



MANAGEMENT COPY—DO NOT DISSEMINATE

**Thrift Alliance D/B/A ThriftSmart  
Audited Financial Statements  
for the fiscal years ended  
June 30, 2013 and 2012**



**Wilson & Wilson, PC, CPA, CFE**  
Certified Public Accountants  
Certified Fraud Examiners  
Member: American College of Certified Forensic Accountants  
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## **Wilson & Wilson, P.C.**

Certified Public Accountants  
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Forensic Accountants  
Williamsburg Office Park  
8122 Sawyer Brown Road, Suite 212  
Bellevue, Tennessee 37221-1411



### **INDEPENDENT AUDITORS' REPORT**

Board of Directors

The Thrift Alliance: a community partnership

d/b/a **ThriftSmart**

Nashville, Tennessee 37211

We have audited the accompanying financial statements of The Thrift Alliance: a community partnership d/b/a **ThriftSmart** (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Thrift Alliance: a community partnership d/b/a **ThriftSmart** as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

James C. Wilson, Jr. CPA

Wilson & Wilson, PC

Bellevue, Tennessee 37221-1411

November 11, 2013

**Thrift Alliance d/b/a ThriftSmart  
Statement of Financial Position**

	Jun 30, 13	Jun 30, 12	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash in Checking/Savings	\$75,879	\$70,558	\$5,321
<b>Other Current Assets</b>			
Petty Cash Nolensville Rd	40	40	0
Prepaid Rent Deposit	12,500	12,500	0
<b>Total Prepaid Expense</b>	<u>12,540</u>	<u>12,540</u>	<u>0</u>
<b>Total Current Assets</b>	88,419	83,098	5,321
<b>Property and Equipment</b>			
Property and equipment	239,739	206,441	33,297
Accumulated Depreciation	(178,508)	(164,573)	(13,935)
<b>Net Property and Equipment</b>	<u>61,231</u>	<u>41,868</u>	<u>19,362</u>
<b>TOTAL ASSETS</b>	<u><u>\$149,650</u></u>	<u><u>\$124,966</u></u>	<u><u>\$24,683</u></u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
Accounts Payable	\$18,053	\$1,912	\$16,141
Accrued Audit Fee	\$5,110	\$5,500	(\$390)
Interest Payable-Current	108	273	(165)
Current portion of Long-term debt	60,000	60,000	0
Payable to Thrift Management	5,344	6,006	(662)
Payroll payable	18,136	27,201	(9,064)
Sales Tax Payable	4,069	4,234	(165)
Sew for Hope (Restricted)	1,900	0	1,900
Store Credits	2,991	400	2,591
<b>Total Other Current Liabilities</b>	<u>115,712</u>	<u>105,526</u>	<u>10,186</u>
<b>Long Term Liabilities</b>			
Interest Payable-Long-term	86,103	98,219	(12,116)
<b>Notes Payable-Long-term</b>			
Bank Loan- Firstbank	124,133	184,133	(60,000)
Bank Loan- Pinnacle	38,936	13,536	25,400
Less: Current portion of Long-term Debt	(60,000)	(60,000)	0
Notes Payable - Other	182,605	232,605	(50,000)
<b>Total Long-term Notes Payable and Interest</b>	<u>371,778</u>	<u>468,494</u>	<u>(96,716)</u>
<b>Total Liabilities</b>	<u>487,490</u>	<u>574,019</u>	<u>(86,530)</u>
Unrestricted Net Assets (Deficit)	(337,840)	(449,053)	111,213
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$149,650</u></u>	<u><u>\$124,966</u></u>	<u><u>\$24,683</u></u>

See accountants' audit report and notes to the financial statements.

**Thrift Alliance d/b/a ThriftSmart  
Statement of Activities  
for the fiscal years ended**

	2013	2012
<b>Ordinary Revenues and Expenses:</b>		
Program Service Revenue	\$1,434,223	\$1,354,612
Less: Discounts allowed	<u>(25,885)</u>	<u>(12,597)</u>
Program Service Revenue	1,408,338	1,342,015
Contributions Received	36,568	58,780
Interest Income	<u>5</u>	<u>11</u>
Total Adjusted Revenue from all Sources	1,444,912	1,400,806
 Cost of Goods Sold		
Merchandise Pickup and Transport	22,560	13,824
Merchandise Purchases	10,042	8,222
Merchant Account Fees	<u>22,319</u>	<u>21,615</u>
Total Cost of Goods Sold	<u>54,921</u>	<u>43,661</u>
Gross Margin on Sales	1,389,991	1,357,145
 Expenses:		
Grants and Similar Amounts Paid	120,000	72,000
Salaries and Other Compensation	582,213	556,686
Other Expenses	<u>576,565</u>	<u>588,512</u>
Total Business Expenses and Costs	1,278,778	1,217,198
 Revenue Less Expenses and Costs	\$111,213	\$139,947
Net Assets July 1, 2012	<u>(449,053)</u>	<u>(589,000)</u>
Net Assets June 30, 2013	<u><u>(\$337,840)</u></u>	<u><u>(\$449,053)</u></u>

See accountants' audit report and notes to the financial statements.



**Thrift Alliance d/b/a ThriftSmart**  
**Statement of Cash Flows**  
**for the fiscal years ended**

	<u>2013</u>	<u>2012</u>
<b>OPERATING ACTIVITIES</b>		
Net of Revenues and Expenses	\$111,212	\$139,947
Adjustments to reconcile Net Revenues to net cash provided by operations:		
Increase (Decrease) in Accounts Payable	16,141	758
Increase (Decrease) in Accrual for Tax Preparation	(390)	924
Increase (Decrease) in Depreciation Expense	13,935	16,581
Increase (Decrease) in Accrued Payroll Payable	(9,064)	11,886
Increase (Decrease) in Sales Tax Payable	(165)	1,050
Increase (Decrease) in Interest Payable	(165)	313
Increase (Decrease) in Sew For Hope (Restricted)	1,900	0
Increase (Decrease) in Payable to Thrift Management	(662)	(14,421)
Increase (Decrease) in Store Credits	2,593	1,268
Net cash provided by Operating Activities	<u>135,335</u>	<u>158,306</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of Property and equipment	(33,297)	(2,160)
Net cash provided by Investing Activities	(33,297)	(2,160)
<b>FINANCING ACTIVITIES</b>		
Increase (Decrease) in Interest Payable	(12,116)	4,198
Increase (Decrease) in Notes Payable	(50,000)	(32,523)
Increase (Decrease) in Notes Payable:First Bank	(60,000)	(55,000)
Increase (Decrease) in Notes Payable:Pinnacle	25,400	(31,000)
Increase (Decrease) in Notes Payable:Truck Loan	0	(8,318)
Net cash provided by Financing Activities	<u>(96,716)</u>	<u>(122,643)</u>
 Net Cash Increase (Decrease) for the fiscal year	 5,322	 33,503
Cash at the Beginning of the fiscal year	<u>70,598</u>	<u>37,095</u>
Cash at the End of the fiscal year	<u><u>\$75,920</u></u>	<u><u>\$70,598</u></u>

See accountants' audit report and notes to the financial statements.

**ThriftSmart**  
**Notes to Financial Statements**  
**June 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

**The Thrift Alliance** was incorporated on September 1, 2004, in accordance with the Tennessee General Corporation Act. **ThriftSmart** is a 501(C) 3 corporation organized to create a chain of thrift stores in Middle Tennessee for the purpose of generating profits to benefit community development ministries and create jobs. The stores will be operated under the name: **ThriftSmart**.

**Basis of Accounting**

The financial statements of the Organization have been prepared using the accrual method [modified cash basis], which is a comprehensive basis of accounting other than generally accepted accounting principles, but generally accepted and employed by not-for-profit organizations. Modifications to the cash basis of accounting include recording depreciation on equipment and recording receivables and payables.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of imposed restrictions. Accordingly, net assets of the Organization are classified and reported as follows:

**Unrestricted Net Assets**

Net assets that are not subject to imposed stipulations.

**Temporarily Restricted Net Assets**

Net assets are subject to imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization reported temporarily restricted net assets in the amount of \$1,900 at June 30, 2013.



**Permanently Restricted Net Assets**

Net assets subject to imposed stipulations that they be maintained permanently by the Organization. Generally, these assets permit the use of all or part of the income earned on any related investments for general or specific purposes. The Organization had no permanently restricted net assets at June 30, 2013.

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of one year or less to be cash equivalents.

**Income Tax Status**

ThriftSmart, in accordance with the Department of the Treasury, Internal Revenue Service is recognized as exempt from federal income tax. ThriftSmart is exempt under section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for federal income taxes has been recorded.

**NOTE 2 – PROPERTY AND EQUIPMENT**

Property and equipment are recorded at cost when purchased or, if received as in-kind contributions, at fair market value at the date of the donation. There is no stated policy regarding capitalization of items costing in excess of \$500. Policy is pending on that and other issues.

Depreciation of property and equipment is calculated on the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 5 to 15 years.

A summary of property and equipment at June 30, 2013, is presented in the Statement of Assets, Liabilities and Net Assets.

**NOTE 3 – DONATED SERVICES AND MERCHANDISE**

Donated services and merchandise are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance non-financial assets or (b) require the specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. No values of in-kind amount for such services have been included in the financial statements since the recognition criteria under SFAS No. 116 have not been met. The donations are provided for sale by the stores to generate funds for the mission points supported by the Organization.

#### **NOTE 4 – ESTIMATES**

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, and reported revenue and expenses. Actual results could differ from these estimates.

#### **NOTE 5 – INVENTORY**

Principles of accounting impose an ultra-conservative valuation of inventory. By principle, all inventory is valued at cost or market, whichever is lower. This organization maintains a vast inventory which, by conventional rules can not be stated on the books in accordance with Generally Accepted Accounting Principles. However, the inventory of this organization is indeed an asset, even though the cost basis is considered to be zero, since most of the inventory is donated. Management has determined that its donated inventory, valued on the ultra conservative valuation method used to determine the salvage or thrift-store value, is approximately \$150,000 to \$175,000 or more, depending upon timing.

#### **NOTE 6 – LEGAL MATTERS AND SUBSEQUENT EVENTS**

The Organization's retains Cameron Worley, P.C. and their legal counsel when necessary. According to the Executive Director, there are no pending lawsuits or other subsequent events of a legal substance at November 11, 2013.

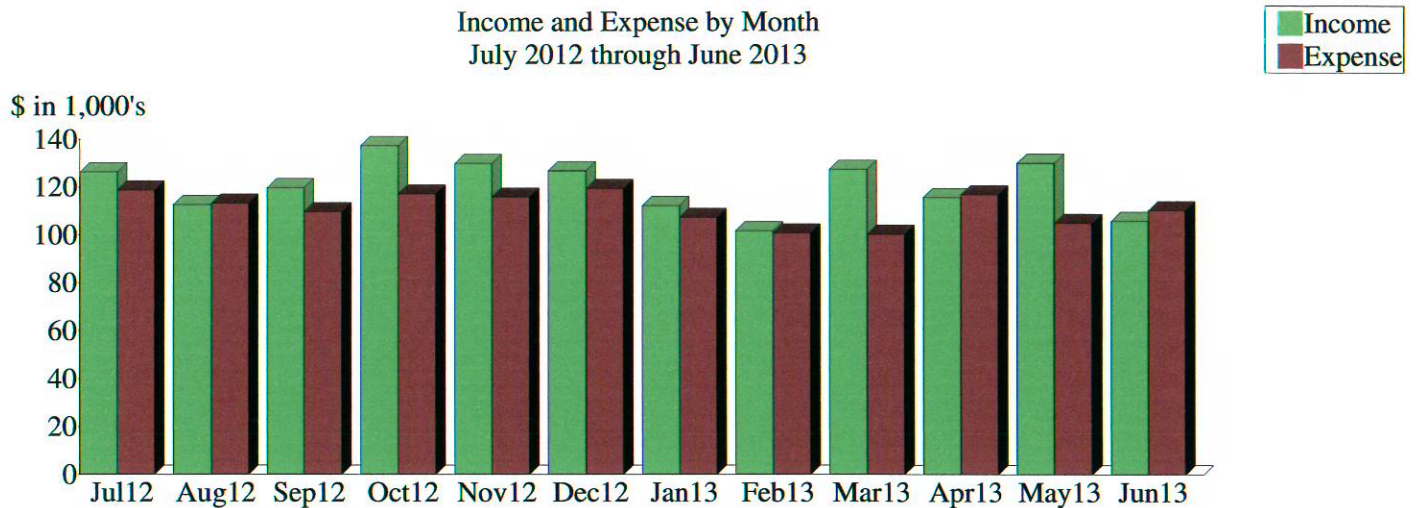
#### **NOTE 7 – GOING CONCERN CONCEPT**

Management is aware of the technical insolvency created by liabilities exceeding assets. Management has taken steps to drastically reduce overhead costs as evidence by the gain in net assets for the current fiscal year.

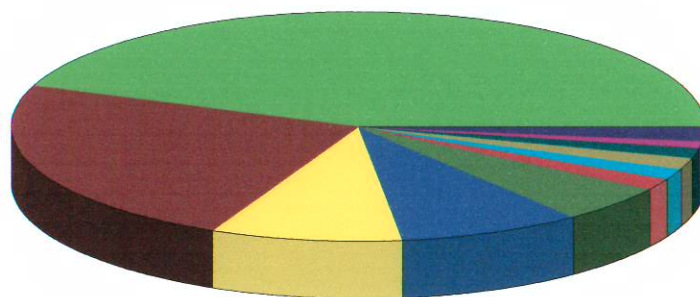


## Supplemental Information for Management Use Only

Income and Expense by Month  
July 2012 through June 2013



Expense Summary  
July 2012 through June 2013



Payroll Expenses	%44.33
Facilities and Equipment	24.00
Donations	9.00
Operations	8.73
Business Expenses	5.30
Merchandise Pickup/Transport	1.68
Merchant Account Fees	1.67
Interest Expense - General	1.62
Contract Services	1.52
Depreciation	1.02
Other	1.13
<b>Total</b>	<b>\$1,333,699.99</b>

By Account



# **BALANCE SHEET (DETAIL PER BOOKS AFTER ADJUSTMENTS)**

	Jun 30, 13	Jun 30, 12	\$ Change	% Change
<b>ASSETS</b>				
Current Assets				
Checking/Savings				
1st Bank Operating	70,506.81	65,110.57	5,396.24	8.29%
First Tennessee	0.00	80.00	(80.00)	(100.0%)
FirstBank Reserve Account	5,372.60	5,367.23	5.37	0.1%
Total Checking/Savings	75,879.41	70,557.80	5,321.61	7.54%
Other Current Assets				
Petty Cash Nolensville Rd	40.00	40.00	0.00	0.0%
Prepaid Expense				
Rent Deposit	12,500.00	12,500.00	0.00	0.0%
Total Prepaid Expense	12,500.00	12,500.00	0.00	0.0%
Total Other Current Assets	12,540.00	12,540.00	0.00	0.0%
Total Current Assets	88,419.41	83,097.80	5,321.61	6.4%
Fixed Assets				
Property and equipment				
Computers and Electrical	6,476.26	5,113.98	1,362.28	26.64%
Donation Bins	21,950.00	0.00	21,950.00	100.0%
Equipment	131,586.07	126,601.07	4,985.00	3.94%
Leasehold Improvements	40,383.92	40,383.92	0.00	0.0%
Signage	20,554.00	20,554.00	0.00	0.0%
Vehicles	13,788.45	13,788.45	0.00	0.0%
Total Property and equipment	234,738.70	206,441.42	28,297.28	13.71%
Accumulated Depreciation				
Computers and Electrical	0.00	(2,810.00)	2,810.00	100.0%
Equipment	0.00	(104,781.00)	104,781.00	100.0%
LHI	0.00	(26,114.00)	26,114.00	100.0%
Signage	0.00	(20,554.00)	20,554.00	100.0%
Vehicles	0.00	(10,314.00)	10,314.00	100.0%
Accumulated Depreciation - Other	(178,175.00)	0.00	(178,175.00)	(100.0%)
Total Accumulated Depreciation	(178,175.00)	(164,573.00)	(13,602.00)	8.27%
Website	5,000.00	0.00	5,000.00	100.0%
Accumulated Amortization	(333.00)	0.00	(333.00)	(100.0%)
Total Fixed Assets	61,230.70	41,868.42	19,362.28	46.25%
<b>TOTAL ASSETS</b>	<b>149,650.11</b>	<b>124,966.22</b>	<b>24,683.89</b>	<b>19.75%</b>

# LIABILITIES AND EQUITY

## Liabilities

### Current Liabilities

#### Accounts Payable

Accounts Payable	18,053.11	1,912.41	16,140.70	844.0%
Total Accounts Payable	18,053.11	1,912.41	16,140.70	844.0%

#### Other Current Liabilities

Audit & Tax Return Exp Accrual	5,110.00	5,500.00	(390.00)	(7.09%)
Interest Payable-Current	108.15	272.97	(164.82)	(60.38%)
Payable to Thrift Management	5,344.45	6,005.55	(661.10)	(11.01%)
Payroll Liabilities				
Payroll Accrued	18,136.45	27,200.75	(9,064.30)	(33.32%)
Total Payroll Liabilities	18,136.45	27,200.75	(9,064.30)	(33.32%)
Sales Tax Payable	4,069.00	4,234.00	(165.00)	(3.9%)
Sew for Hope	1,900.00	0.00	1,900.00	100.0%
Store Credits	2,992.05	400.00	2,592.05	648.01%
Total Other Current Liabilities	37,660.10	43,613.27	(5,953.17)	(13.65%)
Total Current Liabilities	55,713.21	45,525.68	10,187.53	22.38%

#### Long Term Liabilities

Interest Payable	86,103.49	98,219.22	(12,115.73)	(12.34%)
Notes Payable				
Bank Loan- Firstbank	124,133.49	184,133.49	(60,000.00)	(32.59%)
Bank Loan- Pinnacle	38,935.60	13,535.94	25,399.66	187.65%
Notes Payable - Other	182,604.59	232,604.59	(50,000.00)	(21.5%)
Total Notes Payable	345,673.68	430,274.02	(84,600.34)	(19.66%)
Total Long Term Liabilities	431,777.17	528,493.24	(96,716.07)	(18.3%)

Total Liabilities	487,490.38	574,018.92	(86,528.54)	(15.07%)
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#### Equity

Unrestricted Net Assets	(449,052.70)	(588,999.72)	139,947.02	(23.76%)
Net Income	111,212.43	139,947.02	(28,734.59)	(20.53%)
Total Equity	(337,840.27)	(449,052.70)	111,212.43	(24.77%)

TOTAL LIABILITIES & EQUITY	149,650.11	124,966.22	24,683.89	19.75%
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**INCOME STATEMENT PER  
BOOKS**

	<u>Jul '12 - Jun 13</u>	<u>% of Income</u>
Ordinary Income/Expense		
Income		
Program Income		
Department Revenue		
Accessories	63,871.09	4.54%
Appliances	103.01	0.01%
Babies	43,081.61	3.06%
Collectibles	2,200.62	0.16%
Deliveries	30.00	0.0%
Electronics	13,978.67	0.99%
Furniture	135,203.10	9.6%
Housewares	180,584.81	12.82%
Ink Cartridges	357.09	0.03%
Linens	44,661.64	3.17%
Media	79,874.98	5.67%
Men's	207,851.97	14.76%
Recycling Revenue	69,271.94	4.92%
Shoes	82,995.89	5.89%
Sporting Goods	849.76	0.06%
SRS	7,768.36	0.55%
Tools	164.95	0.01%
Toys	22,086.75	1.57%
Vintage/Designer	111.40	0.01%
Women's	407,736.51	28.95%
Youth	71,439.12	5.07%
Total Department Revenue	1,434,223.27	101.84%
Revenue Adjustments		
Discounts	(25,884.62)	(1.84%)
Total Revenue Adjustments	(25,884.62)	(1.84%)
Total Program Income	1,408,338.65	100.0%
<b>Total Income</b>	<b>1,408,338.65</b>	<b>100.0%</b>
Cost of Goods Sold		
Collection Expense	197.05	0.01%
Merchandise Pickup/Transport		
Commercial Auto Insurance	4,151.29	0.3%
Vehicle Fuel	10,100.10	0.72%
Vehicle Maintenance	7,211.28	0.51%
Merchandise Pickup/Transport - Other	900.00	0.06%
Total Merchandise Pickup/Transport	22,362.67	1.59%
Merchandise Purchases	10,042.18	0.71%
Merchant Account Fees	22,318.69	1.59%
<b>Total COGS</b>	<b>54,920.59</b>	<b>3.9%</b>



<b>Gross Profit</b>	<b>1,353,418.06</b>	<b>96.1%</b>
<b>Expenses</b>		
Amortization	333.00	0.02%
Business Expenses		
Management Fees	70,740.20	5.02%
Total Business Expenses	70,740.20	5.02%
Contract Labor	365.00	0.03%
Contract Services		
Accounting Fees	12,665.00	0.9%
Legal Fees	1,385.75	0.1%
Payroll Administration	6,250.04	0.44%
Total Contract Services	20,300.79	1.44%
Facilities and Equipment		
Business Music	1,455.54	0.1%
Equipment	262.97	0.02%
Facilities Maintenance	800.00	0.06%
Pest Control	550.00	0.04%
Rent, Parking, Utilities		
Cable Service	587.57	0.04%
Electricity	53,256.43	3.78%
Gas	2,355.40	0.17%
Rent- Facility	208,648.33	14.82%
Rent- Trailer	19,094.00	1.36%
Telephone	3,408.23	0.24%
Water	1,414.82	0.1%
Total Rent, Parking, Utilities	288,764.78	20.5%
Repairs	12,976.85	0.92%
Security	2,760.80	0.2%
Waste Removal	12,482.47	0.89%
Total Facilities and Equipment	320,053.41	22.73%
Jobs for Life	52.50	0.0%
Operations		
Advertising Expenses	19,890.31	1.41%
Bags	10,311.86	0.73%
Bank Fees	1,080.98	0.08%
Courier Fees	2,866.18	0.2%
Donations- Gift Cards	38,038.90	2.7%
Dues and Subscriptions	7,725.26	0.55%
Equipment Rental	2,254.25	0.16%
Hosting	96.00	0.01%
Insurance- Business	6,060.74	0.43%
IT Support	7,580.00	0.54%
Miscellaneous	1,237.50	0.09%
Office Supplies	11,659.98	0.83%
Postage	887.45	0.06%
Production Supplies	6,685.60	0.48%

Total Operations	116,375.01	8.26%
Payroll Expenses		
Employee Benefits	29,949.89	2.13%
Employer Tax Expenses	43,675.54	3.1%
Payroll- Bonus	74,803.94	5.31%
Payroll- Gross	432,743.10	30.73%
Workers Comp	10,068.42	0.72%
Payroll Expenses - Other		
Total Payroll Expenses	591,240.89	41.98%
Royalties	462.76	0.03%
Suspense Items	1,039.53	0.07%
Travel and Meetings	1,851.39	0.13%
Total Expense	1,122,814.48	79.73%
Net Ordinary Income	230,603.58	16.37%
Other Income/Expense		
Other Income		
Gift Income	36,568.40	2.6%
Interest Income	5.37	0.0%
Total Other Income	36,573.77	2.6%
Other Expense		
Depreciation	13,602.00	0.97%
Donations	120,000.00	8.52%
Interest Expense - General	21,628.28	1.54%
Property Taxes	734.64	0.05%
Total Other Expense	155,964.92	11.07%
Net Other Income	(119,391.15)	(8.48%)
Net Income	111,212.43	7.9%

## Audit Adjustments 2013

Date	Num	Memo	Account	Debit	Credit
06/30/2013	Audit13-1		Donation Bins	10,950.00	
		To record payment due at 06-30	Accounts Payable		10,950.00
06/30/2013	Audit13-2		SRS	1.22	
		To adjust small balance in sales tax.	Sales Tax Payable		1.22
06/30/2013	Audit13-3		Pinnacle Bank	Interest Payable-Current	272.97
		Pinnacle Bank	Interest Expense - General		272.97
		Pinnacle Bank	Interest Expense - General	108.15	
		Pinnacle Bank	Interest Payable-Current		108.15
06/30/2013	Audit13-4		Accounts Payable	5,344.45	
		Reclass entry	Payable to Thrift Management		5,344.45
06/30/2013	Audit13-5		Interest Payable	684.22	
		Per schedule PBC	Interest Expense - General		684.22
06/30/2013	Audit13-6		Interest Expense - General	89.74	
		To adjust Pinnacle loan to statement from bank.	Bank Loan- Pinnacle		89.74
06/30/2013	Audit13-7		Accumulated Depreciation	20,400.00	
		Reverse depr. expense	Depreciation		20,400.00
		Reverse depr. expense	Depreciation	13,602.00	
		Reverse depr. expense	Amortization	333.00	
		Reverse depr. expense	Accumulated Depreciation		13,602.00
		Reverse depr. expense	Accumulated Amortization		333.00
06/30/2013	Audit13-8		Computers and Electrical	2,810.00	
		To delete useless accts.	Equipment	104,781.00	
		To delete useless accts.	LHI	26,114.00	
		To delete useless accts.	Signage	20,554.00	
		To delete useless accts.	Vehicles	10,314.00	
		To delete useless accts.	Accumulated Depreciation		164,573.00
06/30/2013	Audit13-ka		Payroll- Gross		2,048.42
		Adj to match fiscal yr 941's/suta	Employer Tax Expenses		141.11
		Adj to match fiscal yr 941's/suta	Payroll Expenses	1,150.00	
		Adj to match fiscal yr 941's/suta	Suspense Items	1,039.53	

**PLEASE POST THE ENTRIES PRESENTED ABOVE TO YOUR QUICKBOOKS.**



# **ACCOUNTS PAYABLE (AGED) AT JUNE 30, 2013**

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
First Bank	0.00	5,281.87	0.00	0.00	0.00	5,281.87
Kari Smith	520.00	0.00	0.00	0.00	0.00	520.00
Mastercard	201.53	0.00	0.00	0.00	0.19	201.34
Recyclingbin.com	10,950.00	0.00	0.00	0.00	0.00	10,950.00
Thrift Management	0.00	0.00	0.00	0.00	0.00	0.00
Transparent	750.00	0.00	0.00	0.00	0.00	750.00
United Waste Solutions LLC	349.90	0.00	0.00	0.00	0.00	349.90
TOTAL	<u>12,771.43</u>	<u>5,281.87</u>	<u>0.00</u>	<u>0.00</u>	<u>0.19</u>	<u>18,053.11</u>