

**EVERPURE CO-OPERATIVE INC.**

**FINANCIAL STATEMENTS**

**PERIOD FROM MAY 21, 2008 (INCORPORATION) TO DECEMBER 31, 2008**

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## **AUDITORS' REPORT**

To the Shareholders of  
Everpure Co-Operative Inc.

We have audited the balance sheet of Everpure Co-Operative Inc. as at December 31, 2008 and the statements of deficit, income and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the interim financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2008, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Respectfully submitted,

Toronto, Ontario.  
October 20, 2009.

CHARTERED ACCOUNTANTS.  
Licensed Public Accountants.

**EVERPURE CO-OPERATIVE INC.**

**BALANCE SHEET**

**DECEMBER 31, 2008**

**ASSETS**

Current		
Cash		\$ 13,024
Accounts receivable		281
Prepaid expenses and sundry assets		<u>1,784</u>
	Total assets	\$ <u>15,089</u>

**LIABILITIES**

Current		
Accounts payable and accrued liabilities		\$ 1,105
Deferred revenue		<u>4,456</u>
	Total liabilities	5,561

**MEMBER'S EQUITY**

Preferred shares		\$ 11,400	
Deficit		<u>(1,872)</u>	<u>(9,528)</u>
			\$ <u>15,089</u>

Approved on behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**EVERPURE CO-OPERATIVE INC.**

**STATEMENT OF DEFICIT**

**PERIOD FROM MAY 21, 2008 (INCORPORATION) TO DECEMBER 31, 2008**

<b>BALANCE</b> - Beginning of period	\$ -
Add - Net loss for the period	<u>(1,872)</u>
<b>BALANCE</b> - End of period	\$ <u><u>(1,872)</u></u>

The accompanying notes form an integral part of these financial statements.

**EVERPURE CO-OPERATIVE INC.**

**STATEMENT OF INCOME**

**PERIOD FROM MAY 21, 2008 (INCORPORATION) TO DECEMBER 31, 2008**

**INCOME**

Fuel sales	\$ 23,013
Grant: Canadian Co-operative Association	9,544
Other income	1,170
Membership dues	<u>1,140</u>
	34,867

**EXPENSES**

Fuel cost	\$ 20,627
Consulting	9,544
Advertising and promotion	1,842
Insurance	1,257
Vehicle expenses	1,246
Professional fees	1,100
Telephone	454
Dues and fees	350
Office and general	<u>319</u>
	<u>36,739</u>

**NET LOSS** \$ (1,872)

**EVERPURE CO-OPERATIVE INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2008**

Cash flow from operating activities:	
Net loss	\$ <u>(1,872)</u>
Changes in non-cash working capital:	
Decrease in accounts receivable	(281)
Increase in prepaid expenses and sundry assets	(1,784)
Decrease in accounts payable and accrued liabilities	1,105
Preferred income	<u>4,456</u>
	<u>3,496</u>
Cash flow from investing activities:	
Issuance of preferred shares	<u>11,400</u>
Net income in cash and cash equivalents	13,024
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<b>\$ <u>13,024</u></b>

**EVERPURE CO-OPERATIVE INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

**1. CAPITAL STOCK**

Authorized - unlimited number of preference shares:

Issued - 114 preferred shares \$ 11,400

**2. FINANCIAL INSTRUMENTS**

**Fair Value of Financial Instruments**

The carrying amount of cash, accounts receivable, receivable from prepaid expenses, accounts payable and accrued liabilities and deferred income approximate their fair-value because of the short-term maturities of these items.

