

P.R. Wastewater Management, Inc.
Financial Statements
Years Ended December 31, 2018 and 2017

P.R. Wastewater Management, Inc.

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Years Ended December 31, 2018 and 2017

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Accountant's Compilation Report

To the Shareholder of
P.R. Wastewater Management, Inc.

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, 2018 and 2017, and the related statements of operations and changes in 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, and 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.

P.R. Wastewater Management, Inc. has negative working capital at December 31, 2018. Revenue in 2019 may be insufficient to cover 2019 expenditures, including payments on debt and other obligations as they become due. Such conditions indicate P.R. Wastewater Management, Inc. may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments to the financial statements that might be necessary should P.R. Wastewater Management, Inc. be unable to continue as a going concern.

MCM CPAs & Advisors LLP

Louisville, Kentucky
February 11, 2019

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Indiana
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P. R. Wastewater Management, Inc.
Balance Sheets
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets		
Current Assets		
Cash	\$ 1,016	\$ 1,879
Accounts receivable	4,662	1,678
	<u>5,678</u>	<u>3,557</u>
Property, Plant and Equipment		
Land	27,650	27,650
Sewage treatment plant, net	30,042	33,985
	<u>57,692</u>	<u>61,635</u>
Property, Plant and Equipment, net	<u>57,692</u>	<u>61,635</u>
Total Assets	<u>\$ 63,370</u>	<u>\$ 65,192</u>
Liabilities and Stockholder's Equity		
Current Liabilities		
Line of credit	\$ 25,104	\$ 25,104
Accounts payable	26,465	4,010
Other current liabilities	2,606	2,679
Note payable - related party	3,000	2,000
	<u>57,175</u>	<u>33,793</u>
Total Current Liabilities	57,175	33,793
Stockholder's Equity		
Common stock, no par value, 1,000 shares authorized, 100 shares issued and outstanding	100	100
Retained earnings	6,095	31,299
	<u>6,195</u>	<u>31,399</u>
Total Stockholder's Equity	<u>6,195</u>	<u>31,399</u>
Total Liabilities and Stockholder's Equity	<u>\$ 63,370</u>	<u>\$ 65,192</u>

See accountant's compilation report.

P. R. Wastewater Management, Inc.
Statements of Operations and Changes in Retained Earnings
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Revenue		
Customer fees	\$ 115,214	\$ 109,480
Operating Expenses		
Payroll	33,177	28,592
Utilities	23,627	29,390
Equipment rental	18,375	-
Pumping system	16,509	6,463
Other services	12,218	10,100
Taxes	10,194	8,358
Miscellaneous	9,169	5,659
Chemicals	5,063	5,301
Depreciation	3,943	5,155
Telephone	3,400	1,796
Postage and supplies	1,416	1,142
Office supplies	707	1,653
Repairs and maintenance	539	2,229
Labor and expenses	226	11,146
Dues and subscriptions	-	80
	<u>138,563</u>	<u>117,064</u>
Total Operating Expenses		
Net Operating Loss	(23,349)	(7,584)
Other Income (Expense)		
Miscellaneous income	25	-
Interest expense	<u>(1,880)</u>	<u>(557)</u>
Total Other Expense, net	<u>(1,855)</u>	<u>(557)</u>
Net Loss	(25,204)	(8,141)
Retained Earnings, Beginning of Year	<u>31,299</u>	<u>39,440</u>
Retained Earnings, End of Year	<u>\$ 6,095</u>	<u>\$ 31,299</u>

See accountant's compilation report.