



Joann Estates Utilities, Inc.

Financial Statements

December 31, 2011

L.A. MILLER

CPA • PSC

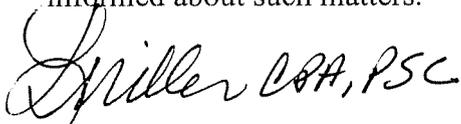
To the Board of Directors
Joann Estates Utilities, Inc.
Paducah, KY

We have compiled the accompanying balance sheet of Joann Estates Utilities, Inc. as of December 31, 2011, and the related statement of income and changes in cash for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.



March 5, 2012

Joann Estates Utilities, Inc.
Balance Sheet
As of December 31, 2011

ASSETS

CURRENT ASSETS

Cash in Bank	\$	4,699.32
Accounts Receivable		675.00
Note Receivable -B G Waid		<u>14,457.43</u>

Total Current Assets 19,831.75

PROPERTY AND EQUIPMENT

Plant	53,292.74
Equipment	20,883.15
Less: Accumulated Depreciation	<u>(61,027.55)</u>

Net Property and Equipment 13,148.34

TOTAL ASSETS \$ 32,980.09

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Federal Income Tax & FICA W/H	\$	849.00
Futa/Suta Payable		31.50
Kentucky Income Tax W/H		180.00
McCracken Co Tax W/H		<u>30.00</u>

Total Current Liabilities 1,090.50

LONG-TERM LIABILITIES

Total Liabilities 1,090.50

STOCKHOLDERS' EQUITY

Capital Stock	11,000.00
Retained Earnings	<u>20,889.59</u>

Total Stockholders' Equity 31,889.59

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY \$ 32,980.09

Joann Estates Utilities, Inc.

Income Statement

12 Months Ended
December 31, 2011

Sales

Utility Service Revenue	\$	57,586.85
Less Returns & Allowances		<u>0.00</u>

Total Sales 57,586.85

Cost of Goods Sold

Purchases - Parts & Chemicals	4,192.64
Equipment Rent	5,550.00
Labor	13,000.00
Contract Labor	2,489.50
Utilities	12,733.28
Lab Fees	<u>2,285.00</u>

Total Cost of Goods Sold 40,250.42

Gross Profit 17,336.43

Operating Expenses

Payroll Taxes	909.50
Auto Expense	1,800.00
Office Supplies & Expense	355.49
License & Taxes & Permits	1,317.04
Depreciation	2,408.88
Bank Service Charges	387.64
Legal & Accounting	1,150.00
Miscellaneous	54.10
Refuse	<u>553.99</u>

Total Operating Expenses 8,936.64

Operating Income (Loss) 8,399.79

Net Income (Loss) \$ 8,399.79

Joann Estates Utilities, Inc.
Statement of Cash Flows
For the 12 months Ended December 31, 2011

	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITES	
Net Income (loss)	\$ 8,399.79
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and Amortization	2,408.88
Losses (gains) on sales of fixed assets	0.00
Decrease (Increase) in operating assets	
Increase (Decrease) in operating liabilities	
Accrued Liabilities	(215.00)
Total Adjustments	<u>2,193.88</u>
Net Cash Provided Bv (Used in) Operating Activities	10,593.67
CASH FLOWS FROM INVESTING ACTIVITIES	
Capital Expenditures	<u>(7,939.33)</u>
Net Cash Provided Bv (Used In) Investing Activities	(7,939.33)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net Cash Provided Bv (Used In) Financing Activities	<u>0.00</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,654.34
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>2,044.98</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>\$ 4,699.32</u></u>