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4 Attorneys for the Receiver

5 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

6 IN AND FOR MARICOPA COUNTY

7 Arizona Corporation Commission,  
8 Plaintiff,

v.

9 One Vision Children's Foundation, Inc.,  
an Arizona non-profit corporation;  
10 Hollister M. Marx, an individual; Wealth  
Management Resources, Inc., an Arizona  
11 corporation; Michael B. and Betty  
Maksudian, husband and wife; Michael  
A. and Lorrina Diaz, husband and wife,

12 Defendants.

Cause No. CV 2002-020878

PETITION NO. 21

PETITION FOR APPROVAL OF THE  
RECEIVER'S SECOND ACCOUNTING  
FOR JANUARY 1, 2003 THROUGH JUNE  
30, 2004

(Assigned to Judge Kenneth L. Fields)

14 The Receiver respectfully petitions the Court as follows:

15 1. On October 28, 2002, this Court entered its *Order Appointing Receiver*, which  
16 appointed Lawrence J. Warfield as Receiver of all of the assets of One Vision Children's  
17 Foundation, Inc. and Wealth Management Resources, Inc.

18 2. On October 28, 2003, this Court entered its *Order Re: Petition No. 11*  
19 approving the Receiver's First Accounting for the period from inception through December  
20 31, 2002.  
21

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**RECEIVERSHIP STATE OF ONE VISION CHILDREN'S FOUNDATION**

**Statement of Sources and Uses of Cash - Cash Basis**

January 1, 2003 through June 30, 2004

Jan 1, 2003 - Jun 30, 2004

**SOURCES OF CASH:**

Interest/Dividends	\$ 28,466.66
Commissions	3,339.55
Recovered from Banks	2,075.39
Recovered from Yucatan	927,000.00
Recovered from Merchant Captl	249,519.86

**TOTAL SOURCES OF CASH** **\$ 1,210,401.46**

**USES OF CASH:**

**HARDSHIP ANNUITY PAYMENTS**

Hardship Annuity Pymt - Piero	\$ 3,581.19
Hardship Annuity Pymt-Schappert	921.00
Hardship Annuity Paymnt - Craig	5,247.68

**TOTAL HARDSHIP ANNUITY PAYMENTS** **\$ 9,749.87**

**ASSET INVESTIGATION & RECOVERY EXPENSES**

Attorney Fees	\$ 78,933.12
Attorney Fees - Court Fees	45.00
Attorney Fees - Documentation Production	190.10
Attorney Fees - Court Reporter	35.00
Attorney Fees - Research Expense	969.83
Accounting Fees	85,977.30
Receiver's Fees	16,284.40
Receiver's Fees - Receiver Bond	250.00
Receiver's Fees - Storage Expense	567.10
Receiver's Fees - Document Production	250.00
Outside Services	300.00

**TOTAL ASSET INVESTIGATION & RECOVERY EXPENSES** **\$ 183,801.85**

**ADMINISTRATIVE EXPENSES**

Attorney Fees	\$ 25,569.39
Attorney Fees - Copies & Fax	2,979.00
Attorney Fees - Postage & Delivery	1,241.73
Attorney Fees - Telephone	274.87
Attorney Fees -Travel	674.43
Receiver's Fees	5,428.10
Receiver's Fees - Copies & Fax	3,499.17
Receiver's Fees - Lock Change Expense	65.00
Receiver's Fees - Miscellaneous Exp	76.43
Receiver's Fees - Postage & Delivery	639.75
Receiver's Fees - Telephone Exp	5.83
Receiver's Fees - Travel	2,466.60
Computer Expense	389.03

**TOTAL ADMINISTRATIVE EXPENSES** **\$ 43,309.33**

**TOTAL USES OF CASH** **\$ 236,861.05**

**NET INCREASE (DECREASE) IN CASH FOR PERIOD** **\$ 973,540.41**

**CASH AT THE BEGINNING OF PERIOD - JANUARY 1, 2003** **\$ 532,123.47**

**CASH AT THE END OF PERIOD - JUNE 30, 2004** **\$ 1,505,663.88**

(See Accountants' Compilation Report)

**Receivership Estate of One Vision Children's Foundation, Inc**  
Notes to Financial Statements  
For the Eighteen Months Ended June 30, 2004

**NOTE 1 - NATURE OF OPERATIONS**

One Vision Children's Foundation, Inc., Cause No. CV 2002-020878, a Receivership was created as a result of an action brought by the State of Arizona, entitled Arizona Corporation Commission v. One Vision Children's Foundation, Inc., et al, cause number CV 2002-020878 ("State of Arizona Action"). A Receiver was appointed by the Superior Court of the State of Arizona (Receivership Court) and serves at the Receivership Court's direction. Pursuant to the orders of the Receivership Court, the Receiver has been charged with the responsibility of taking possession of and managing the assets of the defendants and relief defendants that were seized by the State of Arizona.

The Receiver serves as an equity receiver on behalf of the Receivership Court. The nature and scope of the Receiver's powers and duties are established in the orders of the Receivership Court entered in the State of Arizona Action. The Receiver is also required to deal with various claimants who claim to be owed money by the defendants and relief defendants.

**NOTE 2 – BASIS OF ACCOUNTING**

The financial statement has been prepared on the cash basis of accounting, which is an other comprehensive basis of accounting; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when cash is disbursed rather than when the obligation is incurred.

**NOTE 3 - RELATED PARTY TRANSACTIONS**

The Receiver, under the direction of the Receivership Court, has engaged a public accounting firm, owned by the Receiver, to assist the Receiver in performing various administrative and accounting functions related to the Receivership Assets. For the eighteen months ended June 30, 2004, total fees of \$85,977.30 were paid to Warfield & Company, CPA's, for such services.

**NOTE 4 – CONTINGENCIES**

The Receiver is in the process of determining if One Vision Children's Foundation, Inc., et al, has any income tax or other tax liabilities as of December 31, 2003.

(See Accountants' Compilation Report)

**Receivership Estate of One Vision Children's Foundation, Inc**  
Notes to Financial Statements  
For the Eighteen Months Ended June 30, 2004

**NOTE 5 – SUBSEQUENT EVENTS**

One Vision Children's Foundation, Inc Receivership has incurred \$19,921.37 of unpaid expenses as of June 30, 2004. This is comprised of fees incurred by the Receiver of \$1,875.00, accounting fees and expenses of \$5,691.71, and other professional services engaged by the Receiver of \$12,354.66. These amounts are not included in the Statement of Sources and Uses of Cash – Cash Basis, as they have not been paid as of June 30, 2004. As of September 8, 2004, \$4,126.32 of these amounts has been paid.

(See Accountants' Compilation Report)