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**P.R. Wastewater Management, Inc.**

**Financial Statements**

**December 31, 2015 and 2014**

**P.R. Wastewater Management, Inc.**

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## Independent Accountant's Compilation Report

To the Shareholder of  
**P.R. Wastewater Management, Inc.**  
Louisville, Kentucky

Management is responsible for the accompanying financial statements of P.R. Wastewater Management, Inc. (an S-Corporation), which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of operations and retained earnings for the years then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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



Louisville, Kentucky  
March 13, 2016

**P. R. Wastewater Management, Inc.**  
**Balance Sheets**  
**December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash	\$ 9,379	\$ 8,509
Accounts receivable	2,702	973
Land	27,650	27,650
Sewage treatment plant, net	<u>7,247</u>	<u>9,783</u>
Total Assets	<u>\$ 46,978</u>	<u>\$ 46,915</u>
 <b>Liabilities and Stockholder's Equity</b>		
<b>Liabilities</b>		
Accounts payable	\$ 12,909	\$ 1,380
Other current liabilities	<u>1,963</u>	<u>2,157</u>
	14,872	3,537
 <b>Stockholder's Equity</b>		
Common stock, no par value; authorized 1,000 shares, issued and outstanding, 100 shares	100	100
Retained earnings	<u>32,006</u>	<u>43,278</u>
	<u>32,106</u>	<u>43,378</u>
Total Liabilities and Stockholder's Equity	<u>\$ 46,978</u>	<u>\$ 46,915</u>

See independent accountant's compilation report.

**P. R. Wastewater Management, Inc.**  
**Statements of Operations and Retained Earnings**  
**Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Revenue		
Customer fees	\$ 101,827	\$ 99,632
Operating Expenses		
Utilities	25,224	22,773
Payroll expenses	23,054	22,246
Other services	20,303	19,815
Labor and expenses	12,541	946
Taxes	6,358	6,679
Management fees	6,000	6,000
Pumping system	5,640	-
Repairs and maintenance	4,310	3,540
Miscellaneous	3,428	946
Equipment rental	2,743	-
Depreciation	2,535	3,492
Chemicals	1,005	207
Postage and supplies	1,001	1,025
Dues and subscriptions	896	773
Bad debt expense	823	-
Insurance	525	3,613
Office supplies	461	552
	<u>116,847</u>	<u>92,607</u>
Net Operating (Loss) Income	(15,020)	7,025
Other Income		
Miscellaneous income	<u>3,748</u>	<u>2,982</u>
Net (Loss) Income	(11,272)	10,007
Retained Earnings, Beginning of Year	<u>43,278</u>	<u>33,271</u>
Retained Earnings, End of Year	<u>\$ 32,006</u>	<u>\$ 43,278</u>

See independent accountant's compilation report.