

**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	111,292.52	111,292.52
<b>Total Current Assets</b>	\$ 117,811.95	\$ 119,151.29
<b>Fixed Assets</b>		
<b>Other Assets</b>		
Organization Costs	600.00	600.00
Accum Amort - Organiz. Costs	(57.00)	(57.00)
<b>Total Other Assets</b>	543.00	543.00
<b>Total Assets</b>	\$ 118,354.95	\$ 119,694.29

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

**LIABILITIES AND EQUITY**

	As of Dec. 31, 2011	As of Dec. 31, 2010
<b>Current Liabilities</b>		
Accounts Payable	\$ 32,734.94	\$ 32,734.94
Credit Card Payable	2,375.57	2,875.09
Accrued Salaries & Wages	18,214.50	9,925.64
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>\$ 55,032.81</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>(59,998.48)</u>	<u>217.41</u>
<b>Total Equity</b>	<b><u>(34,828.33)</u></b>	<b><u>25,170.15</u></b>
<b>Total Liabilities &amp; Equity</b>	<b>\$ <u><u>118,354.95</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	\$ 156,152.57	101.50	\$ 124,237.58	100.78
Sales Returns & Allowances	(2,301.22)	(1.50)	(961.58)	(0.78)
<b>Total Revenue</b>	153,851.35	100.00	123,276.00	100.00
<b>Cost of Sales</b>				
Beginning Inventory	111,292.52	72.34	77,708.24	63.04
Purchases	115,940.96	75.36	89,848.08	72.88
Freight In	8,566.88	5.57	5,629.95	4.57
Less Ending Inventory	111,292.52	72.34	111,292.52	90.28
<b>Total Cost of Sales</b>	124,507.84	80.93	61,893.75	50.21
<b>Gross Profit</b>	29,343.51	19.07	61,382.25	49.79
<b>Operating Expenses</b>				
Accounting	2,040.00	1.33	2,640.00	2.14
Amortization Expense	0.00	0.00	40.00	0.03
Auto/Truck Expenses	1,675.03	1.09	981.58	0.80
Bank Service Charges	258.74	0.17	45.00	0.04
Credit & Collection Costs	6,414.09	4.17	2,270.44	1.84
Freight Out	21,449.45	13.94	8,071.10	6.55
Interest Expense	245.78	0.16	0.00	0.00
Internet & Cable	475.69	0.31	39.99	0.03
Licenses & Permits	0.00	0.00	25.00	0.02
Penalties	105.00	0.07	0.00	0.00
Postage	70.46	0.05	151.11	0.12
Rent - Warehouse	4,777.50	3.11	7,292.50	5.92
Office Expenses	0.00	0.00	59.70	0.05
Supplies - Business	69.43	0.05	0.00	0.00
Supplies - Office	177.62	0.12	167.92	0.14
Salaries & Wages	46,000.00	29.90	35,000.00	28.39
Taxes - Payroll	4,107.00	2.67	3,580.50	2.90
Travel	1,175.86	0.76	0.00	0.00
<b>Total Operating Expenses</b>	89,041.65	57.88	60,364.84	48.97
<b>Operating Income</b>	(59,698.14)	(38.80)	1,017.41	0.83
Other Income	499.66	0.32	0.00	0.00
State Income Tax	800.00	0.52	800.00	0.65
<b>Total Other Income</b>	(300.34)	(0.20)	(800.00)	(0.65)
<b>Net Income (Loss)</b>	\$ (59,998.48)	(39.00)	\$ 217.41	0.18

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