Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [X] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
ST FRANCIS WINERY & VINEYARD

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/1998

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
ST FRANCIS WINERY & VINEYARD

500 PYTHIAN RD
SANTA ROSA, CA 95409

2b Employer Identification Number (EIN) 68-0320900

2c Sponsor's telephone number 707-833-1923

2d Business code (see instructions) 312130

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	JAN CASEBEER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
ST FRANCIS WINERY & VINEYARD

500 PYTHIAN ROAD
SANTA ROSA, CA 95409

3b Administrator's EIN
68-0320900

3c Administrator's telephone number
707-833-1923

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:
a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	215
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	101
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	59
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	160
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	160
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	148
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	8
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2G 2J 2K 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)	X		**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan	**B** Three-digit plan number (PN) ▶	
ST FRANCIS WINERY & VINEYARD		002

C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
ST FRANCIS WINERY & VINEYARD	68-0320900

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

MERRILL LYNCH, PIERCE, FENNER

WORLD FINANCIAL CENTER
250 VESEY STREET
NEW YORK, NY 10281

13-5674085

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
ST FRANCIS WINERY & VINEYARD

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
ST FRANCIS WINERY & VINEYARD

D Employer Identification Number (EIN)
68-0320900

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	324707	384541
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property)	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans	1c(8)	153096	88117
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1247743	1685476
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	
(2) Employer real property	1d(2)	0	
e Buildings and other property used in plan operation	1e	0	
f Total assets (add all amounts in lines 1a through 1e)	1f	1725546	2158134
Liabilities			
g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	1725546	2158134

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	112805	
(B) Participants	2a(1)(B)	194257	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		307062
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	7244	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		7244
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	27035	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		27035
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		246048
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		587389
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	145903	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		145903
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		8494
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	404	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		404
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		154801
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		432588
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DAVID BELKIN CPA (2) EIN: 20-0265994

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		172555
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
ST FRANCIS WINERY & VINEYARD

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
ST FRANCIS WINERY & VINEYARD

D Employer Identification Number (EIN)
68-0320900

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 16-1470238

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

ST. FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

ST. FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

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DAVID BELKIN, CPA
420 Lexington Avenue
New York, NY 10170

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust

I have audited the financial statements of the St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust as of December 31, 2009 and 2008, and for the years then ended, as listed in the accompanying table of contents. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust as of December 31, 2009 and 2008, and the changes in its net assets available for benefits for the years then ended December 31, 2009 and 2008 in conformity with accounting principles generally accepted in the United States of America.

My audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, as listed in the accompanying table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedules is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



DAVID M. BELKIN, CPA
New York, NY,
October 11, 2010

ST FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31,

	2009	2008
Assets		
Investments (at fair value) :		
Money Market Funds		
Merrill Lynch Ready Assets Trust	$ 384,541	$ 324,707
Total Money Market Funds	384,541	324,707
Mutual Funds		
Black Rock Global Allocation Fund	255,986	188,990
Black Rock International Value Fund	174,450	118,272
Black Rock Govt Income Fund	166,285	156,190
Black Rock Value Opportunities Fund	131,610	96,717
Black Rock Large Cap Core Fund	27,629	13,245
Black Rock Fundamental Growth Fund	210,396	153,344
Black Rock Large Cap Value Fund	245,081	206,035
Evergreen Core Bond Fund	213,361	138,915
DWS Small Cap Growth Fund	63,536	30,680
Black Rock Government Fund	228	251
Davis New York Venture Fund	71,966	66,126
Evergreen Core C Fund	134	121
MFS Total Return Fund	124,814	78,857
Total Mutual Funds	1,685,476	1,247,743
Participant loans	88,117	153,096
Net Assets Available for Benefits	$ 2,158,134	$ 1,725,546

See Independent Auditor's Report and Accompanying Notes to Financial Statements

ST FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31,

	2009	2008
Additions to Net Assets Attributed to:		
Contributions :		
Employees - Salary Deferral	$ 194,257	$ 205,726
Employer - Matching	112,805	113,444
	307,062	319,170
Interest - Participant Loans	7,244	7,437
Dividends from Investment Funds	27,035	44,716
Net investment gain (loss) from investment funds	246,048	(663,775)
Total Additions to Net Assets	587,389	(292,452)
Deductions from Net Assets Attributed to:		
Benefits paid to participants	154,397	269,149
Other	404	320
Total Deductions from Net Assets	154,801	269,469
Net Increase (Decrease) in Net Assets	432,588	(561,921)
Net Assets Available for Benefits		
Beginning of Year	1,725,546	2,287,467
End of Year	$ 2,158,134	$1,725,546

See Independent Auditor's Report and Accompanying Notes to Financial Statements

ST. FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

NOTE 1: DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

The following description of the St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provision.

General

The Plan is a 401(K) Plan covering all eligible employees of the Company. All employees shall be eligible to participate in the Plan except employees who have not attained age 21, and employees who have not completed one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Investments

Investments in mutual funds are valued at fair value. Participant Loans are recorded at cost, which approximates fair value.

Risks and Uncertainties

The Plan provides for various investment options in any combination of investment securities offered by the Plan. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the risk associated with certain investment securities, it is at least reasonably possible that changes in market values, interest rates or other factors in the near term, could materially affect participants' account balances and the amounts reported in the financial statements.

Contributions

Participants may contribute to the plan a percentage of their annual wages, not to exceed a specific dollar amount determined by the Internal Revenue. The Plan sponsor makes Profit Sharing Plan contributions on behalf of qualifying participants. The Profit Sharing Plan contributions amounted to $112,805. and $113,444. for the years ended December 31, 2009 and 2008, respectively.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of the Plan's earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested 100% in full.

Participant Loans

With the consent of the trustee, loans will be permitted not exceeding 50% of the participant's vested amount.

NOTE 1: DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. (CONT'D.)

Payment of Benefits
On termination of service due to death, disability or retirement, a participant will be entitled to receive an amount equal to the value of the participant's vested interest in his or her account in a lump sum amount.

New Accounting Pronouncement
In September 2006, the Financial Accounting Standards Board issued Statement on Financial Accounting Standards No. 157 (SFAS 157), Fair Value Measurements. SFAS 157 establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Plan adopted SFAS 157 on January 1, 2008. See Note 2.

Basis of Accounting
The financial statements of the Plan are prepared using the accrual method of accounting.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimated.

NOTE 2: FAIR VALUE MEASUREMENTS

Fair Value Hierarchy
The Plan defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Plan considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

The Plan's financial instruments consist primarily of mutual funds and participant loans. Three levels of inputs are used to measure the fair value of our investments:

Level 1 - Quoted prices in active markets for identical assets or liabilities.
Mutual Funds - These investments are public investment vehicles valued using the net asset value.

NOTE 2: FAIR VALUE MEASUREMENTS (CONT'D)

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

Participant loans - Valued at cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Investments measured at fair value on a recurring basis consisted of the following types of instruments as of December 31:

	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Total
2009			
Assets			
Mutual Funds			
Blend Funds	$452,766		$452,766
Bond Funds	380,008		380,008
Growth Funds	273,932		273,932
Value Funds	578,770		578,770
Money Market Fund	384,541		384,541
Participant Loans		$ 88,117	88,117
Total Assets	$2,070,017	$ 88,117	$2,158,134

NOTE 2: FAIR VALUE MEASUREMENTS (CONT'D)

Fair Value Measurements at Reporting Date Using

	Quoted Prices in Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Total
2008			
Assets			
Mutual Funds			
Blend Funds	$333,973		$333,973
Bond Funds	295,477		295,477
Growth Funds	184,024		184,024
Value Funds	434,269		434,269
Money Market Fund	324,707		324,707
Participant Loans		$ 153,096	153,096
Total Assets	$1,572,450	153,096	$1,725,546

The table below presents a reconciliation of all financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3). Financial instruments are classified in Level 3 of the fair value hierarchy when there is reliance on at least one significant unobservable input to the valuation model. In addition to these unobservable inputs, the valuation models for Level 3 financial instruments typically also rely on a number of inputs that are readily observable either directly or indirectly. Thus, the gains and losses presented below include changes in the fair value related to both observable and unobservable inputs. All Level 3 financial instrument activities are related to the Plan's participant loans.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
For the Year Ended December 31:

	2009	2008
Balance, beginning of period	$ 153,096	$ 98,316
Issuances, repayments and settlements, net	(64,979)	54,780
Balance, end of period	$ 88,117	$153,096

NOTE 3: INVESTMENTS

The Plan is administered by Paychex Retirement Services and participants invest in various mutual funds. The participants' accounts are credited with actual earnings and unrealized appreciation on the investments and charged for plan withdrawals and miscellaneous expenses. The investments are included in the financial statements at fair value as reported to the Plan. Transactions in such investments qualify as party-in-interest transactions which are exempt from the prohibited transaction rules.

The following table presents the fair values of investments and investment funds that include 5% or more of the Plan's net assets available for benefits as December 31:

		2009
Black Rock Global Allocation Fund	$	255,986
Black Rock International Value Fund		174,450
Black Rock Government Income Fund		166,285
Black Rock Value Opportunity Fund		131,610
Black Rock Growth Fund		210,396
Black Rock Large Cap Value Fund		245,081
Merrill Lynch Ready Assets		384,541
Evergreen Core Bond Fund		213,361
Other funds individually less than 5% of net assets		376,424
Assets held for investment purposes		$ 2,158,134

		2008
Black Rock Global Allocation Fund	$	188,990
Black Rock International Value Fund		118,272
Black Rock Government Income Fund		156,190
Black Rock Value Opportunity Fund		96,717
Black Rock Growth Fund		153,344
Black Rock Large Cap Value Fund		206,035
Merrill Lynch Ready Assets		324,707
Evergreen Core Bond Fund		138,915
Other funds individually less than 5% of net assets		342,376
Assets held for investment purposes		$ 1,725,546

NOTE 3: INVESTMENTS (CONT'D)

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows for the years ended December 31:

	2009	2008
Mutual Funds	246,048	(663,775)

NOTE 4: TRUSTEE INFORMATION

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which benefits will be distributed.

The name and address of the Plan's Trustee is:

Counsel Trust DBA MATC
1251 Waterford Place, Suite 525
Pittsburgh, PA 15222

NOTE 5: PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE 6: TAX STATUS

The Internal Revenue Service has determined and informed the Company that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC).

NOTE 7: RECENT ACCOUNTING PRONOUNCEMENTS

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, *Fair value Measurements and Disclosures* ("ASU 2010-06"). ASU 2010-06 provides amendments that clarify existing disclosures and require new disclosures related to fair value measurements providing greater disaggregated information on each class of assets and liabilities and more robust disclosures on transfers between levels 1 and 2 and activity in level 3 fair value measurements. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about activity in level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. The Plan is currently evaluating the impact of adopting ASU 2010-06 on our fair value measurement disclosures.

In September 2009, the FASB issued ASU 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* ("ASU 2009-12"). ASU 2009-12 amended Accounting Standards Codification ("ASC") 820 to allow entities to use net asset value per share (or its equivalent), as a practical expedient, to measure fair value when the investment does not have a readily determinable fair value and the net asset value is calculated in a manner consistent with investment company accounting. ASC 2009-12 was effective for interim and annual periods ending after December 15, 2009. The adoption of ASC 2009-12 did not have a material impact on the Plan's financial statements.

In April 2009, the FASB issued ASC 820-10-65-4, *Transition Related to FASB Staff Position FAS 157-4, Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* ("ASC 820-10-65-4"). ASC 820-10-65-4 amends ASC 820, and provides additional guidance for estimating fair value in accordance with ASC 820 when the volume and level of activity for the asset or liability have significantly decreased and also includes guidance on identifying circumstances that indicate a transaction is not orderly for fair value measurements. ASC 820-10-65-4 is applied prospectively with retrospective application not permitted. ASC 820-10-65-4 was effective for interim and annual periods ending after June 15, 2009. The adoption of ASC 820-10-65-4 did not have an impact on the Plan's financial statements.

St. Francis Winery and Vineyard
401K Profit Sharing Plan & Trust
Schedule H, Line 4i - Schedule of Assets (Held At End of Year)
As of December 31, 2009

EIN 68-0320900

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment	(d) Cost	(e) Current Value
	Merrill Lynch Ready Assets Trust	Money Market Fund	$ 384,541	$ 384,541
	Black Rock Global Allocation Fund	Mutual Fund	265,263	255,986
	Black Rock International Value Fund	Mutual Fund	239,875	174,450
	Black Rock Govt Income Fund	Mutual Fund	166,879	166,285
	Black Rock Value Opportunities Fund	Mutual Fund	178,845	131,610
	Black Rock Large Cap Core Fund	Mutual Fund	32,713	27,629
	Black Rock Fundamental Growth Fund	Mutual Fund	221,829	210,396
	Black Rock Large Cap Value Fund	Mutual Fund	326,660	245,081
	Evergreen Core Bond Fund	Mutual Fund	248,197	213,361
	DWS Small Cap Growth Fund	Mutual Fund	73,526	63,536
	Black Rock Government Fund	Mutual Fund	229	228
	Davis New York Venture Fund	Mutual Fund	86,770	71,966
	MFS Total Return Fund	Mutual Fund	129,956	124,814
	Evergreen Core C Fund	Mutual Fund	175	134
	Participant loans	Loan Fund 5%-9.25%	88,117	88,117
	Total		$2,443,575	$2,158,134

ST. FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

ST. FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

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DAVID BELKIN, CPA
420 Lexington Avenue
New York, NY 10170

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust

I have audited the financial statements of the St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust as of December 31, 2009 and 2008, and for the years then ended, as listed in the accompanying table of contents. These financial statements are the responsibility of the Plan's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust as of December 31, 2009 and 2008, and the changes in its net assets available for benefits for the years then ended December 31, 2009 and 2008 in conformity with accounting principles generally accepted in the United States of America.

My audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, as listed in the accompanying table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedules is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



DAVID M. BELKIN, CPA
New York, NY,
October 11, 2010

ST FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31,

	2009	2008
Assets		
Investments (at fair value) :		
Money Market Funds		
Merrill Lynch Ready Assets Trust	$ 384,541	$ 324,707
Total Money Market Funds	384,541	324,707
Mutual Funds		
Black Rock Global Allocation Fund	255,986	188,990
Black Rock International Value Fund	174,450	118,272
Black Rock Govt Income Fund	166,285	156,190
Black Rock Value Opportunities Fund	131,610	96,717
Black Rock Large Cap Core Fund	27,629	13,245
Black Rock Fundamental Growth Fund	210,396	153,344
Black Rock Large Cap Value Fund	245,081	206,035
Evergreen Core Bond Fund	213,361	138,915
DWS Small Cap Growth Fund	63,536	30,680
Black Rock Government Fund	228	251
Davis New York Venture Fund	71,966	66,126
Evergreen Core C Fund	134	121
MFS Total Return Fund	124,814	78,857
Total Mutual Funds	1,685,476	1,247,743
Participant loans	88,117	153,096
Net Assets Available for Benefits	$ 2,158,134	$ 1,725,546

See Independent Auditor's Report and Accompanying Notes to Financial Statements

ST FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31,

	2009	2008
Additions to Net Assets Attributed to:		
Contributions :		
Employees - Salary Deferral	$ 194,257	$ 205,726
Employer - Matching	112,805	113,444
	307,062	319,170
Interest - Participant Loans	7,244	7,437
Dividends from Investment Funds	27,035	44,716
Net investment gain (loss) from investment funds	246,048	(663,775)
Total Additions to Net Assets	587,389	(292,452)
Deductions from Net Assets Attributed to:		
Benefits paid to participants	154,397	269,149
Other	404	320
Total Deductions from Net Assets	154,801	269,469
Net Increase (Decrease) in Net Assets	432,588	(561,921)
Net Assets Available for Benefits		
Beginning of Year	1,725,546	2,287,467
End of Year	$ 2,158,134	$1,725,546

See Independent Auditor's Report and Accompanying Notes to Financial Statements

ST. FRANCIS WINERY AND VINEYARD
401(K) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

NOTE 1: DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

The following description of the St. Francis Winery and Vineyard 401 (K) Profit Sharing Plan and Trust provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provision.

General

The Plan is a 401(K) Plan covering all eligible employees of the Company. All employees shall be eligible to participate in the Plan except employees who have not attained age 21, and employees who have not completed one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Investments

Investments in mutual funds are valued at fair value. Participant Loans are recorded at cost, which approximates fair value.

Risks and Uncertainties

The Plan provides for various investment options in any combination of investment securities offered by the Plan. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the risk associated with certain investment securities, it is at least reasonably possible that changes in market values, interest rates or other factors in the near term, could materially affect participants' account balances and the amounts reported in the financial statements.

Contributions

Participants may contribute to the plan a percentage of their annual wages, not to exceed a specific dollar amount determined by the Internal Revenue. The Plan sponsor makes Profit Sharing Plan contributions on behalf of qualifying participants. The Profit Sharing Plan contributions amounted to $112,805. and $113,444. for the years ended December 31, 2009 and 2008, respectively.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of the Plan's earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested 100% in full.

Participant Loans

With the consent of the trustee, loans will be permitted not exceeding 50% of the participant's vested amount.

NOTE 1: DESCRIPTION OF PLAN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. (CONT'D.)

Payment of Benefits
On termination of service due to death, disability or retirement, a participant will be entitled to receive an amount equal to the value of the participant's vested interest in his or her account in a lump sum amount.

New Accounting Pronouncement
In September 2006, the Financial Accounting Standards Board issued Statement on Financial Accounting Standards No. 157 (SFAS 157), Fair Value Measurements. SFAS 157 establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. The Plan adopted SFAS 157 on January 1, 2008. See Note 2.

Basis of Accounting
The financial statements of the Plan are prepared using the accrual method of accounting.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimated.

NOTE 2: FAIR VALUE MEASUREMENTS

Fair Value Hierarchy
The Plan defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Plan considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

The Plan's financial instruments consist primarily of mutual funds and participant loans. Three levels of inputs are used to measure the fair value of our investments:

Level 1 - Quoted prices in active markets for identical assets or liabilities.
Mutual Funds - These investments are public investment vehicles valued using the net asset value.

NOTE 2: FAIR VALUE MEASUREMENTS (CONT'D)

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

Participant loans - Valued at cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Investments measured at fair value on a recurring basis consisted of the following types of instruments as of December 31:

	Fair Value Measurements at Reporting Date Using		
	Quoted Prices in Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Total
2009			
Assets			
Mutual Funds			
Blend Funds	$452,766		$452,766
Bond Funds	380,008		380,008
Growth Funds	273,932		273,932
Value Funds	578,770		578,770
Money Market Fund	384,541		384,541
Participant Loans		$ 88,117	88,117
Total Assets	$2,070,017	$ 88,117	$2,158,134

NOTE 2: FAIR VALUE MEASUREMENTS (CONT'D)

Fair Value Measurements at Reporting Date Using

	Quoted Prices in Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Total
2008			
Assets			
Mutual Funds			
Blend Funds	$333,973		$333,973
Bond Funds	295,477		295,477
Growth Funds	184,024		184,024
Value Funds	434,269		434,269
Money Market Fund	324,707		324,707
Participant Loans		$ 153,096	153,096
Total Assets	$1,572,450	153,096	$1,725,546

The table below presents a reconciliation of all financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3). Financial instruments are classified in Level 3 of the fair value hierarchy when there is reliance on at least one significant unobservable input to the valuation model. In addition to these unobservable inputs, the valuation models for Level 3 financial instruments typically also rely on a number of inputs that are readily observable either directly or indirectly. Thus, the gains and losses presented below include changes in the fair value related to both observable and unobservable inputs. All Level 3 financial instrument activities are related to the Plan's participant loans.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
For the Year Ended December 31:

	2009	2008
Balance, beginning of period	$ 153,096	$ 98,316
Issuances, repayments and settlements, net	(64,979)	54,780
Balance, end of period	$ 88,117	$153,096

NOTE 3: INVESTMENTS

The Plan is administered by Paychex Retirement Services and participants invest in various mutual funds. The participants' accounts are credited with actual earnings and unrealized appreciation on the investments and charged for plan withdrawals and miscellaneous expenses. The investments are included in the financial statements at fair value as reported to the Plan. Transactions in such investments qualify as party-in-interest transactions which are exempt from the prohibited transaction rules.

The following table presents the fair values of investments and investment funds that include 5% or more of the Plan's net assets available for benefits as December 31:

		2009
Black Rock Global Allocation Fund	$	255,986
Black Rock International Value Fund		174,450
Black Rock Government Income Fund		166,285
Black Rock Value Opportunity Fund		131,610
Black Rock Growth Fund		210,396
Black Rock Large Cap Value Fund		245,081
Merrill Lynch Ready Assets		384,541
Evergreen Core Bond Fund		213,361
Other funds individually less than 5% of net assets		376,424
Assets held for investment purposes		$ 2,158,134

		2008
Black Rock Global Allocation Fund	$	188,990
Black Rock International Value Fund		118,272
Black Rock Government Income Fund		156,190
Black Rock Value Opportunity Fund		96,717
Black Rock Growth Fund		153,344
Black Rock Large Cap Value Fund		206,035
Merrill Lynch Ready Assets		324,707
Evergreen Core Bond Fund		138,915
Other funds individually less than 5% of net assets		342,376
Assets held for investment purposes		$ 1,725,546

NOTE 3: INVESTMENTS (CONT'D)

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows for the years ended December 31:

	2009	2008
Mutual Funds	246,048	(663,775)

NOTE 4: TRUSTEE INFORMATION

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund. The trust fund established by the Plan's Trustee will be the funding medium used for the accumulation of assets from which benefits will be distributed.

The name and address of the Plan's Trustee is:

Counsel Trust DBA MATC
1251 Waterford Place, Suite 525
Pittsburgh, PA 15222

NOTE 5: PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE 6: TAX STATUS

The Internal Revenue Service has determined and informed the Company that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC).

NOTE 7: RECENT ACCOUNTING PRONOUNCEMENTS

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, *Fair value Measurements and Disclosures* ("ASU 2010-06"). ASU 2010-06 provides amendments that clarify existing disclosures and require new disclosures related to fair value measurements providing greater disaggregated information on each class of assets and liabilities and more robust disclosures on transfers between levels 1 and 2 and activity in level 3 fair value measurements. The new disclosures and clarifications of existing disclosures are effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about activity in level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. The Plan is currently evaluating the impact of adopting ASU 2010-06 on our fair value measurement disclosures.

In September 2009, the FASB issued ASU 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* ("ASU 2009-12"). ASU 2009-12 amended Accounting Standards Codification ("ASC") 820 to allow entities to use net asset value per share (or its equivalent), as a practical expedient, to measure fair value when the investment does not have a readily determinable fair value and the net asset value is calculated in a manner consistent with investment company accounting. ASC 2009-12 was effective for interim and annual periods ending after December 15, 2009. The adoption of ASC 2009-12 did not have a material impact on the Plan's financial statements.

In April 2009, the FASB issued ASC 820-10-65-4, *Transition Related to FASB Staff Position FAS 157-4, Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* ("ASC 820-10-65-4"). ASC 820-10-65-4 amends ASC 820, and provides additional guidance for estimating fair value in accordance with ASC 820 when the volume and level of activity for the asset or liability have significantly decreased and also includes guidance on identifying circumstances that indicate a transaction is not orderly for fair value measurements. ASC 820-10-65-4 is applied prospectively with retrospective application not permitted. ASC 820-10-65-4 was effective for interim and annual periods ending after June 15, 2009. The adoption of ASC 820-10-65-4 did not have an impact on the Plan's financial statements.

St. Francis Winery and Vineyard
401K Profit Sharing Plan & Trust
Schedule H, Line 4i - Schedule of Assets (Held At End of Year)
As of December 31, 2009

EIN 68-0320900

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment	(d) Cost	(e) Current Value
	Merrill Lynch Ready Assets Trust	Money Market Fund	$ 384,541	$ 384,541
	Black Rock Global Allocation Fund	Mutual Fund	265,263	255,986
	Black Rock International Value Fund	Mutual Fund	239,875	174,450
	Black Rock Govt Income Fund	Mutual Fund	166,879	166,285
	Black Rock Value Opportunities Fund	Mutual Fund	178,845	131,610
	Black Rock Large Cap Core Fund	Mutual Fund	32,713	27,629
	Black Rock Fundamental Growth Fund	Mutual Fund	221,829	210,396
	Black Rock Large Cap Value Fund	Mutual Fund	326,660	245,081
	Evergreen Core Bond Fund	Mutual Fund	248,197	213,361
	DWS Small Cap Growth Fund	Mutual Fund	73,526	63,536
	Black Rock Government Fund	Mutual Fund	229	228
	Davis New York Venture Fund	Mutual Fund	86,770	71,966
	MFS Total Return Fund	Mutual Fund	129,956	124,814
	Evergreen Core C Fund	Mutual Fund	175	134
	Participant loans	Loan Fund 5%-9.25%	88,117	88,117
	Total		$2,443,575	$2,158,134