

**Joann Estates Utilities, Inc.**

**Financial Statements**

**Twelve Months Ended December 31, 2015**

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# L.A. MILLER

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CPA • PSC

To Management  
Joann Estates Utilities, Inc.  
Paducah, KY

Management is responsible for the accompanying financial statements of Joann Estates Utilities, Inc. (a corporation), which comprise the balance sheet as of December 31, 2015, and the related statements of income and retained earnings and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement 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 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 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, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

 CPA, PSC

Paducah, Kentucky

February 24, 2016

**Joann Estates Utilities, Inc.**  
**Balance Sheet**  
**As of December 31, 2015**

**ASSETS**

**CURRENT ASSETS**

Cash in Bank	\$ 22,692.71
Note Receivable -B G Waid	<u>16,957.43</u>

**Total Current Assets** 39,650.14

**PROPERTY AND EQUIPMENT**

Plant	53,292.74
Equipment	24,952.26
Less: Accumulated Depreciation	<u>(68,684.47)</u>

**Net Property and Equipment** 9,560.53

**TOTAL ASSETS** \$ 49,210.67

**LIABILITIES AND EQUITY**

**CURRENT LIABILITIES**

**LONG-TERM LIABILITIES**

**STOCKHOLDERS' EQUITY**

Capital Stock	11,000.00
Retained Earnings	<u>38,210.67</u>

**Total Stockholders' Equity** 49,210.67

**TOTAL LIABILITIES AND  
STOCKHOLDERS' EQUITY** \$ 49,210.67

# Joann Estates Utilities, Inc. Income Statement

**12 Months Ended  
December 31, 2015**

**Sales**

Utility Service Revenue	\$	108,337.72
Less Returns & Allowances		<u>0.00</u>

<b>Total Sales</b>		108,337.72
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**Cost of Goods Sold**

Purchases - Parts & Chemicals		6,265.04
Equipment Rent		10,725.00
Contract Labor		33,305.00
Utilities		16,248.46
Repairs and Maintenance		3,400.00
Lab Fees		<u>9,823.00</u>

<b>Total Cost of Goods Sold</b>		<u>79,766.50</u>
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<b>Gross Profit</b>		28,571.22
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**Operating Expenses**

Office Supplies & Expense		413.00
License & Taxes & Permits		2,374.36
Depreciation		1,877.01
Bank Service Charges		427.20
Legal & Accounting		1,245.00
Refuse		<u>795.45</u>

<b>Total Operating Expenses</b>		<u>7,132.02</u>
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<b>Operating Income (Loss)</b>		<u>21,439.20</u>
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<b>Net Income (Loss)</b>	\$	<u><u>21,439.20</u></u>
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**Joann Estates Utilities, Inc.  
Statement of Retained Earnings**

**12 Months Ended  
December 31, 2015**

Beginning of Period	\$	16,771.47
Plus: Net Income	\$	21,439.20
Less: Dividends Paid		<u>0.00</u>
<b>RETAINED EARNINGS END OF PERIOD</b>	<b>\$</b>	<b><u><u>38,210.67</u></u></b>

**Joann Estates Utilities, Inc.**  
**Statement of Cash Flows**  
**For the 12 months Ended December 31, 2015**

	<u>2015</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Income (loss)	\$ 21,439.20
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and Amortization	1,877.01
Losses (gains) on sales of fixed assets	0.00
Decrease (Increase) in operating assets	
Increase (Decrease) in operating liabilities	
Total Adjustments	<u>1,877.01</u>
<b>Net Cash Provided By (Used in) Operating Activities</b>	<b>23,316.21</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Capital Expenditures	<u>(4,069.11)</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>	<b>(4,069.11)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Net Cash Provided By (Used In) Financing Activities	<u>0.00</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>19,247.10</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>3,445.61</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u>\$ 22,692.71</u></u>