

**UMAIRCO, INC.**

**FINANCIAL STATEMENTS**

**For The Quarter Ended MARCH 31, 2014**

**Umairco, Inc.**  
**Consolidated Balance Sheet**  
**For the Quarter Ended MARCH 31, 2014**

**Assets**

**Current Assets**

Cash in Banks	\$ 12,806
Other Receivables	-
Inventory	-
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Total Current Assets	12,806

**Other Assets**

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**Total Assets**

\$ 12,806

**Liabilities and Shareholders' Equity**

**Liabilities**

Loan Payable	85,000
Interest Payable	25,000
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<b>Total Liabilities</b>	110,000

**Shareholders' Equity**

Capital Stock	135,512
Retained Earnings - Ending	(232,706)
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**Total Shareholders' Equity**

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(97,194)

**Total Liability and Shareholders' Equity**

\$ 12,806

**Umairco, Inc.**  
**Consolidated Statement of Income and Retained Earnings**  
**For the Quarter Ended MARCH 31, 2014**

Sales		\$ 32,232
Operating Expense	14,454	
General & Admin Expenses	<u>9,241</u>	
Total Expenses		<u>23,695</u>
Operating Income		8,537
<b>Other Income and Expense</b>		<u>-</u>
<b>Income Before Taxes</b>		8,537
Provision for Income Taxes		<u>-</u>
<b>Net Income</b>		8,537
<b>Retained Earnings - Beginning</b>		<u>(242,484)</u>
<b>Retained Earnings - Ending</b>		<u><u>\$ (232,706)</u></u>

**Umairco, Inc.**  
**Consolidated Statement of Shareholders Equity**  
**For the Quarter Ended MARCH 31, 2014**

	<b><u>Shareholders Paid-In-Capital</u></b>	<b><u>Retained Earnings/ (Deficit)</u></b>	<b><u>Total Shareholder's Equity</u></b>
Balance Beginning of Period	\$ 135,512	\$ (232,706)	\$ (97,194)
Net Income			8,537
Balance End of Period	<u>\$ 135,512</u>	<u>\$ (232,706)</u>	<u>\$ (88,657)</u>

**UMAIRCO, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Quarter Ended MARCH 31, 2014**

**NOTE 1: NATURE OF OPERATIONS**

Umairco, Inc. ("Umairco" or the "Company") was formed in the State of Colorado on April 27, 2013. The Company engaged in offering personalized aircraft services in private air-travel. On May 25, 2007, the Company changed the name from Communications Systems International, Inc. to Redijet, Inc. On August 2, 2013, Umairco acquired Uninsured Motorist Asset Investigation Recovery Services, Inc. ("UMAIRS"), a New York Corporation (the "Share Exchange Transaction"). Immediately following the Share Exchange Transaction, the Company incorporated the business of UMAIRS. The acquisition was accounted as a reverse merger. Effective September 27, 2013, the Company changed its name to Umairco, Inc., which was approved by Financial Industry Regulatory Authority.

UMAIRS is engaged in the recovery efforts of "Uninsured Motorist" claims on behalf of New York State's Motor Vehicle Accident Indemnification Corporation ("MVAIC") as well as reporting to Albany Department of Motor Vehicles their investigations. MVAIC indemnifies New York State residents who are victims of uninsured motor vehicle accidents occurring in New York State. After paying qualified claims, MVAIC seeks to recover from the uninsured parties. MVAIC has engaged and empowered UMAIRS to pursue claims on its behalf. The founders of UMAIRS have a long-standing history and experience in the industry. UMAIRS generally takes a strategic approach to the recovery effort as it has a set of powerful legal tools at the disposal to boost recovery effectiveness. UMAIRS also applies a "win-win" approach that encourages cooperation with the uninsured owners and/or operators to make payment in full or to formulate a repayment plan.

**NOTE 2: BASIS OF ACCOUNTING AND GOING CONCERN ASSUMPTION**

The accompanying financial statements are prepared in accordance with generally accepted accounting principles (GAAP).

The financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

The Company will also require additional capital to fund its continuing operations and development. The Company's ability to continue as a going concern is dependent on its ability to raise additional capital and achieve and maintain profitable operations. The outcome of these matters cannot be predicted at this time. These financial statements do not include any adjustments which might be necessary should the Company be unable to continue its operations.

**NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Cash Equivalents Policy**

For purposes of the cash flow statement, cash and cash equivalents are comprised of cash on hand or on deposit in banks.

## **Revenue Recognition**

The Company recognizes revenue in accordance with the Securities and Exchange Commission, Staff Accounting Bulletin (SAB) number 104, "Revenue Recognition." Revenue consists of commissions received after recovery is made on behalf of our clients.

### **UMAIRCO, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Quarter Ended MARCH 31, 2014**

#### **Principles of Consolidation**

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, UMAIRS. All significant intercompany accounts and transactions are eliminated in consolidation.

#### **NOTE 4: RELATED PARTY TRANSACTIONS**

There are no related party transactions.

#### **NOTE 5: RECEIVABLES**

As of March 31, 2014 the Company does not have any receivables.

#### **NOTE 6: LONG TERM DEBT**

As of March 31, 2014 Company has an outstanding Convertible Note Payable to The BHI Group, Inc. for \$85,000 plus accrued interest of \$25,000.

#### **NOTE 7: LEASES**

As of March 31, 2014 the Company is currently not obligated under any leases.

#### **NOTE 8: INCOME TAXES**

The Company is organized as a corporation and is taxed according to the corporate laws for federal and state tax purposes. As of March 31, 2014 there are no federal or state taxes due.

#### **NOTE 9: CAPITAL STRUCTURE**

The Company is organized as a New York corporation and as of March 31, 2014 had 200,000,000 shares authorized and 135,512,529 issued and outstanding.