

**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**

	As of <u>Dec. 31, 2011</u>	As of <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	14,571.90	9,925.64
Accrued Interest	6,017.57	0.00
Accrued Payroll Taxes	663.40	344.00
Sales Taxes Payable	<u>381.00</u>	<u>494.00</u>
<b>Total Current Liabilities</b>	<b>\$ 57,787.04</b>	<b>\$ 46,373.67</b>
<b>Long Term Liabilities</b>		
Loan from Shareholders	<u>82,953.17</u>	<u>48,150.47</u>
<b>Total Long Term Liabilities</b>	<b>82,953.17</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>1,399.27</u>	<u>217.41</u>
<b>Total Equity</b>	<b><u>26,569.42</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	\$ 149,165.17	101.57	\$ 124,237.58	100.78
Sales Returns & Allowances	(2,301.22)	(1.57)	(961.58)	(0.78)
<b>Total Revenue</b>	146,863.95	100.00	123,276.00	100.00
<b>Cost of Sales</b>				
Beginning Inventory	111,292.52	75.78	77,708.24	63.04
Purchases	108,416.74	73.82	89,848.08	72.88
Freight In	8,566.88	5.83	5,629.95	4.57
Less Ending Inventory	160,287.20	109.14	111,292.52	90.28
<b>Total Cost of Sales</b>	67,988.94	46.29	61,893.75	50.21
<b>Gross Profit</b>	78,875.01	53.71	61,382.25	49.79
<b>Operating Expenses</b>				
Accounting	2,640.00	1.80	2,640.00	2.14
Amortization Expense	40.00	0.03	40.00	0.03
Auto/Truck Expenses	1,075.03	0.73	981.58	0.80
Bank Service Charges	258.74	0.18	45.00	0.04
Credit & Collection Costs	4,000.59	2.72	2,270.44	1.84
Freight Out	10,245.13	6.98	8,071.10	6.55
Interest Expense	6,263.35	4.26	0.00	0.00
Internet & Cable	475.69	0.32	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	3.25	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	42,000.00	28.60	35,000.00	28.39
Taxes - Payroll	3,801.00	2.59	3,580.50	2.90
Travel	1,175.86	0.80	0.00	0.00
<b>Total Operating Expenses</b>	77,175.40	52.55	60,364.84	48.97
<b>Operating Income</b>	1,699.61	1.16	1,017.41	0.83
Other Income	499.66	0.34	0.00	0.00
State Income Tax	800.00	0.54	800.00	0.65
<b>Total Other Income</b>	(300.34)	(0.20)	(800.00)	(0.65)
<b>Net Income (Loss)</b>	\$ 1,399.27	0.95	\$ 217.41	0.18

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