



MCDONALD • TINKER

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IN UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS

MONSOUR'S, INC.,)	
)	
Plaintiffs,)	Case No. 05-1204-JTM
)	
v.)	
)	
MENU MAKER FOODS, INC.,)	
)	
Defendant.)	
_____)	

NOTICE OF SERVICE OF SUPPLEMENTAL EXPERT REPORT

Plaintiff Monsour's, Inc., by and through its attorney of record, Dustin L. DeVaughn of McDonald, Tinker, Skaer, Quinn & Herrington, P.A., notify the Court and counsel of record that it has served its supplemental expert report of Marshall Hull of Regier Carr & Monroe, LLP this 13th day of July 2007.

Respectfully Submitted,
s/ Dustin L. DeVaughn
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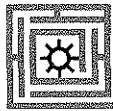
CERTIFICATE OF SERVICE

I hereby certify that on the 13th day of July 2007, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system which will send a notice of electronic filing to the following:

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s/ Dustin L. DeVaughn
Dustin L. DeVaughn



REGIER CARR & MONROE, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
THE AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
THE DIVISION FOR CPA FIRMS

July 13, 2007

McDonald Tinker Skaer Quinn & Herrington, P.A.
Attn: Dustin DeVaughn
300 West Douglas, Suite 500
Wichita, Kansas 67202

Dear Mr. DeVaughn:

You have asked me to provide additional information regarding my report dated January 30, 2006 (hereafter referred to as initial report) regarding Monsour's Inc. (hereafter referred to as Monsour's). The purpose of my initial report was to evaluate whether or not Monsour's would have been able to generate on going positive cash flow had Menu Maker Foods, Inc. (hereafter referred to as Menu Maker) purchased Monsour's existing inventory at an amount consistent with that stated in the January 31, 2002 Asset Purchase Agreement (Bates numbered beginning 10007 and hereafter referred to Purchase Agreement), and had Menu Maker also subsequently purchased substantially all of their produce from Monosur's as described in the Purchase Agreement.

Inventory

The value of the inventory reported in Exhibit 1.0-Financial Position Immediately Prior to Purchase Agreement of my initial report was obtained from Monsour's internally prepared financial statements date January 26, 2002 (Bates numbered 11468-11469).

Per my discussion with Mark Monsour, Monsour's inventory was reported on its internally prepared financial statements at cost. Per Mark Monsour, as there were no items whose market value were less than cost.

This is consistent with U.S. generally accepted accounting principles (GAAP) and industry standards, which require that inventory be stated at the lower of cost or market.

Furthermore, Monsour's tax returns were reviewed for the years 1996 to 2000 (Bates numbered 11747-11883). All of the tax returns stated that inventory was valued at the lower of cost or market.

Conversion of Cash Flow to Lost Profits

My initial report was based upon my evaluation of whether or not Monsour's would have been able to generate on going positive cash flow had Menu Maker purchased Mousour's existing inventory at an amount consistent with that stated in the Purchase Agreement, and had Menu Maker also subsequently purchased substantially all of their produce from Monsour's as described in the Purchase Agreement. Exhibit 2.0 of my initial report identifies cash flows from projected future operations.

McDonald Tinker Skaer Quinn & Herrington, P.A.
 Attn: Dustin DeVaughn
 July 13, 2007
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You have asked that I reconcile these cash flow projections to a projection of future lost profits based upon the information available as described in my initial report. There are two primary adjustments that should be made to the projections of cash flow to arrive at a projection of future lost profits. The principal portion of debt service, although a cash disbursement, would not constitute an expense and should be added back to cash flow to arrive at a calculation of lost profits. Second, the projection of cash flow in my initial report appropriately did not include depreciation expense. Depreciation expense does not require immediate cash flow, but nevertheless does recognize the utilization of Monsour's existing property assets.

The following table adjusts the cash flow projections to a projection of future lost profits based upon the information as described in my initial report:

	Projected Future Operations Net Cash Flow Per Initial Report	Adjustments to Projection of Annual Cash Flow to Projection of Future Lost Profits		Projection of Lost Profits
		Principal Portion of Debt Service	Depreciation Expense	
Year 1	\$ 53,670	\$ 82,352	\$ (83,026)	\$ 52,996
Year 2	53,670	86,732	(83,026)	57,376
Year 3	53,670	90,641	(83,026)	61,285
Year 4	53,670	94,486	(83,026)	65,130
Year 5	53,670	97,902	(83,026)	68,546
Year 6	53,670	101,047	(83,026)	71,691
	<u>\$ 322,020</u>	<u>\$ 553,160</u>	<u>\$ (498,156)</u>	<u>377,024</u>
Net Difference in Initial Sale of Inventory at Time of Purchase Agreement				<u>517,043</u>
				<u>\$ 894,067</u>

The principal portion of the debt service is based upon the calculation in Exhibit 1 of this report and is related to the Bank of America monthly amortizing loan described in my initial report. Depreciation expense is based upon a five year average of the ratio of depreciation expense to depreciable assets cost as calculated in Exhibit 2 of this report.

The opinions herein are to a reasonable degree of accounting certainty and are based upon the information provided to me in my initial report, dated January 30, 2006, and as further described in this report. Please contact me if you have any questions on this report.

Yours very truly,



Marshal Hull, Partner
 Of Regier Carr & Monroe, LLP

Exhibit 1- Principal Portion of Debt Service

Date		Monthly Payment			Total	Balance	Interest Rate
Month	Year	Interest	Principal	Payment			
January	2002					693,917.00	8.25%
February	2002	4,391.64	7,065.36	11,457.00		689,525.36	8.25%
March	2002	4,831.40	6,625.60	11,457.00		684,693.96	8.25%
April	2002	4,642.79	6,814.21	11,457.00		680,051.17	8.25%
May	2002	4,765.02	6,691.98	11,457.00		675,286.16	8.25%
June	2002	4,579.00	6,878.00	11,457.00		670,707.16	8.25%
July	2002	4,699.54	6,757.46	11,457.00		666,007.62	8.25%
August	2002	4,666.62	6,790.38	11,457.00		661,341.00	8.25%
September	2002	4,484.44	6,972.56	11,457.00		656,856.57	8.25%
October	2002	4,602.49	6,854.51	11,457.00		652,254.07	8.25%
November	2002	4,422.82	7,034.18	11,457.00		647,831.25	8.25%
December	2002	4,539.26	6,917.74	11,457.00		643,292.00	8.25%
January	2003	4,507.45	6,949.55	11,457.00		638,784.55	8.25%
			<u>82,351.55</u>				
February	2003	4,042.72	7,414.28	11,457.00		634,741.83	8.25%
March	2003	4,447.54	7,009.46	11,457.00		630,294.29	8.25%
April	2003	4,273.91	7,183.09	11,457.00		626,020.37	8.25%
May	2003	4,386.43	7,070.57	11,457.00		621,633.94	8.25%
June	2003	4,215.19	7,241.81	11,457.00		617,418.76	8.25%
July	2003	4,326.16	7,130.84	11,457.00		613,092.60	8.25%
August	2003	4,295.85	7,161.15	11,457.00		608,796.75	8.25%
September	2003	4,128.14	7,328.86	11,457.00		604,668.61	8.25%
October	2003	4,236.82	7,220.18	11,457.00		600,431.78	8.25%
November	2003	4,071.42	7,385.58	11,457.00		596,360.36	8.25%
December	2003	4,178.61	7,278.39	11,457.00		592,181.76	8.25%
January	2004	4,149.33	7,307.67	11,457.00		588,032.43	8.25%
			<u>86,731.88</u>				
February	2004	3,854.43	7,602.57	11,457.00		584,178.00	8.25%
March	2004	4,093.25	7,363.75	11,457.00		580,084.75	8.25%
April	2004	3,933.45	7,523.55	11,457.00		576,151.30	8.25%
May	2004	4,037.01	7,419.99	11,457.00		572,114.29	8.25%
June	2004	3,879.41	7,577.59	11,457.00		568,234.89	8.25%
July	2004	3,981.54	7,475.46	11,457.00		564,253.35	8.25%
August	2004	3,953.64	7,503.36	11,457.00		560,299.71	8.25%
September	2004	3,799.29	7,657.71	11,457.00		556,500.42	8.25%
October	2004	3,899.31	7,557.69	11,457.00		552,601.10	8.25%
November	2004	3,747.09	7,709.91	11,457.00		548,854.02	8.25%
December	2004	3,845.74	7,611.26	11,457.00		545,008.28	8.25%
January	2005	3,818.79	7,638.21	11,457.00		541,189.49	8.25%
			<u>90,641.06</u>				
February	2005	3,425.06	8,031.94	11,457.00		537,764.42	8.25%
March	2005	3,768.03	7,688.97	11,457.00		533,996.39	8.25%
April	2005	3,620.93	7,836.07	11,457.00		530,375.46	8.25%
May	2005	3,716.26	7,740.74	11,457.00		526,659.19	8.25%
June	2005	3,571.18	7,885.82	11,457.00		523,088.01	8.25%
July	2005	3,665.20	7,791.80	11,457.00		519,422.81	8.25%
August	2005	3,639.52	7,817.48	11,457.00		515,783.30	8.25%
September	2005	3,497.43	7,959.57	11,457.00		512,285.86	8.25%
October	2005	3,589.51	7,867.49	11,457.00		508,696.35	8.25%
November	2005	3,449.38	8,007.62	11,457.00		505,246.97	8.25%
December	2005	3,540.19	7,916.81	11,457.00		501,706.78	8.25%
January	2006	3,515.38	7,941.62	11,457.00		498,191.40	8.25%
			<u>94,485.91</u>				
February	2006	3,152.94	8,304.06	11,457.00		495,038.46	8.25%
March	2006	3,468.66	7,988.34	11,457.00		491,569.80	8.25%
April	2006	3,333.25	8,123.75	11,457.00		488,236.55	8.25%
May	2006	3,421.00	8,036.00	11,457.00		484,815.55	8.25%
June	2006	3,287.45	8,169.55	11,457.00		481,528.11	8.25%
July	2006	3,373.99	8,083.01	11,457.00		478,154.11	8.25%
August	2006	3,350.35	8,106.65	11,457.00		474,803.76	8.25%
September	2006	3,219.56	8,237.44	11,457.00		471,584.20	8.25%
October	2006	3,304.32	8,152.68	11,457.00		468,279.88	8.25%
November	2006	3,175.32	8,281.68	11,457.00		465,104.56	8.25%
December	2006	3,258.92	8,198.08	11,457.00		461,845.64	8.25%
January	2007	3,236.08	8,220.92	11,457.00		458,609.56	8.25%
			<u>97,902.16</u>				
February	2007	2,902.43	8,554.57	11,457.00		455,707.12	8.25%
March	2007	3,193.07	8,263.93	11,457.00		452,514.05	8.25%
April	2007	3,068.42	8,388.58	11,457.00		449,445.63	8.25%
May	2007	3,149.20	8,307.80	11,457.00		446,296.44	8.25%
June	2007	3,026.26	8,430.74	11,457.00		443,270.18	8.25%
July	2007	3,105.93	8,351.07	11,457.00		440,164.25	8.25%
August	2007	3,084.16	8,372.84	11,457.00		437,080.09	8.25%
September	2007	2,963.76	8,493.24	11,457.00		434,116.33	8.25%
October	2007	3,041.79	8,415.21	11,457.00		431,074.54	8.25%
November	2007	2,923.04	8,533.96	11,457.00		428,151.50	8.25%
December	2007	2,999.99	8,457.01	11,457.00		425,151.51	8.25%
January	2008	2,978.97	8,478.03	11,457.00		422,172.53	8.25%
			<u>101,046.98</u>				
			<u>\$ 553,159.53</u>				

Exhibit 2- Depreciation Expense

Per Monsour's Inc. Tax Return	Depreciable Assets Cost	Depreciation Expense	Ratio of Depreciation Expense To Depreciatble Assets Cost
1996	\$ 3,164,639	\$ 69,952	2.21%
1997	\$ 3,143,281	\$ 62,594	1.99%
1998	\$ 3,200,488	\$ 58,749	1.84%
1999	\$ 3,471,824	\$ 101,131	2.91%
2000	\$ 3,561,504	\$ 77,046	2.16%
Five Year Average	\$ 3,308,347	\$ 73,894	2.23%
Depreciable Assets Cost at January 31, 2002			\$ 3,723,150
Five Year Average			<u>2.23%</u>
			<u>\$ 83,026</u>