

**Everybody's Phone Company**  
**Balance Sheet**  
**As of December 31, 2009**  
**(a development stage company)**

December 31, 2009

**ASSETS**

**Current Assets**

**Checking/Savings**

**Wells Fargo**

8,961

**Total Checking/Savings**

8,961

**Fixed Assets**

**Fixed Asset**

928

**Total Fixed Assets**

928

**Other Assets**

**Investments**

37,641

**Total Other Assets**

37,641

**TOTAL ASSETS**

47,530

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

**Accounts Payable**

402

**Total Accounts Payable**

402

**Other Current Liabilities**

**Loans**

**Payroll Liabilities**

96,000

**Total Other Current Liabilities**

96,000

**Total Current Liabilities**

96,402

**Long Term Liabilities**

**Notes**

24,000

**Total Long Term Liabilities**

24,000

**Total Liabilities**

120,402

**Equity**

**Equity**

-72,872

**Total Equity**

-72,872

**TOTAL LIABILITIES & EQUITY**

47,530

Everybody's Phone Company

Profit Loss

January through December 2009

(a development stage company)

**REVENUE**

Income 15,102

Total Revenue 15,102

**EXPENSES**

General and Administrative 141,631

Rent 14,474

Utilities 2,573

Travel 2,063

Total Expenses 160,741

**LOSS** (145,639)

Everybody's Phone Company  
Statement of Cash Flows  
January through December 2009  
(a development stage company)

	<u>Jan - Dec 09</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	-145,639
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	
Accounts Payable	-440
Loans: Officers	-15,933
Payroll Liabilities	95,968
Net cash provided by Operating Activities	<u>-66,044</u>
<b>INVESTING ACTIVITIES</b>	
Fixed Asset: Computer:Accum/Dep Computer	570
Fixed Asset:Office Equipment: Accum/Dep Office Equipm	494
Investments	29,000
Net cash provided by Investing Activities	<u>30,064</u>
<b>FINANCING ACTIVITIES</b>	
Notes	-115,566
Equity: Common Stock	40,871
Equity: Pain In Capital	110,845
Net cash provided by Financing Activities	<u>36,150</u>
Net cash increase for period	170
Cash at beginning of period	<u>8,791</u>
Cash at end of period	<u><u>8,961</u></u>

**Everybody's Phone Company**  
(a development stage company)  
**Consolidated Statements of Shareholder Equity (Deficit)**  
**For Years Ending December 31, 2005, 2006, 2007, 2008, 2009**

	<u>Shares</u>	<u>Amounts</u>	<u>Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance January 1, 2005	4,520,000	4,520	87,480	-66,860	25,140
Net Loss				-30,595	-30,595
Balance December 31, 2005	4,520,000	4,520	87,480	-97,454	-5,454
Stock issued 2006	4,320,000	4,320	39,380		43,700
Net Loss				-48,655	-48,655
Balance December 31, 2006	8,840,000	8,840	126,860	-146,109	-10,409
Stock Issued 2007	40,000	40	3,960		4,000
Net Loss through December 31, 2007				-49,048	-48,048
Balance December 31, 2007	8,880,000	8,880	130,820	-195,158	-55,458
Stock issued through December 31, 2008	220,000	220	21,780		22,000
Net Loss through December 31, 2008				-35,491	-35,491
Balance December 31, 2008	9,100,000	9,100	142,600	-230,649	-78,949
Stock issued through June 30, 2009	16,890,000	16,890	642		17,732
Net Loss through June 30, 2009				-10,147	-10,147
Balance June 30, 2009	25,990,000	25,990	143,442	-240,790	-71,364
Net Loss through September 30, 2009				-100,232	-100,232
Balance September 30, 2009	25,990,000	25,990	143,442	-341,022	-171,596
Stock issued through December 31, 2009	23,861,465	23,861	110,123		133,984
Net Loss through December 31, 2009				-35,265	-35,265
Balance December 31, 2009	49,851,465	49,851	253,565	-376,287	-72,872

**Notes**

1. Prior to January 1, 2005 EPC Issued the following:

a. 9/13/03 4,510,000 were issued

b 10/09/03 10,000 shares were issued

2. No shares were issued in fiscal years 2004/05

3. 9/15/06 4,320,000 shares were issued

4. 7/12/07 40,000 shares were issued

5. 12/31/08 220,000 were issued

6. Stock issued through June 30, 2009 16,890,000

7. Stock issued from October through December 31, 2009 23,861,465

**Note 1- Summary of Significant Accounting Policies**

**Payroll:**

Beginning January 1, 2004 through September 2009 the company has accrued 69 months of payroll for two officers of the Corporation totaling \$552,000 which were assigned to various third party non-affiliates in October 2008.

**Long Term Notes:**

The company received stock of a public traded company from the three directors of the corporation during fiscal year 2006 totaling \$ 153,317, which were assigned to various third party non-affiliates in October 2008.