EVERYBODY'S PHONE COMPANY

(a development stage Company)

FINANCIAL STATEMENTS WITH ACCOMPANYING NOTES

FOR THE PERIOD ENDING SEPTEMBER 30, 2011

unaudited

Everybody's Phone Company
(a development stage company)
Profit Loss
July through September 2011

	Jul - Sept 20
REVENUE	
Income	0
Total Revenue	0
EXPENSES	
General and Administrative	40,121
Rent	4,064
Utilities	617
Travel	2,071
Total Expenses	46,873
LOSS	(46,873)

unaudited

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Balance Sheet

As of September 30, 2011

	Sep 30, 11
ASSETS	
Current Assets	
Checking/Savings	
Checking	29,350
Total Checking/Savings	29,350
Accounts Receivable	
Accounts Receivable	231,700
Total Accounts Receivable	231,700
Other Current Assets	
Other Current Asset	10,000
Total Other Current Assets	10,000
Total Current Assets	271,050
Fixed Assets	
Fixed Asset	13,183
Total Fixed Assets	13,183
Other Assets	
Investments	52,000
Total Other Assets	52,000
TOTAL ASSETS	**336,233**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Loans	190,646
Payroll Liabi	12,112
Total Other Current Liabil	202,758
Total Current Liabilities	202,758
Long Term Liabilities	
Notes	392,818
Total Long Term Liabilities	392,818
Total Liabilities	595,576
Equity	
Equity	689,218
Retained Earnings	-588,237
Net Income	-360,324
Total Equity	-259,343
TOTAL LIABILITIES & EQUITY	**336,233**

unaudited

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Statement of Cash Flows

January through September 2011

	Jan - Sep 11
OPERATING ACTIVITIES	
Net Income	-360,324
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-200,200
Other Current Asset:Deposit	-10,000
Accounts Payable	-1,822
Loans	190,646
Payroll Liabilities	-69,000
Net cash provided by Operating Activities	-450,700
INVESTING ACTIVITIES	
Fixed Asset:Computer	-3,806
Fixed Asset:Computer:Accum/Dep Computer	350
Fixed Asset:Furniture:Accum/Dep Furniture	598
Fixed Asset:Furniture:Office Furniture	-10,263
Fixed Asset:Office Equipment:Accum/Dep Office Equipment	-2,989
Fixed Asset:Office Equipment:Office Equipmenr others	2,989
Investments	-52,000
Net cash provided by Investing Activities	-65,121
FINANCING ACTIVITIES	
Notes	-186,499
Equity:Common Stock	163,500
Equity:Paid In Capital	216,539
Equity:Preferred	30,000
Equity:Stock Subscriptions	317,499
Net cash provided by Financing Activities	541,039
Net cash increase for period	25,218
Cash at beginning of period	4,132
Cash at end of period	**29,350**

Unaudited

Everybody's Phone Company
(a development stage company)
Consolidated Statements of Shareholder Equity (Deficit)
For Years Ending December 31, 2009, 2010
and Period Ending September 30, 2011

	Common Shares	Preferred Shares	Amounts	Paid-In Capital	Accumulated Deficit	Total
Balance December 31, 2009	49,851,465		49,851	253,565	-376,287	-72,872
Stock through March 31, 2010	-1,160,000		-1,160	16,160		15,000
Net Loss through March 31, 2010					-33,052	-33,052
Balance March 31, 2010	48,691,465		48,691	269,725	-409,341	-90,924
Increase in paid in capital				100,000		100,000
Net Loss through June 30, 2010					-78,964	-78,964
Balance June 30, 2010	48,961,465		48,691	369,805	-488,305	-69,809
Net Loss through Sept 30, 2010					-42,248	-42,248
Stock through Sept 30, 2010	-1,450,000		-1,450	1,450		
Balance Sept 30, 2010	47,541,465		47,541	370,955	-530,553	-112,057
Stock issued through December 31, 2010	5,250,000		5,250	47,250		52,500
Net Loss through December 31, 2010					-57684	-59684
Balance December 31, 2010	52,791,465		52,791	418,205	-588,237	-117240
Stock issued through March 31, 2011	128,500,000		128,500	206,539		335,039
Stock Subscription				-191,818		-191,818
Net Loss through March 31, 2011					-188,600	-188,600
Balance March 31, 2011	181,291,465		181,291	432,926	-776,837	-162,619
Stock issued through June 30, 2011	35,000,000	30,000	35,000	10,000		75,000
Net Loss through June 30, 2011					-124,851	-124,851
Balance June 30, 2011	216,291,465	30,000	216,291	442,926	-901,688	-212,470
Net Loss through September 30, 2011					-46,873	-46,873
Balance September 30, 2011	216,291,465	30,000	216,291	442,926	-948,561	-259,343

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
8. Stock through Jan - Mar 2010 -1,160,000
9. No shares issued April through June 2010
10. Shares canceled July through September 2010 1,450,000
11. 12/1/2010 5,250,000 were issued
12. Stock issued through March 31, 2011 68,500,000 free trading and 60,000,000 restricted
13. Stock issued through June 30, 2011 5,000,000 free trading shares and 30,000,000 restricted and 30,000 series "A" preferred

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Notes to Financial Results 09/30/11

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 however only 57 months through September 2008 for a total of $ 456,000 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.

The third party non-affiliates mention in the above notes only purchased $100,000 of the total amount of debt of $609,317: therefore the remaining debt was recorded on EVPH Balance Sheet in December 2010.

In December 2010 $50,000 of debt was assigned to a third party non-affiliate which was from a convertible note from the Company dated September 30, 2008.

In January 2011 $ 69,999 of debt was assigned to a third party non-affiliate which was from a convertible note from the Company dated October 3, 2009.

In March 2011 $ 188,500 of debt was assigned to a third party non-affiliate which was from a convertible note from the Company dated November 30, 2009.

Accounts Receivable:

The President of the company received an advance of $49,200

A third party non-affiliate who purchased debt has an outstanding balance due EVPH of $ 187,500.

Deposit:

AT&T required a deposit of $10,000 from EVPH prior to any business activity. If EVPH maintains their monthly bill according to terms, AT&T will release some and/or all of the deposit paid at a future date

Loans:

The Company has received an advance from a non-affiliate third party for $ 190,646. This loan may be repaid through the issuance of the companies restricted shares of common stock.

Investment:

During the 2nd quarter 2011 EVPH invested $ 52,000 as announced previously with NatServ concerning a mortgage purchase agreement. EVPH anticipates exiting this agreement during the 4th quarter 2011 with a full return on its cash and a profit on its investment.