

Notes to Annual Report For The Quarter Ended March 31, 2013

The attached financial statements include historic results for discontinued operations which have not been audited nor fully verified by the present management. The attached statements also include results for continuing operations which the current management believes fairly presents the statement of financial position, results of operations, cashflows, and changes in shareholder's equity for the reported period.

Documentation for discontinued operations has not been obtained by the present management and therefore these results cannot be relied upon. Further, the present management did make numerous adjustments to the historical financials to reflect known transactions which had previously not been recorded or presented properly in the financials. This includes adjustments to the shareholder's equity accounts to reflect stock issued and the proper computation and presentation of average common shares and equivalents outstanding and the calculation of primary and fully diluted earnings per share.

Current management also recognizes that the company has issued convertible securities needed to raise working capital. These securities include rights to convert the securities to common stock and to acquire additional stock under a warrant agreement. These features create a derivative liability which we estimated using the Black Scholes valuation model.

Additional notes To Unaudited Financial Statements

Note 1. Significant Accounting Policies

Use of Estimates

Preparation of the Company's financial statements, in accordance with generally accepted accounting principles, requires the use of management's estimates and assumptions that affect the financial statements and related notes. Actual results could differ from those estimates.

Revenue Recognition

The Company has historically earned revenue from the processing of mortgage applications and commissions generated from ATM machines the company owned. These businesses have been discontinued. Future revenue will be produced by the production and sale of high end bottled water.

Liabilities Subordinated To The Claims of General Creditors

At March 31, 2013 the Company had no liabilities subordinated to the claims of general creditors.

Earnings Per Share

The Company has adopted SFAS, No. 128, Earnings per Share. Basic earnings (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share would reflect the per share amount that would result if dilutive common stock equivalents were converted to common stock, as prescribed by SFAS No. 128. The company has convertible notes and preferred stock which, if converted, would be anti-dilutive since the company operates at a loss.

Note 2. Commitments and Contingencies

The company has entered into an agreement with an affiliated company to produce, distribute, and market bottled water. During the quarter the operating plant was restarted, water was bottled, and the plant was declared fully operational. This event triggered a royalty agreement with the water production company, American Premium Water Company. The agreement calls for payment of a one-time fee of \$300,000 and a monthly minimum fee of \$5,000. The Company has recorded these liabilities on the enclosed financial statement.

Note 3. Shareholders' Equity

The Company has not adopted a stock option plan for officers or employees.

On November 28, 2012 the Company has issued 80,000,000 shares of common stock in conjunction with the conversion of long term notes payable, previously issued by the Company, which were in default.

As of August 21, 2012 the Company issued 7,000,000 shares of class A Preferred stock to members of the current management for services provided as follows: Alfred Culbreth - 4 million shares and Joseph Canouse – 3 million shares.