

**Financial Statements**

**of  
EVER PURE INC  
For the Periods Ended December 31, 2011 and 2010**

See Accompanying Accountant's Compilation Report

**EVER PURE INC**  
**Balance Sheet**  
**December 31, 2011 and 2010**

**ASSETS**

	As of Dec. 31, 2011	As of Dec. 31, 2010
<b>Current Assets</b>		
Cash in Bank - Checking	\$ 2,206.74	\$ 7,858.77
Wells Fargo - #0658	3,629.68	0.00
Cash in Paypal	683.01	0.00
Inventory	160,287.20	111,292.52
<b>Total Current Assets</b>	\$ 166,806.63	\$ 119,151.29
<b>Fixed Assets</b>		
<b>Other Assets</b>		
Organization Costs	600.00	600.00
Accum Amort - Organiz. Costs	(97.00)	(57.00)
<b>Total Other Assets</b>	503.00	543.00
<b>Total Assets</b>	\$ 167,309.63	\$ 119,694.29

**EVER PURE INC**  
**Balance Sheet**  
**December 31, 2011 and 2010**

**LIABILITIES AND EQUITY**

	<u>As of</u> <u>Dec. 31, 2011</u>	<u>As of</u> <u>Dec. 31, 2010</u>
<b>Current Liabilities</b>		
Accounts Payable	\$ 33,777.60	\$ 32,734.94
Credit Card Payable	2,375.57	2,875.09
Accrued Salaries & Wages	18,214.50	9,925.64
Accrued Interest	7,330.04	0.00
Accrued Payroll Taxes	1,326.80	344.00
Sales Taxes Payable	<u>381.00</u>	<u>494.00</u>
<b>Total Current Liabilities</b>	<b>\$ 63,405.51</b>	<b>\$ 46,373.67</b>
<b>Long Term Liabilities</b>		
Loan from Shareholders	<u>98,150.47</u>	<u>48,150.47</u>
<b>Total Long Term Liabilities</b>	<b>98,150.47</b>	<b>48,150.47</b>
<b>Equity</b>		
Capital Stock	30,000.00	30,000.00
Retained Earnings - Unapprop.	(4,829.85)	(5,047.26)
Current Income (Loss)	<u>(19,416.50)</u>	<u>217.41</u>
<b>Total Equity</b>	<b><u>5,753.65</u></b>	<b><u>25,170.15</u></b>
<b>Total Liabilities &amp; Equity</b>	<b>\$ <u><u>167,309.63</u></u></b>	<b>\$ <u><u>119,694.29</u></u></b>

**EVER PURE INC**  
**Income Statement**  
**For the Periods Ended December 31, 2011 and 2010**

	12 Months Ended Dec. 31, 2011	Pct	12 Months Ended Dec. 31, 2010	Pct
<b>Revenue</b>				
Sales - Products	\$ 148,594.22	101.57	\$ 124,237.58	100.78
Sales Returns & Allowances	(2,301.22)	(1.57)	(961.58)	(0.78)
<b>Total Revenue</b>	146,293.00	100.00	123,276.00	100.00
<b>Cost of Sales</b>				
Beginning Inventory	111,292.52	76.08	77,708.24	63.04
Purchases	116,983.62	79.97	89,848.08	72.88
Freight In	8,566.88	5.86	5,629.95	4.57
Less Ending Inventory	160,287.20	109.57	111,292.52	90.28
<b>Total Cost of Sales</b>	76,555.82	52.33	61,893.75	50.21
<b>Gross Profit</b>	69,737.18	47.67	61,382.25	49.79
<b>Operating Expenses</b>				
Accounting	2,040.00	1.39	2,640.00	2.14
Amortization Expense	40.00	0.03	40.00	0.03
Auto/Truck Expenses	1,675.03	1.14	981.58	0.80
Bank Service Charges	258.74	0.18	45.00	0.04
Credit & Collection Costs	4,000.59	2.73	2,270.44	1.84
Freight Out	9,645.13	6.59	8,071.10	6.55
Interest Expense	7,575.82	5.18	0.00	0.00
Internet & Cable	475.69	0.33	39.99	0.03
Licenses & Permits	0.00	0.00	25.00	0.02
Penalties	105.00	0.07	0.00	0.00
Postage	419.46	0.29	151.11	0.12
Rent - Warehouse	9,245.55	6.32	7,292.50	5.92
Office Expenses	530.42	0.36	59.70	0.05
Supplies - Business	994.43	0.68	0.00	0.00
Supplies - Office	564.62	0.39	167.92	0.14
Salaries & Wages	46,000.00	31.44	35,000.00	28.39
Taxes - Payroll	4,107.00	2.81	3,580.50	2.90
Travel	1,175.86	0.80	0.00	0.00
<b>Total Operating Expenses</b>	88,853.34	60.74	60,364.84	48.97
<b>Operating Income</b>	(19,116.16)	(13.07)	1,017.41	0.83
Other Income	499.66	0.34	0.00	0.00
State Income Tax	800.00	0.55	800.00	0.65
<b>Total Other Income</b>	(300.34)	(0.21)	(800.00)	(0.65)
<b>Net Income (Loss)</b>	\$ (19,416.50)	(13.27)	\$ 217.41	0.18

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