091 Maple Street<br>Ixonla, WI 53036  |   |  | 19,500.00   |
| LandstarLTL.com<br>Midwest Mobile Water Jet<br>PO Box 8500-54613<br>Philadelphia, PA 19178-4613 | LandstarLTL.com<br>Midwest Mobile Water Jet<br>PO Box 8500-54613<br>Philadelphia, PA 19178-4613  |   |  | 5,090.08  |
| MCCS<br>5906 Jaegerglen Dr.<br>Lithia, FL 33547   | MCCS<br>5906 Jaegerglen Dr.<br>Lithia, FL 33547  |   |  | 11,200.00   |
| Moran Environmental Recovery<br>PO Box 330569<br>Atlantic Beach, FL 32233-0569                  | Moran Environmental Recovery<br>PO Box 330569<br>Atlantic Beach, FL 32233-0569   |   |  | 14,288.58   |
| NLB Corp.<br>29830 Beck Road<br>Wixom, MI 48393-2824  | NLB Corp.<br>29830 Beck Road<br>Wixom, MI 48393-2824   |   |  | 2,473.22  |
| Norfolk Truck Center, Inc<br>736 Tidewater Drive<br>PO Box 2874<br>Norfolk, VA 23501            | Norfolk Truck Center, Inc<br>736 Tidewater Drive<br>PO Box 2874<br>Norfolk, VA 23501   |   |  | 1,726.38  |
| PPG Protective and Marine<br>PO Box 360585<br>Pittsburgh, PA 15251-6585                         | PPG Protective and Marine<br>PO Box 360585<br>Pittsburgh, PA 15251-6585  |   | Disputed   | 190,000.00  |
| SunTrust<br>Commercial Credit Services<br>PO Box 26202<br>Richmond, VA 23260-6202               | SunTrust<br>Commercial Credit Services<br>PO Box 26202<br>Richmond, VA 23260-6202  | Machinery,<br>Fixtures,<br>Equipment and<br>Supplies (See<br>Attached List<br>Exhibit C) -<br>Liquidation Value<br>Estimated at 30% |  | 195,535.08<br><br>(150,000.00<br>secured)                         |
| Under Pressure Systems Inc.<br>322 North Avenue NE<br>New Philadelphia, OH 44663                | Under Pressure Systems Inc.<br>322 North Avenue NE<br>New Philadelphia, OH 44663   |   |  | 68,151.94   |
| VSB Inc.<br>Material Handling Equipment<br>PO Box 630364<br>Baltimore, MD 21263-0364            | VSB Inc.<br>Material Handling Equipment<br>PO Box 630364<br>Baltimore, MD 21263-0364   |   |  | 30,675.00   |

Debtor(s)

**LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**

(Continuation Sheet)

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

I, the President of the corporation 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 **October 8, 2009**

Signature **/s/ Belan R. Flowers, Jr.**

**Belan R. Flowers, Jr.**

**President**

*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  
Eastern District of Virginia**

In re B.R. Flowers & Co., Inc.  
Debtor

Case No. \_\_\_\_\_

Chapter 11

**DECLARATION OF DIVISIONAL VENUE**

The debtor's domicile, residence, principal place of business or principal assets were located for the greater part of the 180 days preceding the filing of the bankruptcy petition in the indicated city or county [check one box only]:

**Alexandria Division**

**Cities:**

- Alexandria-510
- Fairfax-600
- Falls Church-610
- Manassas-683
- Manassas Park-685

**Counties:**

- Arlington-013
- Fairfax-059
- Fauquier-061
- Loudoun-107
- Prince William-153
- Stafford-179

**Richmond Division**

**Cities:**

- Richmond (city)-760
- Colonial Heights-570
- Emporia-595
- Fredericksburg-630
- Hopewell-670
- Petersburg-730

**Counties:**

- Amelia-007
- Brunswick-025
- Caroline-033
- Charles City-036
- Chesterfield-041
- Dinwiddie-053
- Essex-057
- Goochland-075
- Greensville-081
- Hanover-085
- Henrico-087
- King and Queen-097
- King George-099
- King William-101
- Lancaster-103
- Lunenburg-111
- Mecklenburg-117
- Middlesex-119
- New Kent-127
- Northumberland-133
- Nottoway-135
- Powhatan-145
- Prince Edward-147
- Prince George-149
- Richmond (county)-159
- Spotsylvania-177
- Surry-181
- Sussex-183
- Westmoreland-193

**Norfolk Division**

**Cities:**

- Norfolk-710
- Cape Charles-535
- Chesapeake-550
- Franklin-620
- Portsmouth-740
- Suffolk-800
- Virginia Beach-810

**Counties:**

- Accomack-001
- Isle of Wight-093
- Northampton-131
- Southampton-175

**Newport News Division**

**Cities:**

- Newport News-700
- Hampton-650
- Poquoson-735
- Williamsburg-830

**Counties:**

- Gloucester-073
- James City-095
- Mathews-115
- York-199

**Date:** October 8, 2009

**/s/ Joseph T. Liberatore VSB**

**Signature of Attorney**  
**Joseph T. Liberatore VSB #32302**

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



Advance Auto Parts  
P. O. Box 5219  
Carol Stream, IL 60197-5219

Advanced Temporaries Inc.  
PO Box 13531  
Richmond, VA 23225

Anne R. Grupp, Esq.  
1418 Carne Road  
Suite 200  
Ojai, CA 93023

Baker Corp.  
3020 Old Ranch Parkway  
Suite 220  
Seal Beach, CA 90740

CBI  
Cliff Berry Incorporated  
PO Box 13079  
Fort Lauderdale, FL 33316

Certified  
PO Box 2493  
Fort Worth, TX 76113

Chase Cardmember Services  
PO Box 15153  
Wilmington, DE 19886-5163

Citi Cards  
PO Box 183064  
Columbus, OH 43218-3064

Cliff Berry, Inc.  
c-o Shalanda Franklin-Verdell, Esq.  
Vandeventer Black LLP  
101 W. Main St., Ste 500  
Norfolk, VA 23510

Elastomer Turn Key, Inc.  
PO Box 323  
Broken Arrow, OK 74013-0323

Godwin Pumps  
Floodgate Road  
PO Box 191  
Bridgeport, NJ 08014

H2O Jet  
1043 D Kaiser Rd., SW  
Olympia, WA 98512

Harris Tire Service  
169 N. Military Hwy.  
Norfolk, VA 23502

Herbert P. Sears Co., Inc.  
2000 Eighteenth Street  
PO Box 2307  
Bakersfield, CA 93301

Hi-Line  
PO Box 972081  
Dallas, TX 75397-2081

Industrial Vacuum Equipment  
Corporation  
N8091 Maple Street  
Ixonia, WI 53036

Kingspor Abrasive  
PO Box 2367  
Hickory, NC 28603

LandstarLTL.com  
Midwest Mobile Water Jet  
PO Box 8500-54613  
Philadelphia, PA 19178-4613

MCCS  
5906 Jaegerglen Dr.  
Lithia, FL 33547

Meeks Disposal Corporation  
1328 Cavalier Blvd.  
Chesapeake, VA 23323

Montgomery Doors  
5728 Ward Avenue  
Virginia Beach, VA 23455

Moran Environmental Recovery  
PO Box 330569  
Atlantic Beach, FL 32233-0569

NLB Corp.  
29830 Beck Road  
Wixom, MI 48393-2824

Norfolk Truck Center, Inc  
736 Tidewater Drive  
PO Box 2874  
Norfolk, VA 23501

Paramount Financial Services  
5201 Olympic Dr., Suite 210  
Gig Harbor, WA 98335

PPG Protective and Marine  
PO Box 360585  
Pittsburgh, PA 15251-6585

PPG Protective and Marine  
ATTN: Jennifer Jacob  
5500 Corporate Drive  
Suite 500  
Pittsburgh, PA 15237

Rain for Rent  
Herbert P. Sears Co., Inc.  
PO Box 2307  
Bakersfield, CA 93301

Randall & Richards  
5151 East Broadway Blvd.  
Suite 800  
Tucson, AZ 85711

SunTrust  
Commercial Credit Services  
PO Box 26202  
Richmond, VA 23260-6202

Under Pressure Systems Inc.  
322 North Avenue NE  
New Philadelphia, OH 44663

VSB Inc.  
Material Handling Equipment  
PO Box 630364  
Baltimore, MD 21263-0364

**IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
Newport News Division**

In re:

B.R. FLOWERS & CO., INC.

Case No. 09-XXXXX-  
Chapter 11

Debtor in Possession.

**DEBTORS APPENDICES TO VOLUNTARY  
PETITION PURSUANT TO 11 U.S.C. § 1116**

COMES NOW, the Debtor-in-Possession, B.R. Flowers & Co., Inc. ("BRFCI"), pursuant to the requirements of 11 U.S.C. §1116, and submits the following:

1. BRFCI's most recent financial document which would approximate a balance sheet is its documents completed as part of its Tax Return filed for the calendar year ending December 31, 2006 – See attached Exhibits "A" & "D".

2. BRFCI's most recent financial document which would approximate a Statement of Operations is its documents completed as part of its Tax Return filed for the calendar year ending December 31, 2006 – See attached Exhibits "B" & "D".

3. BRFCI's most recent most recent financial document which would approximate a Cash Flow Statement is its documents completed as part of its Tax Return filed for the calendar year ending December 31, 2006 – See attached Exhibits "C" & "D".


Joseph T. Liberatore, VSB#32302  
Crowley Liberatore & Ryan, PC  
1435 Crossways Blvd – Ste 300  
Chesapeake, Virginia 23320  
Main Office (757) 333-4500  
Direct Dial (757) 333-4503  
Facsimile (757) 333-4512  
E-mail: [jliberatore@clrfirm.com](mailto:jliberatore@clrfirm.com)  
Counsel for B.R. Flowers & Co., Inc.

4. BRFCI's most recent federal income tax return is its tax return filed for the calendar year ending December 31, 2006. This tax return has been filed with the Internal Revenue Service and is attached to this pleading as Exhibit "D".

Respectfully submitted this 8<sup>h</sup> day of October, 2009.

B.R. Flowers & Co., Inc.

By:

  
/s/ Belan R. Flowers

Officer & Director of B.R. Flowers & Co., Inc.

IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
Newport News Division

In re:

B.R. FLOWERS & CO., INC.

Case No. 09-XXXXXX-  
Chapter 11

Debtor in Possession.

Exhibit "A"  
to  
DEBTOR'S APPENDICES TO VOLUNTARY  
PETITION PURSUANT TO 11 U.S.C. § 1116

I, Belan R. Flowers, do hereby state as follows:

1. That I am the Sole Shareholder, Officer & Director of B.R. Flowers & Co., Inc..
2. That the most recent document prepared on behalf of B.R. Flowers & Co., Inc. which would approximate a balance sheet is the corporation's tax return for calendar year ending December 31, 2006, which is attached as Exhibit "D", herein.

I, Belan R. Flowers, declare under penalty of perjury that the foregoing is true and correct on this 8th day of October, 2009.

  
\_\_\_\_\_  
Belan R. Flowers,  
Sole Shareholder, Officer & Director

Joseph T. Liberatore, VSB#32302  
Crowley Liberatore & Ryan, PC  
1435 Crossways Blvd. - Ste. 300  
Chesapeake, Virginia 23320  
Office Number (757) 333-4500  
Direct Dial (757) 33-4503  
Facsimile No. (757) 333-4512  
E-mail: [jliberatore@clrfirm.com](mailto:jliberatore@clrfirm.com)  
Counsel for the B.R. Flowers & Co., Inc.

IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
Newport News Division

In re:

B.R. FLOWERS & CO., INC.

Case No. 09-XXXXXX-  
Chapter 11

Debtor in Possession.

Exhibit "B"  
to  
DEBTOR'S APPENDICES TO VOLUNTARY  
PETITION PURSUANT TO 11 U.S.C. § 1116

I, Belan R. Flowers, do hereby state as follows:

1. That I am the Sole Shareholder, Officer & Director of B.R. Flowers & Co., Inc..
2. That the most recent document prepared on behalf of B.R. Flowers & Co., Inc. which would approximate a statement of operations is the corporation's tax return for calendar year ending December 31, 2006, which is attached as Exhibit "D", herein.

I, Belan R. Flowers, declare under penalty of perjury that the foregoing is true and correct on this 8th day of October, 2009.



Belan R. Flowers,  
Sole Shareholder, Officer & Director

Joseph T. Liberatore, VSB#32302  
Crowley Liberatore & Ryan, PC  
1435 Crossways Blvd. - Ste. 300  
Chesapeake, Virginia 23320  
Office Number (757) 333-4500  
Direct Dial (757) 333-4503  
Facsimile No. (757) 333-4512  
E-mail: [jjliberator@clrfirm.com](mailto:jjliberator@clrfirm.com)  
Counsel for the B.R. Flowers & Co., Inc.



IN THE UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
Newport News Division

In re:

B.R. FLOWERS & CO., INC.

Case No. 09-XXXXXX-  
Chapter 11

Debtor in Possession.

Exhibit "C"  
to  
**DEBTOR'S APPENDICES TO VOLUNTARY  
PETITION PURSUANT TO 11 U.S.C. § 1116**

I, Belan R. Flowers, do hereby state as follows:

1. That I am the Sole Shareholder, Officer & Director of B.R. Flowers & Co., Inc..
2. BRFCI's most recent most recent financial document which would approximate a Cash Flow Statement is its documents completed as part of its Tax Return filed for the calendar year ending December 31, 2006, which is attached as Exhibit "D", herein.

I, Belan R. Flowers, declare under penalty of perjury that the foregoing is true and correct on this 8th day of October, 2009.

  
\_\_\_\_\_  
Belan R. Flowers,  
Sole Shareholder, Officer & Director

Joseph T. Liberatore, VSB#32302  
Crowley Liberatore & Ryan, PC  
1435 Crossways Blvd. - Ste. 300  
Chesapeake, Virginia 23320  
Office Number (757) 333-4500  
Direct Dial (757) 33-4503  
Facsimile No. (757) 333-4512  
E-mail: [jliberator@clrfirm.com](mailto:jliberator@clrfirm.com)  
Counsel for the B.R. Flowers & Co., Inc.

## Exhibit D – Federal Income Tax Return

CARMINES, ROBBINS & COMPANY, PLC  
11815 Rock Landing Dr  
Newport News, VA 23606

E. R. Flowers, Inc.  
P. O. Box 777  
Newport News, VA 23607



**CARMINES, ROBBINS & COMPANY, PLC**  
*Certified Public Accountants & Financial Consultants*

11815 Rock Landing Dr  
Newport News, VA 23606  
757-873-8585

Web <http://www.CarminesRobbins.com>

CONFIDENTIAL

May 29, 2009

B. R. Flowers, Inc.  
P. O. Box 777  
Newport News, VA 23607

Dear Belan Flowers:

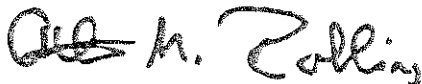
We have prepared the enclosed returns from information provided by you without verification or audit. We suggest that you examine these returns carefully to fully acquaint yourself with all items contained therein to ensure that there are no omissions or misstatements. Attached to each return is an instruction sheet for signing and filing. Please follow those instructions carefully.

Also enclosed is any material you furnished for use in preparing the returns. If the returns are examined, requests may be made for supporting documentation. Therefore, we recommend that you retain all pertinent records for at least seven years.

In order that we may properly advise you of tax considerations, please keep us informed of any significant changes in your financial affairs or of any correspondence received from taxing authorities.

If you have any questions, or if we can be of assistance in any way, please call.

Sincerely,



Athena M. Robbins, CFP (R), CPA  
CARMINES, ROBBINS & COMPANY, PLC

B. R. Flowers, Inc.  
P. O. Box 777  
Newport News, VA 23607

Internal Revenue Service Center  
Cincinnati, OH 45999-0013



**Filing Instructions**

**B. R. Flowers, Inc.**

**Form 1120S**

**U.S. Income Tax Return for an S Corporation**

**Taxable Year Ended December 31, 2006**

**Date Due:** AS SOON AS POSSIBLE

**Remittance:** None is required. No amount is due or overpaid.

**Mail To:** Internal Revenue Service Center  
Cincinnati, OH 45999-0013

**Signature:** The return should be signed and dated on page 1 by an authorized officer of the corporation.

**Other:** Initial and date the copy, and retain it for your records.

**U.S. Income Tax Return for an S Corporation**

Department of the Treasury  
Internal Revenue Service

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

**2006**

For calendar year 2006 or tax year beginning \_\_\_\_\_ ending \_\_\_\_\_

|  |  |  |  |
|--|--|--|--|
| <b>A</b> Effective date of S election<br><b>1/01/95</b>                    | Use IRS label. Otherwise, print or type. | <b>Name</b><br><b>B. R. Flowers, Inc.</b>  | <b>C</b> Employer identification number<br><b>54-1008552</b> |
| <b>B</b> Business activity code number (see instructions)<br><b>453110</b> |  | Number, street, and room or suite no. If a P.O. box, see instructions.<br><b>P. O. Box 777</b> | <b>D</b> Date incorporated<br><b>1/01/1976</b>               |
|  |  | City or town, state, and ZIP code<br><b>Newport News VA 23607</b>                              | <b>E</b> Total assets (see instructions)<br><b>\$ 79,380</b> |

**F** Check if: (1)  Initial return (2)  Final return (3)  Name change (4)  Address change (5)  Amended return

**G** Enter the number of shareholders in the corporation at the end of the tax year **1**

**H** Check if Schedule M-3 is required (attach Schedule M-3)

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

|  |  |                                      |                            |
|--|--|--------------------------------------|----------------------------|
| <b>Income</b>  | <b>1a</b> Gross receipts or sales <b>1,385,848</b>   | <b>b</b> Less returns and allowances | <b>1c</b> <b>1,385,848</b> |
|  | <b>2</b> Cost of goods sold (Schedule A, line 8)   |                                      | <b>2</b> <b>554,122</b>    |
|  | <b>3</b> Gross profit. Subtract line 2 from line 1c  |                                      | <b>3</b> <b>831,726</b>    |
|  | <b>4</b> Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)               |                                      | <b>4</b>                   |
|  | <b>5</b> Other income (loss) (see instructions-attach statement)                           |                                      | <b>5</b>                   |
|  | <b>6</b> Total income (loss). Add lines 3 through 5  |                                      | <b>6</b> <b>831,726</b>    |
| <b>Deductions</b><br><small>(see instructions for limitations)</small> | <b>7</b> Compensation of officers  |                                      | <b>7</b> <b>4,875</b>      |
|  | <b>8</b> Salaries and wages (less employment credits)                                      |                                      | <b>8</b> <b>554,275</b>    |
|  | <b>9</b> Repairs and maintenance   |                                      | <b>9</b> <b>5,091</b>      |
|  | <b>10</b> Bad debts  |                                      | <b>10</b>                  |
|  | <b>11</b> Rents  |                                      | <b>11</b> <b>51,907</b>    |
|  | <b>12</b> Taxes and licenses   |                                      | <b>12</b> <b>74,866</b>    |
|  | <b>13</b> Interest   |                                      | <b>13</b> <b>11,542</b>    |
|  | <b>14</b> Depreciation not claimed on Schedule A or elsewhere on return (attach Form 4562) |                                      | <b>14</b> <b>44,005</b>    |
|  | <b>15</b> Depletion (Do not deduct oil and gas depletion.)                                 |                                      | <b>15</b>                  |
|  | <b>16</b> Advertising  |                                      | <b>16</b> <b>572</b>       |
|  | <b>17</b> Pension, profit-sharing, etc., plans   |                                      | <b>17</b>                  |
|  | <b>18</b> Employee benefit programs  |                                      | <b>18</b>                  |
|  | <b>19</b> Other deductions (attach statement) <b>See Stmt 1</b>                            |                                      | <b>19</b> <b>241,533</b>   |
|  | <b>20</b> Total deductions. Add lines 7 through 19   |                                      | <b>20</b> <b>959,089</b>   |
|  | <b>21</b> Ordinary business income (loss). Subtract line 20 from line 6                    |                                      | <b>21</b> <b>-127,363</b>  |

|   |   |            |            |
|---|---|------------|------------|
| <b>Tax and Payments</b>   | <b>22a</b> Excess net passive income or LIFO recapture tax (see instructions)                               | <b>22a</b> | <b>22c</b> |
|   | <b>b</b> Tax from Schedule D (Form 1120S)   | <b>22b</b> |            |
|   | <b>c</b> Add lines 22a and 22b (see instructions for additional taxes)                                      |            | <b>22c</b> |
|   | <b>23a</b> 2006 estimated tax payments and 2005 overpayment credited to 2006                                | <b>23a</b> |            |
|   | <b>b</b> Tax deposited with Form 7004   | <b>23b</b> |            |
|   | <b>c</b> Credit for federal tax paid on fuels (attach Form 4136)  | <b>23c</b> |            |
|   | <b>d</b> Credit for federal telephone excise tax paid (attach Form 8913)                                    | <b>23d</b> |            |
|   | <b>e</b> Add lines 23a through 23d  |            | <b>23e</b> |
|   | <b>24</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/> |            | <b>24</b>  |
|   | <b>25</b> Amount owed. If line 23e is smaller than the total of lines 22c and 24, enter amount owed         |            | <b>25</b>  |
| <b>26</b> Overpayment. If line 23e is larger than the total of lines 22c and 24, enter amount overpaid                        |   | <b>26</b>  |            |
| <b>27</b> Enter amount from line 26 Credited to 2007 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/> |   | <b>27</b>  |            |

**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   |
| Preparer's signature <b>Athena M. Robbins, CFP (R), CP</b>                          | Date <b>5/29/09</b>                     | Check if self-employed <input type="checkbox"/> |
| Firm's name (or yours if self-employed) <b>CARMINES, ROBBINS &amp; COMPANY, PLC</b> | Preparer's SSN or PTIN <b>P00217276</b> | EIN <b>54-1714334</b>                           |
| address, and ZIP code <b>Newport News, VA 23606</b>                                 | Phone no. <b>757-873-8585</b>           |   |

| Shareholders' Pro Rata Share (Items (continued))   |  | Total amount |
|--|--|--------------|
| Deductions   | 11 Section 179 deduction (attach Form 4562)  | 11           |
|  | 12a Contributions  | 12a          |
|  | 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 Credit for alcohol used as fuel (attach Form 6478)   | 13f          |
|  | g Other credits (see instructions) Type  | 13g          |
| Foreign Transaction                                | 14a Name of country or U.S. possession   |              |
|  | b Gross income from all sources  | 14b          |
|  | c Gross income sourced at shareholder level<br>Foreign gross income sourced at corporate level   | 14c          |
|  | d Passive  | 14d          |
|  | e Listed categories (attach statement)   | 14e          |
|  | f General limitation<br>Deductions allocated and apportioned at shareholder level  | 14f          |
|  | g Interest expense   | 14g          |
|  | h Other<br>Deductions allocated and apportioned at corporate level to foreign source income  | 14h          |
|  | i Passive  | 14i          |
|  | j Listed categories (attach statement)   | 14j          |
|  | k General limitation<br>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 4,736    |
|  | d Property distributions   | 16d          |
|  | e Repayment of loans from shareholders   | 16e 197,382  |
| 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 -137,563  |



**Power of Attorney  
 and Declaration of Representative**

OMB No. 1545-0150  
**For IRS Use Only**

▶ Type or print. ▶ See the separate instructions.

Received by:  
 Name \_\_\_\_\_  
 Telephone \_\_\_\_\_  
 Function \_\_\_\_\_  
 Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**Power of Attorney**  
 Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.

**1 Taxpayer information.** Taxpayer(s) must sign and date this form on page 2, line 9.

|  |   |   |
|--|---|---|
| Taxpayer name(s) and address<br><br><b>B. R. Flowers, Inc.</b><br><br><b>P. O. Box 777</b><br><b>Newport News VA 23607</b> | Social security number(s)<br><br>_____          | Employer identification number<br><br><b>54-1008552</b> |
|  | Daytime telephone number<br><b>757-222-4264</b> | Plan number (if applicable)                             |

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

**2 Representative(s) must sign and date this form on page 2, Part II.**

|   |  |
|---|--|
| Name and address<br><b>Athena M. Robbins, CFP (R), CPA</b><br><b>11815 Rock Landing Drive</b><br><b>Newport News VA 23606</b> | CAF No. <b>2605-65604R</b><br>Telephone No. <b>757-873-8585</b><br>Fax No. <b>757-873-8586</b><br>Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/> |
| Name and address<br><b>Linda F. Parker, CPA</b><br><b>11815 Rock Landing Drive</b><br><b>Newport News VA 23606</b>            | CAF No. <b>2606-32579R</b><br>Telephone No. <b>757-873-8585</b><br>Fax No. <b>757-873-8586</b><br>Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/> |
| Name and address  | CAF No. _____<br>Telephone No. _____<br>Fax No. _____<br>Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>  |

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

**3 Tax matters**

| Type of Tax (Income, Employment, Excise, etc.)<br>or Civil Penalty (see the instructions for line 3) | Tax Form Number<br>(1040, 941, 720, etc.) | Year(s) or Period(s)<br>(see the instructions for line 3) |
|--|---|---|
| <b>Income</b>  | <b>1120S</b>                              | <b>2006, 2007, 2008</b>                                   |
| <b>Income</b>  | <b>1120S</b>                              | <b>2006, 2007, 2008</b>                                   |

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4, Specific uses not recorded on CAF.

**5 Acts authorized.** The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.  
**Exceptions.** An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.  
 List any specific additions or deletions to the acts otherwise authorized in this power of attorney: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**6 Receipt of refund checks.** If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here \_\_\_\_\_ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ \_\_\_\_\_

Final K-1

Amended K-1

Schedule K-1

2006

(Form 1120S)

Department of the Treasury  
Internal Revenue Service

For calendar year 2006, or tax  
year beginning \_\_\_\_\_  
ending \_\_\_\_\_

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

**Shareholder's Share of Income, Deductions, Credits, etc.**  
▶ See back of form and separate instructions.

**Part I Information About the Corporation**

A Corporation's employer identification number  
**54-1008552**

B Corporation's name, address, city, state, and ZIP code  
**B. R. Flowers, Inc.**  
  
**P. O. Box 777**  
**Newport News VA 23607**

C IRS Center where corporation filed return  
**Cincinnati, OH 45999**

D  Tax shelter registration number, if any \_\_\_\_\_

E  Check if Form 9271 is attached

**Part II Information About the Shareholder**

F Shareholder's identifying number  
**250-98-1116**

G Shareholder's name, address, city, state and ZIP code  
**Laurie Flowers**  
**35 Riley's Way**  
  
**Hampton VA 23664**

H Shareholder's percentage of stock ownership for tax year ..... **10.273973 %**



For IRS Use Only

|    |                                      |            |                                     |                |
|----|--------------------------------------|------------|-------------------------------------|----------------|
| 1  | Ordinary business income (loss)      | 13         | Credits                             |                |
|    |                                      |            |                                     | <b>-14,133</b> |
| 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         | Alternative minimum tax (AMT) items | <b>-621</b>    |
|    |                                      | <b>A</b>   |                                     |                |
| 11 | Section 179 deduction                | 16         | Items affecting shareholder basis   | <b>487</b>     |
|    |                                      | <b>C*</b>  |                                     |                |
| 12 | Other deductions                     |            |                                     | <b>60,035</b>  |
|    |                                      | <b>E</b>   |                                     |                |
|    |                                      |            |                                     |                |
|    |                                      |            |                                     |                |
|    |                                      |            |                                     |                |
|    |                                      | 17         | Other information                   | <b>STMI</b>    |
|    |                                      | <b>F**</b> |                                     |                |

\* See attached statement for additional information.

**Depreciation and Amortization**  
 (Including Information on Listed Property)

**2006**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return: **B. R. Flowers, Inc.** Identifying number: **54-1008552**

Business or activity to which this form relates  
**Regular Depreciation**

**Part I Election To Expense Certain Property Under Section 179**  
 Note: If you have any listed property, complete Part V before you complete Part I.

|    |   |                              |
|----|---|------------------------------|
| 1  | Maximum amount. See the instructions for a higher limit for certain businesses  | 108,000                      |
| 2  | Total cost of section 179 property placed in service (see instructions)   |                              |
| 3  | Threshold cost of section 179 property before reduction in limitation   | 430,000                      |
| 4  | Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-  |                              |
| 5  | Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions |                              |
| 6  | (a) Description of property   | (b) Cost (business use only) |
| 7  | Listed property. Enter the amount from line 29  | 7                            |
| 8  | Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7  |                              |
| 9  | Tentative deduction. Enter the smaller of line 5 or line 8  |                              |
| 10 | Carryover of disallowed deduction from line 13 of your 2005 Form 4562   |                              |
| 11 | Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)                      |                              |
| 12 | Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11   |                              |
| 13 | Carryover of disallowed deduction to 2007. Add lines 9 and 10, less line 12   | 13                           |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

|    |  |  |
|----|--|--|
| 14 | Special allowance for qualified New York Liberty or Gulf Opportunity Zone property (other than listed property) placed in service during the tax year (see instructions) |  |
| 15 | Property subject to section 168(f)(1) election   |  |
| 16 | Other depreciation (including ACRS)  |  |

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

|    |  |        |
|----|--|--------|
| 17 | MACRS deductions for assets placed in service in tax years beginning before 2006   | 49,508 |
| 18 | If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/> |        |

**Section B-Assets Placed in Service During 2006 Tax Year Using the General Depreciation System**

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only-see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 19a 3-year property            |                                      |  |                     |                |            |                            |
| b 5-year property              |                                      | 14,000   | 5.0                 | MO             | 200DB      | 700                        |
| c 7-year property              |                                      |  |                     |                |            |                            |
| d 10-year property             |                                      |  |                     |                |            |                            |
| e 15-year property             |                                      |  |                     |                |            |                            |
| f 20-year property             |                                      |  |                     |                |            |                            |
| g 25-year property             |                                      |  | 25 yrs.             |                | S/L        |                            |
| h Residential rental property  |                                      |  | 27.5 yrs.           | MM             | S/L        |                            |
| i Nonresidential real property |                                      |  | 39 yrs.             | MM             | S/L        |                            |
|                                |                                      |  |                     | MM             | S/L        |                            |

**Section C-Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System**

|                |  |  |         |    |     |  |
|----------------|--|--|---------|----|-----|--|
| 20a Class life |  |  |         |    | S/L |  |
| b 12-year      |  |  | 12 yrs. |    | S/L |  |
| c 40-year      |  |  | 40 yrs. | MM | S/L |  |

**Part IV Summary (see instructions)**

|    |  |        |
|----|--|--------|
| 21 | Listed property. Enter amount from line 28   | 21     |
| 22 | Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr. | 44,008 |
| 23 | For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs  | 23     |

For Paperwork Reduction Act Notice, see separate instructions.

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

| <u>Description</u> | <u>Amount</u>     |
|--------------------|-------------------|
| Job Waste Disposal | \$ 4,446          |
| Job Site Utilities | 2,373             |
| Subcontractors     | 44,300            |
| Other Costs        | 204,433           |
| Total              | <u>\$ 255,552</u> |

| Asset                       | Description                  | Date<br>in Service | Cost          | Bus Sec<br>% 179 Bonus | Basis<br>for Depr | PerConv Meth | Prior    | Current    |
|-----------------------------|------------------------------|--------------------|---------------|------------------------|-------------------|--------------|----------|------------|
| <b>5-year GDS Property:</b> |                              |                    |               |                        |                   |              |          |            |
| 80                          | Crane Repair                 | 10/25/06           | 14,000        |                        | 14,000            | 5 MQ200DB    | 0        | 700        |
|                             |                              |                    | <u>14,000</u> |                        | <u>14,000</u>     |              | <u>0</u> | <u>700</u> |
| <b>Prior MACRS:</b>         |                              |                    |               |                        |                   |              |          |            |
| 4                           | 1985 INTL                    | 6/30/91            | 5,000         |                        | 5,000             | 5 HY 200DB   | 5,000    | 0          |
| 5                           | Paint Sprayer                | 6/30/93            | 2,500         |                        | 2,500             | 7 HY 200DB   | 2,500    | 0          |
| 6                           | 1994 Forklift                | 3/31/94            | 3,438         |                        | 3,438             | 5 HY 200DB   | 3,438    | 0          |
| 7                           | Shelving for Warehouse       | 6/30/94            | 274           |                        | 274               | 5 HY 200DB   | 274      | 0          |
| 8                           | Fax machine                  | 6/30/94            | 550           |                        | 550               | 5 HY 200DB   | 550      | 0          |
| 9                           | Exhaust Fan                  | 6/30/95            | 240           |                        | 240               | 5 HY 200DB   | 240      | 0          |
| 10                          | 4 Walkboards                 | 6/30/95            | 600           |                        | 600               | 7 HY 200DB   | 600      | 0          |
| 11                          | 2 1/2 Gallon Pressure Washer | 6/30/95            | 100           |                        | 100               | 5 HY 200DB   | 100      | 0          |
| 12                          | 2 Grinders                   | 6/30/95            | 851           |                        | 851               | 7 HY 200DB   | 851      | 0          |
| 13                          | Spray Pump                   | 6/30/95            | 600           |                        | 600               | 7 HY 200DB   | 600      | 0          |
| 14                          | Fan                          | 6/30/95            | 50            |                        | 50                | 7 HY 200DB   | 50       | 0          |
| 15                          | 2 Flammable Closets          | 6/30/95            | 40            |                        | 40                | 7 HY 200DB   | 40       | 0          |
| 16                          | Drill Press                  | 6/30/95            | 150           |                        | 150               | 7 HY 200DB   | 150      | 0          |
| 17                          | Spray Pots                   | 6/30/95            | 200           |                        | 200               | 7 HY 200DB   | 200      | 0          |
| 18                          | Battery Charger              | 6/30/95            | 271           |                        | 271               | 5 HY 200DB   | 271      | 0          |
| 19                          | Deck Crawlers                | 6/30/95            | 2,000         |                        | 2,000             | 7 HY 200DB   | 2,000    | 0          |
| 20                          | Panasonic Printer            | 6/30/95            | 287           |                        | 287               | 7 HY 200DB   | 287      | 0          |
| 21                          | Pressure Washer              | 6/30/95            | 1,200         |                        | 1,200             | 7 HY 200DB   | 1,200    | 0          |
| 22                          | Forklift                     | 6/30/95            | 4,703         |                        | 4,703             | 5 HY 200DB   | 4,703    | 0          |
| 23                          | Bulldog                      | 6/30/95            | 1,500         |                        | 1,500             | 7 HY 200DB   | 1,500    | 0          |
| 24                          | Tractor/Trailer              | 6/30/95            | 1,800         |                        | 1,800             | 7 HY 200DB   | 1,800    | 0          |
| 25                          | Deck Crawlers                | 6/30/97            | 1,600         |                        | 1,600             | 7 HY 200DB   | 1,600    | 0          |
| 26                          | Dust Collectors              | 6/30/97            | 2,200         |                        | 2,200             | 7 HY 200DB   | 2,200    | 0          |
| 27                          | Deck Abraders                | 6/30/97            | 6,000         |                        | 6,000             | 7 HY 200DB   | 6,000    | 0          |
| 28                          | Staging                      | 6/30/97            | 1,442         |                        | 1,442             | 7 HY 200DB   | 1,442    | 0          |
| 29                          | 88 Chevy Pickup              | 6/30/97            | 2,000         |                        | 2,000             | 5 HY 200DB   | 2,000    | 0          |
| 30                          | 2 Drills                     | 6/30/98            | 994           |                        | 994               | 7 HY 200DB   | 994      | 0          |
| 31                          | Pallet Dolly                 | 6/30/98            | 375           |                        | 375               | 7 HY 200DB   | 375      | 0          |
| 32                          | Air Compressor               | 6/30/98            | 11,100        |                        | 11,100            | 7 HY 200DB   | 11,100   | 0          |
| 33                          | Boom Truck                   | 11/16/98           | 4,500         |                        | 4,500             | 5 HY 200DB   | 4,500    | 0          |
| 35                          | Radios                       | 6/30/99            | 469           |                        | 469               | 7 HY 200DB   | 448      | 21         |
| 36                          | Pump                         | 6/30/99            | 1,000         |                        | 1,000             | 7 HY 200DB   | 954      | 46         |
| 38                          | Miscellaneous                | 2/11/00            | 262           |                        | 262               | 7 HY 200DB   | 262      | 0          |
| 39                          | 4 Deck Crawlers              | 3/20/00            | 2,516         |                        | 2,516             | 7 HY 200DB   | 2,516    | 0          |
| 40                          | Container Box                | 3/28/00            | 301           |                        | 301               | 7 HY 200DB   | 301      | 0          |
| 41                          | 8 Blast Machines             | 6/30/00            | 42,028        |                        | 42,028            | 7 HY 200DB   | 38,049   | 2,653      |
| 43                          | Sullair Air Compressor       | 10/18/00           | 3,204         |                        | 3,204             | 7 HY 200DB   | 3,204    | 0          |
| 44                          | Tag Along Trailer            | 10/18/00           | 1,404         |                        | 1,404             | 5 HY 200DB   | 1,404    | 0          |
| 46                          | SRT10 Spin Jet               | 6/15/01            | 127,000       |                        | 127,000           | 5 HY 200DB   | 119,685  | 7,315      |
| 47                          | Ford Excursion               | 6/30/01            | 39,826        |                        | 39,826            | 5 HY 200DB   | 37,532   | 2,294      |
| 48                          | 82 International Truck       | 6/30/01            | 25,000        |                        | 25,000            | 5 HY 200DB   | 23,560   | 1,440      |
| 49                          | 1994 Dodge Van               | 8/01/01            | 7,900         |                        | 7,900             | 5 HY 200DB   | 7,445    | 455        |
| 50                          | Computer                     | 4/25/02            | 979           | X                      | 685               | 5 HY 200DB   | 810      | 113        |
| 51                          | Ford F150                    | 10/09/02           | 21,205        | X                      | 14,843            | 5 HY 200DB   | 18,640   | 1,710      |
| 52                          | Sullair 185                  | 10/09/02           | 3,000         | X                      | 2,100             | 7 HY 200DB   | 2,344    | 187        |
| 53                          | NLB Liquid Blaster Pump      | 10/29/02           | 89,000        | X                      | 62,300            | 7 HY 200DB   | 59,588   | 8,403      |
| 54                          | NLB Spin Jet                 | 10/29/02           | 17,579        | X                      | 12,305            | 7 HY 200DB   | 12,038   | 1,583      |
| 55                          | NLB Liquid Blaster Pumps     | 10/29/02           | 89,000        | X                      | 62,300            | 7 HY 200DB   | 60,658   | 8,098      |
| 56                          | 2003 Sterling Truck          | 2/04/03            | 120,978       | X                      | 84,685            | 5 HY 200DB   | 103,645  | 6,933      |
| 57                          | 1996 F350 Truck              | 5/15/03            | 5,000         | X                      | 2,500             | 5 HY 200DB   | 5,000    | 0          |
| 58                          | Welder                       | 5/21/03            | 1,400         | X                      | 700               | 5 HY 200DB   | 1,198    | 81         |
| 59                          | HP Printer                   | 6/03/03            | 400           | X                      | 200               | 5 HY 200DB   | 342      | 23         |
| 60                          | 2 Computers                  | 6/18/03            | 1,780         | X                      | 890               | 5 HY 200DB   | 1,524    | 102        |
| 61                          | HP printer                   | 7/22/03            | 378           | X                      | 189               | 5 HY 200DB   | 324      | 21         |
| 62                          | Copier                       | 7/22/03            | 496           | X                      | 248               | 5 HY 200DB   | 425      | 28         |
| 64                          | 1990 Dodge Van               | 7/25/03            | 1,750         | X                      | 875               | 5 HY 200DB   | 1,750    | 0          |
| 65                          | 1989 Ford Tanker Truck       | 8/13/03            | 4,500         | X                      | 2,250             | 5 HY 200DB   | 4,500    | 0          |
| 66                          | Insulated Container          | 9/05/03            | 4,500         | X                      | 2,250             | 7 HY 200DB   | 3,516    | 281        |
| 67                          | 2004 Ford F150               | 10/10/03           | 26,400        | X                      | 13,200            | 5 MQ200DB    | 22,598   | 1,521      |
| 68                          | 1999 Mazda Truck             | 11/25/03           | 5,000         | X                      | 2,500             | 5 HY 200DB   | 5,000    | 0          |
| 69                          | 5000LB Forklift              | 5/20/04            | 4,200         | X                      | 2,100             | 5 HY 200DB   | 4,200    | 0          |
| 70                          | 7 Ton Tilt Trailer           | 2/02/04            | 5,575         | X                      | 2,787             | 5 HY 200DB   | 5,575    | 0          |
| 71                          | 82 Vee Loader                | 3/03/04            | 5,000         | X                      | 2,500             | 5 HY 200DB   | 5,000    | 0          |

## Bonus Depreciation Report

| Asset                               | Property Description     | Date In Service | Tax Cost       | Bus Pct | Tax Sec 179 Exp | Current Bonus | Prior Bonus    | Tax - Basis for Depr |
|-------------------------------------|--------------------------|-----------------|----------------|---------|-----------------|---------------|----------------|----------------------|
| <u>Activity: Form 1120S, Page 1</u> |                          |                 |                |         |                 |               |                |                      |
| 50                                  | Computer                 | 4/25/02         | 979            |         | 0               | 0             | 294            | 685                  |
| 51                                  | Ford F150                | 10/09/02        | 21,205         |         | 0               | 0             | 6,362          | 14,843               |
| 52                                  | Sullair 185              | 10/09/02        | 3,000          |         | 0               | 0             | 900            | 2,100                |
| 53                                  | NLB Liquid Blaster Pump  | 10/29/02        | 89,000         |         | 0               | 0             | 26,700         | 62,300               |
| 54                                  | NLB Spin jet             | 10/29/02        | 17,579         |         | 0               | 0             | 5,274          | 12,305               |
| 55                                  | NLB Liquid Blaster Pumps | 10/29/02        | 89,000         |         | 0               | 0             | 26,700         | 62,300               |
| 56                                  | 2003 Sterling Truck      | 2/04/03         | 120,978        |         | 0               | 0             | 36,293         | 84,685               |
| 57                                  | 1996 F350 Truck          | 5/15/03         | 5,000          |         | 0               | 0             | 2,500          | 2,500                |
| 58                                  | Welder                   | 5/21/03         | 1,400          |         | 0               | 0             | 700            | 700                  |
| 59                                  | HP Printer               | 6/03/03         | 400            |         | 0               | 0             | 200            | 200                  |
| 60                                  | 2 Computers              | 6/18/03         | 1,780          |         | 0               | 0             | 890            | 890                  |
| 61                                  | HP printer               | 7/22/03         | 378            |         | 0               | 0             | 189            | 189                  |
| 62                                  | Copier                   | 7/22/03         | 496            |         | 0               | 0             | 248            | 248                  |
| 64                                  | 1990 Dodge Van           | 7/25/03         | 1,750          |         | 0               | 0             | 875            | 875                  |
| 65                                  | 1989 Ford Tanker Truck   | 8/13/03         | 4,500          |         | 0               | 0             | 2,250          | 2,250                |
| 66                                  | Insulated Container      | 9/05/03         | 4,500          |         | 0               | 0             | 2,250          | 2,250                |
| 67                                  | 2004 Ford F150           | 10/10/03        | 26,400         |         | 0               | 0             | 13,200         | 13,200               |
| 68                                  | 1999 Mazda Truck         | 11/25/03        | 5,000          |         | 0               | 0             | 2,500          | 2,500                |
| 69                                  | 5000LB Forklift          | 5/20/04         | 4,200          |         | 0               | 0             | 2,100          | 2,100                |
| 70                                  | 7 Ton Tilt Trailer       | 2/02/04         | 5,575          |         | 0               | 0             | 2,788          | 2,787                |
| 71                                  | 82 Vee Loader            | 3/03/04         | 5,000          |         | 0               | 0             | 2,500          | 2,500                |
| 72                                  | 88 Intl Truck            | 2/25/04         | 1,500          |         | 0               | 0             | 750            | 750                  |
| 73                                  | 97 Ford F450             | 2/02/04         | 6,500          |         | 0               | 0             | 3,250          | 3,250                |
| 74                                  | 97 Intl Model 4700       | 1/19/04         | 11,500         |         | 0               | 0             | 5,750          | 5,750                |
| 75                                  | 98 F150                  | 1/08/04         | 7,500          |         | 0               | 0             | 3,750          | 3,750                |
| 76                                  | Compressor and Cable     | 2/27/04         | 2,862          |         | 0               | 0             | 1,431          | 1,431                |
| 77                                  | Computer                 | 3/01/04         | 1,844          |         | 0               | 0             | 922            | 922                  |
| 78                                  | Storage Box              | 6/30/04         | 900            |         | 0               | 0             | 450            | 450                  |
| 79                                  | Ventilation Fan          | 2/11/04         | 670            |         | 0               | 0             | 335            | 335                  |
| <b>Form 1120S, Page 1</b>           |                          |                 | <u>441,396</u> |         | <u>0</u>        | <u>0</u>      | <u>152,351</u> | <u>289,045</u>       |
| <b>Grand Total</b>                  |                          |                 | <u>441,396</u> |         | <u>0</u>        | <u>0</u>      | <u>152,351</u> | <u>289,045</u>       |

**AMT Asset Report**  
**Form 1120S, Page 1**

| Asset                      | Description                              | Date<br>In Service | Cost           | Bus<br>% | Sec<br>179 Bonus | Basis<br>for Depr | PerConv Meth | Prior          | Current       |
|----------------------------|--|--------------------|----------------|----------|------------------|-------------------|--------------|----------------|---------------|
| 72                         | 88 Intl Truck                            | 2/25/04            | 1,500          |          | X                | 750               | 5 HY 200DB   | 1,140          | 144           |
| 73                         | 97 Ford F450                             | 2/02/04            | 6,500          |          | X                | 3,250             | 5 HY 200DB   | 4,940          | 624           |
| 74                         | 97 Intl Model 4700                       | 1/19/04            | 11,500         |          | X                | 5,750             | 5 HY 200DB   | 8,740          | 1,104         |
| 75                         | 98 F150                                  | 1/08/04            | 7,500          |          | X                | 3,750             | 5 HY 200DB   | 5,700          | 720           |
| 76                         | Compressor and Cable                     | 2/27/04            | 2,862          |          | X                | 1,431             | 5 HY 200DB   | 2,175          | 275           |
| 77                         | Computer                                 | 3/01/04            | 1,844          |          | X                | 922               | 5 HY 200DB   | 1,401          | 177           |
| 78                         | Storage Box                              | 6/30/04            | 900            |          | X                | 450               | 5 HY 200DB   | 684            | 86            |
| 79                         | Ventilation Fan                          | 2/11/04            | 670            |          | X                | 335               | 5 HY 200DB   | 509            | 65            |
|                            |  |                    | <u>748,871</u> |          |                  | <u>596,520</u>    |              | <u>641,850</u> | <u>49,529</u> |
| <b>Other Depreciation:</b> |  |                    |                |          |                  |                   |              |                |               |
| 1                          | File Cabinets                            | 6/30/82            | 0              |          |                  | 0                 | 0 HY         | 0              | 0             |
| 2                          | 1980 Generator 125KW                     | 6/30/83            | 0              |          |                  | 0                 | 0 HY         | 0              | 0             |
| 3                          | 3 Desks                                  | 6/30/85            | 0              |          |                  | 0                 | 0 HY         | 0              | 0             |
|                            | <b>Total Other Depreciation</b>          |                    | <u>0</u>       |          |                  | <u>0</u>          |              | <u>0</u>       | <u>0</u>      |
|                            | <b>Total ACRS and Other Depreciation</b> |                    | <u>0</u>       |          |                  | <u>0</u>          |              | <u>0</u>       | <u>0</u>      |
|                            | <b>Grand Totals</b>                      |                    | <u>762,871</u> |          |                  | <u>610,520</u>    |              | <u>641,850</u> | <u>50,054</u> |
|                            | <b>Less: Dispositions</b>                |                    | <u>0</u>       |          |                  | <u>0</u>          |              | <u>0</u>       | <u>0</u>      |
|                            | <b>Net Grand Totals</b>                  |                    | <u>762,871</u> |          |                  | <u>610,520</u>    |              | <u>641,850</u> | <u>50,054</u> |

**ACE Asset Report**  
**Form 1120S, Page 1**

| Asset        | Description                              | Date<br>In Service | Cost           | Bus Sec<br>% 179 Bonus | Basis<br>for Depr | PerConv Meth | Prior          | Current       |
|--------------|--|--------------------|----------------|------------------------|-------------------|--------------|----------------|---------------|
| 72           | 88 Intl Truck                            | 2/25/04            | 1,500          | X                      | 750               | 5 HY 200DB   | 1,140          | 144           |
| 73           | 97 Ford F450                             | 2/02/04            | 6,500          | X                      | 3,250             | 5 HY 200DB   | 4,940          | 624           |
| 74           | 97 Intl Model 4700                       | 1/19/04            | 11,500         | X                      | 5,750             | 5 HY 200DB   | 8,740          | 1,104         |
| 75           | 98 F150                                  | 1/08/04            | 7,500          | X                      | 3,750             | 5 HY 200DB   | 5,700          | 720           |
| 76           | Compressor and Cable                     | 2/27/04            | 2,862          | X                      | 1,431             | 5 HY 200DB   | 2,175          | 275           |
| 77           | Computer                                 | 3/01/04            | 1,844          | X                      | 922               | 5 HY 200DB   | 1,401          | 177           |
| 78           | Storage Box                              | 6/30/04            | 900            | X                      | 450               | 5 HY 200DB   | 684            | 86            |
| 79           | Ventilation Fan                          | 2/11/04            | 670            | X                      | 335               | 5 HY 200DB   | 509            | 65            |
|              |  |                    | <u>748,871</u> |                        | <u>596,520</u>    |              | <u>641,850</u> | <u>49,529</u> |
| <b>ACRS:</b> |  |                    |                |                        |                   |              |                |               |
| 1            | File Cabinets                            | 6/30/82            | 0              |                        | 0                 | 0 HY         | 0              | 0             |
| 2            | 1980 Generator 125KW                     | 6/30/83            | 0              |                        | 0                 | 0 HY         | 0              | 0             |
| 3            | 3 Desks                                  | 6/30/85            | 0              |                        | 0                 | 0 HY         | 0              | 0             |
|              | <b>Total ACRS Depreciation</b>           |                    | <u>0</u>       |                        | <u>0</u>          |              | <u>0</u>       | <u>0</u>      |
|              | <b>Total ACRS and Other Depreciation</b> |                    | <u>0</u>       |                        | <u>0</u>          |              | <u>0</u>       | <u>0</u>      |
|              | <b>Grand Totals</b>                      |                    | 762,871        |                        | 610,520           |              | 641,850        | 50,054        |
|              | <b>Less: Dispositions</b>                |                    | 0              |                        | 0                 |              | 0              | 0             |
|              | <b>Net Grand Totals</b>                  |                    | <u>762,871</u> |                        | <u>610,520</u>    |              | <u>641,850</u> | <u>50,054</u> |



# Depreciation Adjustment Report

## All Business Activities

| Form   | Unit | Asset | Description          | Tax           | AMT           | AMT<br>Adjustments/<br>Preferences |
|--------|------|-------|----------------------|---------------|---------------|------------------------------------|
| Page 1 | 1    | 75    | 98 F150              | 0             | 720           | -720                               |
| Page 1 | 1    | 76    | Compressor and Cable | 0             | 275           | -275                               |
| Page 1 | 1    | 77    | Computer             | 0             | 177           | -177                               |
| Page 1 | 1    | 78    | Storage Box          | 0             | 86            | -86                                |
| Page 1 | 1    | 79    | Ventilation Fan      | 0             | 65            | -65                                |
| Page 1 | 1    | 80    | Crane Repair         | 700           | 525           | 175                                |
|        |      |       |                      | <u>44,008</u> | <u>50,054</u> | <u>-6,046</u>                      |

| Asset        | Description                              | Date In Service | Cost           | Tax           | AMT           |
|--------------|--|-----------------|----------------|---------------|---------------|
| 76           | Compressor and Cable                     | 2/27/04         | 2,862          | 0             | 165           |
| 77           | Computer                                 | 3/01/04         | 1,844          | 0             | 107           |
| 78           | Storage Box                              | 6/30/04         | 900            | 0             | 52            |
| 79           | Ventilation Fan                          | 2/11/04         | 670            | 0             | 38            |
| 80           | Crane Repair                             | 10/25/06        | 14,000         | 5,320         | 4,043         |
|              |  |                 | <u>762,871</u> | <u>34,438</u> | <u>32,314</u> |
| <b>ACRS:</b> |  |                 |                |               |               |
| 1            | File Cabinets                            | 6/30/82         | 300            | 0             | 0             |
| 2            | 1980 Generator 125KW                     | 6/30/83         | 11,000         | 0             | 0             |
| 3            | 3 Desks                                  | 6/30/85         | 450            | 0             | 0             |
|              | <b>Total ACRS Depreciation</b>           |                 | <u>11,750</u>  | <u>0</u>      | <u>0</u>      |
|              | <b>Total ACRS and Other Depreciation</b> |                 | <u>11,750</u>  | <u>0</u>      | <u>0</u>      |
|              | <b>Grand Totals</b>                      |                 | <u>774,621</u> | <u>34,438</u> | <u>32,314</u> |

|                                    |   |
|------------------------------------|---|
| Name<br><b>B. R. Flowers, Inc.</b> | Employer Identification Number<br><b>54-1008552</b> |
|------------------------------------|---|

|          | Shareholder Name      | SSN/EIN            |
|----------|-----------------------|--------------------|
| Column A | <b>Laurie Flowers</b> | <b>250-98-1116</b> |
| Column B | <b>Belan Flowers</b>  | <b>227-52-2902</b> |
| Column C |                       |                    |
| Column D |                       |                    |

| Schedule K Items         | Column A | Column B | Column C | Column D | Sch K Total |
|--------------------------|----------|----------|----------|----------|-------------|
| 1 Ordinary income        | -14,133  | -123,430 |          |          | -137,563    |
| 2 Net income-rent        |          |          |          |          |             |
| 3c Net inc-oth rent      |          |          |          |          |             |
| 4 Interest income        |          |          |          |          |             |
| 5a Ordinary dividends    |          |          |          |          |             |
| 5b Qual dividends        |          |          |          |          |             |
| 6 Royalties              |          |          |          |          |             |
| 7 Net ST capital gain    |          |          |          |          |             |
| 6a Net LT capital gain   |          |          |          |          |             |
| 8b Collectibles 28% gain |          |          |          |          |             |
| 8c Unrecap Sec 1250      |          |          |          |          |             |
| 9 Net Sec 1231 gain      |          |          |          |          |             |
| 10 Other income          |          |          |          |          |             |
| 11 Sec 179 deduction     |          |          |          |          |             |
| 12a Contributions        |          |          |          |          |             |
| 12b invest interest exp  |          |          |          |          |             |
| 12c Sec 59(e)(2) exp     |          |          |          |          |             |
| 12d Other deductions     |          |          |          |          |             |
| 13a Low-inc house 4215   |          |          |          |          |             |
| 13b Low-inc house other  |          |          |          |          |             |
| 13c Qualif rehab exp     |          |          |          |          |             |
| 13d Rental RE credits    |          |          |          |          |             |
| 13e Other rental credits |          |          |          |          |             |
| 13f Fuel alcohol credit  |          |          |          |          |             |
| 13g Other credits        |          |          |          |          |             |
| 14b Gross inc all src    |          |          |          |          |             |
| 14d-f Tot foreign inc    |          |          |          |          |             |
| 14g-k Tot foreign ded    |          |          |          |          |             |
| 14l Total foreign taxes  |          |          |          |          |             |
| 14m Reduct in taxes      |          |          |          |          |             |
| 15a Depr adjustment      | -621     | -5,425   |          |          | -6,046      |
| 15b Adj gain or loss     |          |          |          |          |             |
| 15c Depletion            |          |          |          |          |             |
| 15d Inc-oil/gas/geoth    |          |          |          |          |             |
| 15e Ded-oil/gas/geoth    |          |          |          |          |             |
| 15f Other AMT items      |          |          |          |          |             |
| 16a Tax-exempt int       |          |          |          |          |             |
| 16b Oth tax-exempt       |          |          |          |          |             |
| 16c Nonded expense       | 487      | 4,251    |          |          | 4,738       |
| 16d Tot property dist    |          |          |          |          |             |
| 16e Shr loan repmts      | 60,035   | 137,347  |          |          | 197,382     |
| 17a Invest income        |          |          |          |          |             |
| 17b Invest expense       |          |          |          |          |             |
| 18 Income (loss)         | -14,133  | -123,430 |          |          | -137,563    |

For calendar year 2006 or tax year beginning \_\_\_\_\_ ending \_\_\_\_\_

Taxpayer Identification Number  
54-1008552  
250-98-1116

Name **B. R. Flowers, Inc.**  
**Laurie Flowers**

**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     |                  | 487               | 487        | 100.00  |                    | 487                   | 100.00  |                   | 487                             |                    |
| Deductible items:                 |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Ordinary business loss            |                  | 14,133            | 14,133     | 100.00  |                    | 14,133                | 100.00  |                   | 14,133                          |                    |
| 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%)          |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Cash contributions (30%)          |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Noncash contributions (50%)       |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Noncash contributions (30%)       |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Cap gain prop 50% org (30%)       |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Cap gain prop (20%)               |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| 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            |                  | 14,133            | 14,133     | 100.00  |                    | 14,133                | 100.00  |                   | 14,133                          |                    |
| Total nonded and deductible items |                  | 14,620            | 14,620     |         |                    | 14,620                |         |                   | 14,620                          |                    |

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

For calendar year 2006 or tax year beginning \_\_\_\_\_ ending \_\_\_\_\_

Taxpayer Identification Number  
54-1008552  
227-52-2902

Name **B. R. Flowers, Inc.**  
**Belan Flowers**

**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     |                  | 4,251             | 4,251      | 100.00  | 4,251              |                       |         |                   |                                 | 4,251              |
| Deductible items:                 |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Ordinary business loss            |                  | 123,430           | 123,430    | 100.00  | 123,430            |                       |         |                   |                                 | 123,430            |
| 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%)          |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Cash contributions (30%)          |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Noncash contributions (50%)       |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Noncash contributions (30%)       |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Cap gain prop 50% org (30%)       |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| Cap gain prop (20%)               |                  |                   |            |         |                    |                       |         |                   |                                 |                    |
| 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            |                  | 123,430           | 123,430    | 100.00  | 123,430            |                       |         |                   |                                 | 123,430            |
| Total nonded and deductible items |                  | 127,681           | 127,681    |         | 127,681            |                       |         |                   |                                 | 127,681            |

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

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

| <u>Description</u>  | <u>Amount</u> |
|---------------------|---------------|
| Fines and Penalties | \$ 4,251      |
| Total               | \$ 4,251      |

Form 1120S. Page 2. Schedule K, Line 4 - Interest Income

| <u>Description</u> | <u>Amount</u> |
|--------------------|---------------|
| Interest Income    | \$ _____      |
| Total              | \$ <u>0</u>   |

Form 1120S, P4, Sch L, Line 17 - Mortgages, Notes Bonds Pay in Less Than One Yr

| <u>Description</u>      | <u>Beginning<br/>of Year</u>    | <u>End<br/>of Year</u> |
|-------------------------|---------------------------------|------------------------|
| Suntrust Line of Credit | \$ <u>                    </u>  | \$ <u>196,871</u>      |
| Total                   | \$ <u>                    0</u> | \$ <u>196,871</u>      |

Form 1120S, Page 4, Schedule L, Line 19 - Loans from Shareholders

| <u>Description</u> | <u>Beginning<br/>of Year</u> | <u>End<br/>of Year</u> |
|--------------------|------------------------------|------------------------|
| Shareholder Loans  | \$ <u>125,000</u>            | \$ <u>16,836</u>       |
| Total              | \$ <u>125,000</u>            | \$ <u>16,836</u>       |

Form 1120S, Page 4, Schedule L, Line 23 - Additional Paid-In Capital

| <u>Description</u>         | <u>Beginning<br/>of Year</u> | <u>End<br/>of Year</u> |
|----------------------------|------------------------------|------------------------|
| Additional Paid In Capital | \$ <u>10,000</u>             | \$ <u>10,000</u>       |
| Total                      | \$ <u>10,000</u>             | \$ <u>10,000</u>       |



B. R. Flowers, Inc.  
P. O. Box 777  
Newport News, VA 23607

Virginia Department of Taxation  
P.O. Box 1500  
Richmond, Virginia 23219-1500  
!!!!!!!

## Filing Instructions

B. R. Flowers, Inc.

Form 502 - Virginia Pass Through Entity Inc Tax Rtn

Taxable Year Ended December 31, 2006

- Date Due:** AS SOON AS POSSIBLE
- Remittance:** None is required. No amount is due or overpaid.
- Mail To:** Virginia Department of Taxation  
P.O. Box 1500  
Richmond, Virginia 23218-1500
- Signature:** The return should be signed and dated on page 2 by an authorized officer of the corporation.
- Other:** Initial and date the copy, and retain it for your records.

2006 Virginia Form 502

Pass-Through Entity Return of Income



Department of Taxation
P.O. Box 1500
Richmond, VA 23218-1500

FISCAL or SHORT Year Filer: Beginning Date

Trusts and Estates - Use Form 770

Ending Date

Form with fields: Check If - Change in Address, Entity Name (B. R. Flowers, Inc.), Official Use Only, Number and Street (P. O. Box 777), Federal Employer ID Number (54-1008552), City Or Town, State and Zip Code (Newport News VA 23607), Date of Formation (1/01/1976), State or Country Where Incorporated or Organized (VA), Entity Type (SC), Principal Business Activity Code (453110), Description of Business Activity (Marine Decking), Date Operations Began in Virginia (1/01/1976).

Number And Types Of Owners

Count all owners that were issued a federal Schedule K-1 for the taxable year and enter:

- a. The Total Number Of Owners (include individuals and any other entity types) 2
b. The Total Number Of Nonresident Individual Owners (See Instructions) 0

Distributive Or Pro Rata Income And Deductions

See instructions.

- 1. Total Of Taxable Income Amounts (137,563) 00
2. Total Of Deductions 00
3. Tax-exempt interest income 00

Allocation And Apportionment

- 4. Income Allocated To Virginia (From Schedule 502A, Part A, Line 2) 00
5. Income Allocated Outside Of Virginia (From Schedule 502A, Part A, Line 3e) 00
6. Apportionable Income (From Schedule 502A, Part A, Line 4) (137,563) 00
7. Virginia Apportionment Percentage (From Schedule 502A, Part B or Part C or 100%) 100.00%

Virginia Additions To Federal Taxable Income

- 8. Fixed-date Conformity - Depreciation 00
9. Fixed-date Conformity - Other 00
10. Net Income Tax Or Other Tax Used As A Deduction In Determining Taxable Income (See instructions) 00
11. Interest On Municipal Or State Obligations Other Than From Virginia 00
12. a-c Refer To Instruction Book For Addition Codes 12a. 00, 12b. 00, 12c. 00
13. Total Additions (Line 8 Through 12c) 00

Virginia Subtractions From Federal Taxable Income

- 14. Fixed-date Conformity - Depreciation 00
15. Fixed-date Conformity - Other 00
16. Income From Obligations Of The United States 00
17. a-e Refer To Instruction Book For Subtraction Codes 17a. 00, 17b. 00, 17c. 00, 17d. 00, 17e. 00
18. Total Subtractions (Line 14 Through 17e) 00

IMPORTANT: ATTACH A COPY OF YOUR FEDERAL RETURN TO THIS RETURN

1 Taxpayer information - Taxpayer(s) must sign and date this form.

|  |   |   |
|--|---|---|
| Taxpayer name(s) and address<br><b>B. R. Flowers, Inc.</b><br><br><b>P. O. Box 777</b><br><b>Newport News VA 23607</b> | Social Security Number(s)                       | VA Account Number                       |
|  | Daytime Telephone Number<br><b>757-222-4264</b> | Employer ID Number<br><b>54-1008552</b> |

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) - All representative(s) must sign and date this form.

|   |                                      |
|---|--------------------------------------|
| Name and address<br><b>Athena M. Robbins, CFP (R), CPA</b><br><b>11815 Rock Landing Drive</b><br><b>Newport News VA 23606</b> | Telephone Number <b>757-873-8585</b> |
|   | Fax Number _____                     |
|   | E-Mail Address _____                 |
| Name and address<br><b>Linda F. Parker, CPA</b><br><b>11815 Rock Landing Drive</b><br><b>Newport News VA 23606</b>            | Telephone Number <b>757-873-8585</b> |
|   | Fax Number _____                     |
|   | E-Mail Address _____                 |
| Name and address  | Telephone Number _____               |
|   | Fax Number _____                     |
|   | E-Mail Address _____                 |

to represent the taxpayer(s) before the Virginia Department of Taxation for the following tax matters:

3 Tax Matter - Enter type of tax and year(s) or period(s) or date of death if Estate Tax.

| Type of Tax | Tax Form Number | Year(s) or Period(s) |
|-------------|-----------------|----------------------|
|             |                 |                      |
|             |                 |                      |
|             |                 |                      |

4 Acts authorized - The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3. The authority does not include the power to receive refund checks, the power to substitute another representative, the authority to execute a request for a tax return or the power to sign certain returns, or a consent to disclose tax information unless specifically added below.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: \_\_\_\_\_

This Power of Attorney and Release revokes all previous Powers of Attorney and Releases received by the Department of Taxation for the matters and years or periods covered by this form, except the following:

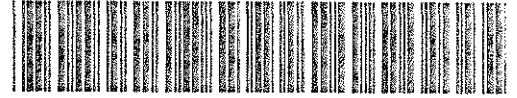
(Specify to whom granted, date and address including ZIP code, and attach copies of earlier power(s) and authorizations.)

Signature of taxpayer(s) - If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

|            |                      |      |
|------------|----------------------|------|
| Signature  | Title, if applicable | Date |
| Print Name |                      |      |
| Signature  | Title, if applicable | Date |
| Print Name |                      |      |

2006 VIRGINIA  
Schedule VK-1  
(Form 502)

Owner's Share of Income And  
Virginia Modifications And Credits



Check If -

Final

Owner Information

Amended Return

Check Here If Owner Is Participating In An Individual Unified Nonresident Return

|   |  |
|---|--|
| Name<br><b>Laurie Flowers</b>                               | FEIN Or SSN<br><b>250-98-1116</b>      |
| Address<br><b>35 Riley's Way</b>                            | Virginia Account Number, If Applicable |
| Address   |  |
| City or Town, State And ZIP Code<br><b>Hampton VA 23664</b> |  |

Pass-Through Entity (PTE) Information

|  |                                      |
|--|--------------------------------------|
| Name<br><b>B. R. Flowers, Inc.</b>                               | FEIN<br><b>54-1008552</b>            |
| Address<br><b>P. O. Box 777</b>                                  | Virginia Account Number              |
| Address  | Tax Year End Date<br><b>12/31/06</b> |
| City or Town, State And ZIP Code<br><b>Newport News VA 23607</b> |                                      |

Additional Owner Information

- a. Date Owner Acquired Interest In The Pass-Through Entity (MM/DD/YYYY) .....
- b. Owner's Entity Type (Enter code; see instructions) ..... **RES**
- c. Owner's Participation Type (Enter code; see instructions) ..... **SHR**
- d. Owner's Participation Percentage (Example: 47.35% - see instructions.) ..... **10.27%**

Distributive Or Pro Rata Income And Deductions

See instructions.

- 1. Total Of Taxable Income Amounts ..... 1. **-14,138.00**
- 2. Total Of Deductions ..... 2. **00**
- 3. Tax-exempt interest income ..... 3. **00**

Allocation And Apportionment

- 4. Income Allocated To Virginia (Owner's Share From PTE's Schedule 502A, Part A, Line 2) ..... 4. **00**
- 5. Income Allocated Outside Of Virginia (Owner's Share From PTE's Schedule 502A, Part A, Line 3e) ..... 5. **00**
- 6. Apportionable Income (Owner's Share From PTE's Schedule 502A, Part A, Line 4) ..... 6. **-14,128.00**
- 7. Virginia Apportionment Percentage (From PTE's Schedule 502A, Part B or Part C or 100%) ..... 7. **100.0000%**

Virginia Additions - Owner's Share

- 8. Fixed-date Conformity - Depreciation ..... 8. **00**
- 9. Fixed-date Conformity - Other ..... 9. **00**
- 10. Net Income Tax Or Other Tax Used As A Deduction In Determining Taxable Income (See Instructions) ..... 10. **00**
- 11. Interest On Municipal Or State Obligations Other Than From Virginia ..... 11. **00**
- 12. a-c Refer To Instruction Book For Other ..... 12a. **00**
- Addition Codes ..... 12b. **00**
- ..... 12c. **00**
- 13. Total Additions (Line 8 Through 12c) ..... 13. **00**

Notice: You have received this Schedule VK-1 because the above named Pass-through Entity (PTE) earned income from Virginia sources and has passed through to you a portion of that Virginia source income based on your ownership of the PTE. A copy of this schedule has been filed with the Virginia Department of Taxation. Everyone who receives Virginia source income is subject to taxation by Virginia regardless of state of residency or domicile. You may be required to file a Virginia tax return even though you may be a nonresident individual or a business domiciled outside of Virginia. To determine if you are required to file a Virginia income tax return, consult your tax professional. Information and forms may be obtained at [www.tax.virginia.gov](http://www.tax.virginia.gov), or call the Virginia Department of Taxation at 804-367-8031 (individuals) or 804-367-8037 (businesses).

VA Form 4562 Depreciation and Amortization Worksheet

2006

For calendar year 2006, or fiscal/short year beginning \_\_\_\_\_ and ending \_\_\_\_\_

|  |   |  |
|--|---|--|
| Name(s) shown on return:<br><b>B. R. Flowers, Inc.</b> | Business or activity to which this form relates:<br><b>Regular Depreciation</b> | Identifying number:<br><b>54-1008552</b> |
|--|---|--|

**Part I Election To Expense Certain Tangible Property Under Section 179**  
 Note: If you have any "listed property," complete Part V before you complete Part I.

|   |   |         |
|---|---|---------|
| 1 Maximum dollar limitation. If an enterprise zone business, see page 2 of the instructions   | 1 | 108,000 |
| 2 Total cost of section 179 property placed in service (see page 2 of the instructions)   | 2 |         |
| 3 Threshold cost of section 179 property before reduction in limitation   | 3 | 430,000 |
| 4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-  | 4 |         |
| 5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions | 5 |         |

| 6 (a) Description of property   | (b) Cost (business use only) | (c) Elected cost |
|---|------------------------------|------------------|
| 7 Listed property. Enter amount from line 27  | 7                            |                  |
| 8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7                                | 8                            |                  |
| 9 Tentative deduction. Enter the smaller of line 5 or line 8  | 9                            |                  |
| 10 Carryover of disallowed deduction from prior years (see page 3 of the instructions)                                | 10                           |                  |
| 11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11                           |                  |
| 12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11                              | 12                           |                  |
| 13 Carryover of disallowed deduction to next year. Add lines 9 and 10, less line 12                                   | 13                           |                  |

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

**Part II MACRS Depreciation for Assets Placed in Service Only During Your 2006 Tax Year (Do not include listed property.)**

**Section A-General Asset Account Election**

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 3 of the instructions

**Section B-General Depreciation System (GDS) (See page 3 of the instructions.)**

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depreciation (business/investment use only-see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|--------------------------------|--------------------------------------|--|---------------------|----------------|------------|----------------------------|
| 15a 3-year property            |                                      |  |                     |                |            |                            |
| b 5-year property              |                                      | 14,000   | 5.0                 | MO             | 200DB      | 700                        |
| c 7-year property              |                                      |  |                     |                |            |                            |
| d 10-year property             |                                      |  |                     |                |            |                            |
| e 15-year property             |                                      |  |                     |                |            |                            |
| f 20-year property             |                                      |  |                     |                |            |                            |
| g 25-year property             |                                      |  | 25 yrs.             |                | S/L        |                            |
| h Residential rental property  |                                      |  | 27.5 yrs.           | MM             | S/L        |                            |
| i Nonresidential real property |                                      |  | 39 yrs.             | MM             | S/L        |                            |
|                                |                                      |  |                     | MM             | S/L        |                            |

**Section C-Alternative Depreciation System (ADS) (See page 5 of the instructions.)**

|                |  |  |         |    |     |  |
|----------------|--|--|---------|----|-----|--|
| 15a Class life |  |  |         |    | S/L |  |
| b 12-year      |  |  | 12 yrs. |    | S/L |  |
| c 40-year      |  |  | 40 yrs. | MM | S/L |  |

**Part III Other Depreciation (Do not include listed property.) (See instructions beginning on page 5.)**

|   |    |        |
|---|----|--------|
| 17 GDS and ADS deductions for assets placed in service in tax years beginning before 2005 | 17 | 43,308 |
| 18 Property subject to section 168(f)(1) election   | 18 |        |
| 19 ACRS and other depreciation  | 19 |        |

**Part IV Summary (See page 6 of the instructions.)**

|   |    |        |
|---|----|--------|
| 20 Listed property. Enter amount from line 26.  | 20 |        |
| 21 Total. Add deductions from line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instructions | 21 | 44,008 |
| 22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs  | 22 |        |

**VA Asset Report**  
**Form 1120S, Page 1**

| Asset        | Description                              | Date<br>In Service | Cost           | Basis<br>for Depr | VA<br>Prior    | VA<br>Current | Federal<br>Current | Difference<br>Fed - VA |
|--------------|--|--------------------|----------------|-------------------|----------------|---------------|--------------------|------------------------|
| 72           | 88 Intl Truck                            | 2/25/04            | 1,500          | 1,500             | 1,500          | 0             | 0                  | 0                      |
| 73           | 97 Ford F450                             | 2/02/04            | 6,500          | 6,500             | 6,500          | 0             | 0                  | 0                      |
| 74           | 97 Intl Model 4700                       | 1/19/04            | 11,500         | 11,500            | 11,500         | 0             | 0                  | 0                      |
| 75           | 98 F150                                  | 1/08/04            | 7,500          | 7,500             | 7,500          | 0             | 0                  | 0                      |
| 76           | Compressor and Cable                     | 2/27/04            | 2,862          | 2,862             | 2,862          | 0             | 0                  | 0                      |
| 77           | Computer                                 | 3/01/04            | 1,844          | 1,844             | 1,844          | 0             | 0                  | 0                      |
| 78           | Storage Box                              | 6/30/04            | 900            | 900               | 900            | 0             | 0                  | 0                      |
| 79           | Ventilation Fan                          | 2/11/04            | 670            | 670               | 670            | 0             | 0                  | 0                      |
|              |  |                    | <u>748,871</u> | <u>748,871</u>    | <u>643,486</u> | <u>43,308</u> | <u>43,308</u>      | <u>0</u>               |
| <b>ACRS:</b> |  |                    |                |                   |                |               |                    |                        |
| 1            | File Cabinets                            | 6/30/82            | 300            | 300               | 0              | 0             | 0                  | 0                      |
| 2            | 1980 Generator 125KW                     | 6/30/83            | 11,000         | 11,000            | 11,000         | 0             | 0                  | 0                      |
| 3            | 3 Desks                                  | 6/30/85            | 450            | 450               | 450            | 0             | 0                  | 0                      |
|              | <b>Total ACRS Depreciation</b>           |                    | <u>11,750</u>  | <u>11,750</u>     | <u>11,450</u>  | <u>0</u>      | <u>0</u>           | <u>0</u>               |
|              | <b>Total ACRS and Other Depreciation</b> |                    | <u>11,750</u>  | <u>11,750</u>     | <u>11,450</u>  | <u>0</u>      | <u>0</u>           | <u>0</u>               |
|              | <b>Grand Totals</b>                      |                    | <u>774,621</u> | <u>774,621</u>    | <u>654,936</u> | <u>44,008</u> | <u>44,008</u>      | <u>0</u>               |
|              | <b>Less: Dispositions</b>                |                    | <u>0</u>       | <u>0</u>          | <u>0</u>       | <u>0</u>      | <u>0</u>           | <u>0</u>               |
|              | <b>Net Grand Totals</b>                  |                    | <u>774,621</u> | <u>774,621</u>    | <u>654,936</u> | <u>44,008</u> | <u>44,008</u>      | <u>0</u>               |

| Asset        | Description                              | Date in Service | Cost           | VA            |
|--------------|--|-----------------|----------------|---------------|
| 76           | Compressor and Cable                     | 2/27/04         | 2,862          | 0             |
| 77           | Computer                                 | 3/01/04         | 1,844          | 0             |
| 78           | Storage Box                              | 6/30/04         | 900            | 0             |
| 79           | Ventilation Fan                          | 2/11/04         | 670            | 0             |
| 80           | Crane Repair                             | 10/25/06        | 14,000         | 5,320         |
|              |  |                 | <u>762,871</u> | <u>34,438</u> |
| <b>ACRS:</b> |  |                 |                |               |
| 1            | File Cabinets                            | 6/30/82         | 300            | 0             |
| 2            | 1980 Generator 125KW                     | 6/30/83         | 11,000         | 0             |
| 3            | 3 Desks                                  | 6/30/85         | 450            | 0             |
|              | <b>Total ACRS Depreciation</b>           |                 | <u>11,750</u>  | <u>0</u>      |
|              | <b>Total ACRS and Other Depreciation</b> |                 | <u>11,750</u>  | <u>0</u>      |
|              | <b>Grand Totals</b>                      |                 | <u>774,621</u> | <u>34,438</u> |



**United States Bankruptcy Court  
Eastern District of Virginia**

In re B.R. Flowers & Co., Inc.

Debtor(s)

Case No. \_\_\_\_\_

Chapter 11

**CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)**

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for B.R. Flowers & Co., Inc. in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

None [*Check if applicable*]

**October 8, 2009**

Date

**/s/ Joseph T. Liberatore VSB**

**Joseph T. Liberatore VSB #32302**

Signature of Attorney or Litigant

Counsel for B.R. Flowers & Co., Inc.

**Crowley, Liberatore & Ryan, PC**

**1435 Crossways Blvd**

**Suite 300**

**Chesapeake, VA 23320-2896**

**(757) 333-4500 Fax:(757) 333-4501**