

**Fill in this information to identify your case:**

United States Bankruptcy Court for the:

EASTERN DISTRICT OF CALIFORNIA

Case number (if known) \_\_\_\_\_ Chapter 11

Check if this an amended filing

Official Form 201

**Voluntary Petition for Non-Individuals Filing for Bankruptcy**

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name ATKINS SPECIALTY SERVICES, INC.

2. All other names debtor used in the last 8 years  
Include any assumed names, trade names and *doing business as* names

3. Debtor's federal Employer Identification Number (EIN) 46-2143903

4. Debtor's address	Principal place of business	Mailing address, if different from principal place of business
	<u>20465 Dogwood Drive</u> <u>Tehachapi, CA 93561</u> Number, Street, City, State & ZIP Code	<u>Post Office Box 330</u> <u>Tehachapi, CA 93561</u> P.O. Box, Number, Street, City, State & ZIP Code
	<u>Kern</u> County	Location of principal assets, if different from principal place of business  <u>Number, Street, City, State &amp; ZIP Code</u>

5. Debtor's website (URL) \_\_\_\_\_

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: \_\_\_\_\_

Debtor ATKINS SPECIALTY SERVICES, INC.  
Name

Case number (if known) \_\_\_\_\_

7. Describe debtor's business

A. Check one:

- Health Care Business (as defined in 11 U.S.C. § 101(27A))
- Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- Railroad (as defined in 11 U.S.C. § 101(44))
- Stockbroker (as defined in 11 U.S.C. § 101(53A))
- Commodity Broker (as defined in 11 U.S.C. § 101(6))
- Clearing Bank (as defined in 11 U.S.C. § 781(3))
- None of the above

B. Check all that apply

- Tax-exempt entity (as described in 26 U.S.C. §501)
- Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.  
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

\_\_\_\_\_

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- Chapter 7
- Chapter 9

Chapter 11. Check all that apply:

- Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- A plan is being filed with this petition.
- Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.
- The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

- No.
- Yes.

If more than 2 cases, attach a separate list.

District _____	When _____	Case number _____
District _____	When _____	Case number _____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- No
- Yes.

List all cases. If more than 1, attach a separate list

Debtor _____	Relationship _____
District _____	When _____ Case number, if known _____

Debtor ATKINS SPECIALTY SERVICES, INC.  
Name

Case number (if known) \_\_\_\_\_

11. Why is the case filed in this district? *Check all that apply:*

Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.

A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

No

Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

**Why does the property need immediate attention? (Check all that apply.)**

It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.  
What is the hazard? \_\_\_\_\_

It needs to be physically secured or protected from the weather.

It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

Other \_\_\_\_\_

**Where is the property?** \_\_\_\_\_  
Number, Street, City, State & ZIP Code

**Is the property insured?**

No

Yes. Insurance agency \_\_\_\_\_

Contact name \_\_\_\_\_

Phone \_\_\_\_\_

**Statistical and administrative information**

13. Debtor's estimation of available funds. *Check one:*

Funds will be available for distribution to unsecured creditors.

After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors

<input checked="" type="checkbox"/> 1-49	<input type="checkbox"/> 1,000-5,000	<input type="checkbox"/> 25,001-50,000
<input type="checkbox"/> 50-99	<input type="checkbox"/> 5001-10,000	<input type="checkbox"/> 50,001-100,000
<input type="checkbox"/> 100-199	<input type="checkbox"/> 10,001-25,000	<input type="checkbox"/> More than 100,000
<input type="checkbox"/> 200-999		

15. Estimated Assets

<input type="checkbox"/> \$0 - \$50,000	<input type="checkbox"/> \$1,000,001 - \$10 million	<input type="checkbox"/> \$500,000,001 - \$1 billion
<input type="checkbox"/> \$50,001 - \$100,000	<input type="checkbox"/> \$10,000,001 - \$50 million	<input type="checkbox"/> \$1,000,000,001 - \$10 billion
<input checked="" type="checkbox"/> \$100,001 - \$500,000	<input type="checkbox"/> \$50,000,001 - \$100 million	<input type="checkbox"/> \$10,000,000,001 - \$50 billion
<input type="checkbox"/> \$500,001 - \$1 million	<input type="checkbox"/> \$100,000,001 - \$500 million	<input type="checkbox"/> More than \$50 billion

16. Estimated liabilities

<input type="checkbox"/> \$0 - \$50,000	<input type="checkbox"/> \$1,000,001 - \$10 million	<input type="checkbox"/> \$500,000,001 - \$1 billion
<input type="checkbox"/> \$50,001 - \$100,000	<input type="checkbox"/> \$10,000,001 - \$50 million	<input type="checkbox"/> \$1,000,000,001 - \$10 billion
<input checked="" type="checkbox"/> \$100,001 - \$500,000	<input type="checkbox"/> \$50,000,001 - \$100 million	<input type="checkbox"/> \$10,000,000,001 - \$50 billion
<input type="checkbox"/> \$500,001 - \$1 million	<input type="checkbox"/> \$100,000,001 - \$500 million	<input type="checkbox"/> More than \$50 billion

Debtor ATKINS SPECIALTY SERVICES, INC.  
Name

Case number (if known) \_\_\_\_\_

**Request for Relief, Declaration, and Signatures**

**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature of authorized representative of debtor**

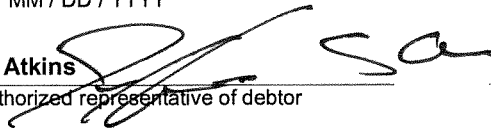
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

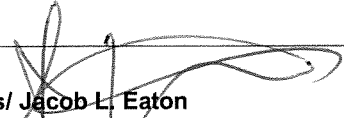
I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 31, 2017  
MM / DD / YYYY

/s/ Jeffrey G. Atkins  Jeffrey G. Atkins  
Signature of authorized representative of debtor Printed name  
Title Chief Executive Officer

**18. Signature of attorney**

/s/ Jacob L. Eaton  Date January 31, 2017  
Signature of attorney for debtor MM / DD / YYYY

Jacob L. Eaton  
Printed name

Klein, DeNatale, Goldner LLP.  
Firm name

4550 California Ave, 2nd Floor  
Bakersfield, CA 93309  
Number, Street, City, State & ZIP Code

Contact phone (661) 395-1000 Email address jeaton@kleinlaw.com

244834  
Bar number and State

**UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS OF ATKINS SPECIALTY SERVICES, INC, A CALIFORNIA CORPORATION**

The undersigned, constituting all of the directors of ATKINS SPECIALTY SERVICES, INC., a California corporation ("Corporation"), acting pursuant to the authority of Section 307(b) of the California Corporations Code, hereby adopt the following resolutions:

WHEREAS, Atkins Specialty Services, Inc. desires to engage the legal services of Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP ("KDG"), located at 4550 California Avenue, 2<sup>nd</sup> Floor, Bakersfield, California 93309, to assist it in resolving its current financial crisis;

WHEREAS, it is in the best interest of the Corporation to file a voluntary petition in the United States Bankruptcy Court under Chapter 11 of Title 11 of the United States Code;

NOW, THEREFORE BE IT RESOLVED, that the members of the Board of Directors hereby unanimously consent to and approve the filing of a voluntary Chapter 11 bankruptcy petition on behalf of the Corporation;

BE IT FURTHER RESOLVED, that JEFFREY ATKINS, Chief Executive Officer, director and shareholder for the Corporation (hereafter "Mr. Atkins") and/or RHONDA ATKINS, Chief Financial Officer, director and shareholder for the Corporation (hereafter "Mrs. Atkins"), are hereby authorized and directed to execute and deliver to KDG all documents deemed necessary to effectuate the filing of a voluntary Chapter 11 bankruptcy petition on behalf of the Corporation;

BE IT FURTHER RESOLVED that Mr. Atkins and/or Mrs. Atkins are hereby authorized and directed to appear in all such bankruptcy proceedings on behalf of the Corporation and to take any and all actions and execute any and all documents deemed necessary or desirable to carry out and perform all acts and deeds in connection with the Corporation's bankruptcy case;

BE IT FURTHER RESOLVED that Mr. Atkins and/or Mrs. Atkins be and hereby are authorized and directed to employ the law firm of KDG to represent the Corporation in all aspects of the Corporation's bankruptcy case.

This Consent is executed pursuant to Section 307(b) of the California Corporations Code and is to be filed with the minutes of board proceedings.

Dated for reference purposes, notwithstanding the actual date of execution, and effective December 14, 2016.

  
\_\_\_\_\_  
JEFFREY ATKINS

  
\_\_\_\_\_  
RHONDA ATKINS

ATKINS SPECIALTY  
SERVICES, INC.

FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
Years Ended September 30, 2015 and 2014

  
WAYNE LONG & CO.  
CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

	Page No.
ACCOUNTANTS' REPORT.....	1
FINANCIAL STATEMENTS	
Balance Sheets.....	2
Statements of Income and Retained Earnings.....	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6
SUPPLEMENTARY INFORMATION	
Schedules of Cost of Sales.....	12
Schedules of General and Administrative Expenses.....	13

Wayne E. Long, CPA, MS Taxation

Randall L. Peterson, CPA, MS FIPL  
Rita G. Meyeres, CPA  
Janet K. Vining, CPA, MS Taxation  
Sherry A. Copeland, CPA  
Tony H. Lomas, CPA  
Denise K. Williamson, CPA  
Ryan W. Diffeo, CPA, MS Taxation  
Hanna J. Jones, CPA  
Charlotte E. Stanley, CPA  
Ross W. Long, MS Taxation  
David M. Marty, CPA, MS Taxation  
Stanley M. Handren, CPA  
Sarah J. Leavelle, CPA  
Amy Chen, CPA

**WAYNE LONG & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

1502 MILL ROCK WAY, SUITE 200

BAKERSFIELD, CALIFORNIA 93311  
TELEPHONE (661) 664-0909  
FAX (661) 664-0915

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER  
CALIFORNIA SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors  
Atkins Specialty Services, Inc.  
Tehachapi, California

We have reviewed the accompanying balance sheets of Atkins Specialty Services, Inc. (an S corporation) as of September 30, 2015 and 2014, and the related statements of income and retained earnings, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

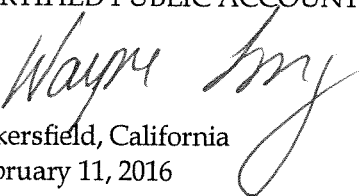
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

WAYNE LONG & CO.  
CERTIFIED PUBLIC ACCOUNTANTS



Bakersfield, California  
February 11, 2016



ATKINS SPECIALTY SERVICES, INC.  
BALANCE SHEETS  
September 30, 2015 and 2014

	<u>ASSETS</u>	
	<u>2015</u>	<u>2014</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 0	\$ 28,555
Trade accounts receivable	111,740	134,077
Due from shareholder	<u>13,261</u>	<u>0</u>
TOTAL CURRENT ASSETS	125,001	162,632
<b>PROPERTY AND EQUIPMENT, at cost</b>		
Vehicles	219,220	219,220
Building and improvements	17,594	0
Machinery and equipment	76,231	52,941
Office equipment	<u>6,012</u>	<u>3,378</u>
	319,057	275,539
Accumulated depreciation	<u>(183,035)</u>	<u>(118,274)</u>
	136,022	157,265
<b>OTHER ASSETS</b>		
Organizational costs, net of amortization	<u>3,687</u>	<u>3,982</u>
	<u>3,687</u>	<u>3,982</u>
	<u>\$ 264,710</u>	<u>\$ 323,879</u>

See accompanying notes and accountants' review report.

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2015</u>	<u>2014</u>
CURRENT LIABILITIES		
Bank overdraft	\$ 7,481	\$ 0
Current portion of long-term debt	21,192	21,297
Accounts payable	40,888	58,832
Credit cards payable	37,170	1,558
Note payable to shareholders	0	123,450
Payroll taxes payable	<u>2,714</u>	<u>2,642</u>
TOTAL CURRENT LIABILITIES	109,445	207,779
LONG-TERM DEBT, less current portion	71,033	69,219
STOCKHOLDERS' EQUITY		
Common stock, 1,000 shares issued and outstanding	1,000	1,000
Retained earnings	<u>83,232</u>	<u>45,881</u>
	<u>84,232</u>	<u>46,881</u>
	<u>\$ 264,710</u>	<u>\$ 323,879</u>

See accompanying notes and accountants' review report.

ATKINS SPECIALTY SERVICES, INC.  
 STATEMENTS OF INCOME AND RETAINED EARNINGS  
 Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
REVENUES	\$ 2,422,550	\$ 2,642,057
COST OF SALES	<u>1,781,561</u>	<u>1,839,956</u>
GROSS PROFIT	640,989	802,101
GENERAL AND ADMINISTRATIVE EXPENSES	<u>648,519</u>	<u>605,828</u>
INCOME FROM OPERATIONS	(7,530)	196,273
OTHER INCOME (EXPENSES)		
Loss on sale of vehicle	0	(3,878)
Other income	<u>45,681</u>	<u>0</u>
	<u>45,681</u>	<u>(3,878)</u>
NET INCOME BEFORE INCOME TAXES	38,151	192,395
INCOME TAXES	<u>800</u>	<u>800</u>
NET INCOME	37,351	191,595
BEGINNING RETAINED EARNINGS	<u>45,881</u>	<u>(145,714)</u>
ENDING RETAINED EARNINGS	<u>\$ 83,232</u>	<u>\$ 45,881</u>

See accompanying notes and accountants' review report.

ATKINS SPECIALTY SERVICES, INC.  
 STATEMENTS OF CASH FLOWS  
 Years Ended September 30, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ 37,351	\$ 191,595
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation	64,761	105,603
Amortization	295	295
Loss on disposal of vehicle	0	3,878
(Increase) decrease in:		
Accounts receivable	22,337	(100,781)
Increase (decrease) in:		
Accounts payable - trade	(17,944)	10,661
Credit cards payable	35,612	(182)
Payroll taxes payable	72	(1,197)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>142,484</u>	<u>209,872</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of vehicle	0	6,000
Purchase of equipment	(19,976)	(60,147)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(19,976)</u>	<u>(54,147)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in note payable - shareholders	(136,711)	(88,336)
Principal payments of long-term debt	(21,833)	(39,659)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>(158,544)</u>	<u>(127,995)</u>
NET INCREASE IN CASH	(36,036)	27,730
CASH AT BEGINNING OF YEAR	<u>28,555</u>	<u>825</u>
CASH AT END OF YEAR	<u>\$ (7,481)</u>	<u>\$ 28,555</u>

See accompanying notes and accountants' review report.

ATKINS SPECIALTY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2015

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Atkins Specialty Services, Inc. (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the presentation of the financial statements.

Nature of Operations

The Company provides electrical power services including high voltage power lines and power services to commercial, refineries, and school projects in and around Kern County.

Method of Accounting

Accounting records are maintained on the accrual basis, that is, revenue is recognized at the time of job completion and expenses are recognized when incurred without regard to whether cash has been collected or disbursed.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consist of short-term receivables that arise in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and generally requires no collateral from its customers. Accounts are generally considered past due after 30 days.

Management determines the allowance for doubtful accounts based upon prior experience and its assessment of the collectability of specific accounts. At September 30, 2015, accounts receivable are considered fully collectible by management; therefore, no allowance for doubtful accounts has been provided. Uncollectible accounts receivable are charged-off when management determines that all reasonable collection efforts have been exhausted.

Allowance for Bad Debts

Accounts receivable are carried on the books at full value with no reserve for bad debts as management believes that all amounts are fully collectible. Generally accepted accounting principles require that bad debts be accounted for by the allowance method. Management believes that the use of the direct write-off method does not materially misstate accounts receivable.

Fair Value of Financial Instruments

FASB ASC 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. The fair value should be calculated based on assumptions

ATKINS SPECIALTY SERVICES, INC.  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2015

that the market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

The carrying amounts reported in the balance sheet for cash and cash equivalents, accounts receivable, prepaid expense and other current assets, accounts payable and accrued liabilities and notes payable approximate fair value due to the short maturity of these financial instruments.

Depreciation

Depreciation is computed by using accelerated cost recovery methods for financial reporting and for federal income tax purposes.

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Company elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company does not pay federal corporation income taxes on its taxable income nor is it allowed a net operating loss carryback or carryforward as a deduction. The provision for income tax represents the 1.5% California franchise tax on S corporation profits.

Uncertain Tax Positions

Management has determined that the Company does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the authorities and that the Company or its shareholders will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Company's tax returns remain open for three years for federal income tax examination and four years for California state income tax purposes, each from the date of filing.

Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events through February 11, 2016, which is the date these financial statements were available to be issued. There are no subsequent events that require disclosure under FASB ASC 855, *Subsequent Events*.

ATKINS SPECIALTY SERVICES, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2015

Sales Tax

The Company collects sales tax from nonexempt customers and remits the entire amount to the respective taxing authority. The Company's accounting policy is to exclude the tax collected and remitted to the state from revenues and cost of sales.

NOTE B. PROPERTY AND EQUIPMENT

For financial reporting purposes, depreciation of property and equipment is provided on accelerated methods, which amounted to \$64,761 for the year ended September 30, 2015. The estimated useful lives of the assets are as follows:

	<u>Year</u>
Vehicles	5
Building and improvements	15
Machinery and equipment	5-7
Office equipment	5-7

For federal income tax purposes, the cost of property and equipment is depreciated using the accelerated methods over statutory recovery periods.

The cost of assets sold, retired, or otherwise disposed of, and the related allowance for depreciation are eliminated from the accounts, and any resulting gain or loss is included in operations.

Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

NOTE C. AMORTIZED INTANGIBLE ASSETS

In 2013, organization setup costs in the amount of \$4,424 were incurred in connection with the Company's incorporation. These costs will be amortized over fifteen years in accordance with Internal Revenue Code 197.

Estimated future amortized costs for the succeeding five years are as follows:

<u>Year Ended</u> <u>September 30,</u>	<u>Amount</u>
2016	\$ 295
2017	295
2018	295
2019	295
2020	295
Thereafter	<u>2,212</u>
	<u>\$ 3,687</u>

ATKINS SPECIALTY SERVICES, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2015

NOTE D. RETIREMENT BENEFITS

The Company employees are members of a trade union, which provides for a pension plan and other employee benefits. Pension contributions for these employees amounted to \$176,799 for the year ended September 30, 2015.

NOTE E. LONG-TERM DEBT

Long-term debt consists of the following:

	<u>2015</u>	<u>2014</u>
Promissory note payable to Wells Fargo, payable in monthly installments of \$390, including interest of 7.7%, secured by vehicle.	\$ 7,706	\$ 12,492
Promissory notes payable to Alaska USA, payable in monthly installments ranging from \$546 to \$395, including interest ranging between 8.9% to 6.9%, secured by vehicles.	60,977	73,435
Promissory note payable to Aloha Auto Sales, payable in monthly installments of \$430, including interest of 21.9%, secured by vehicle.	0	4,589
Promissory note payable to John Deere financial, payable in monthly installments of \$392, including interest of 0%, secured by vehicle.	<u>23,542</u>	<u>0</u>
	92,225	90,516
Less current portion	<u>(21,192)</u>	<u>(21,297)</u>
	<u>\$ 71,033</u>	<u>\$ 69,219</u>

Maturities of long-term debt are as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2016	\$ 21,192
2017	22,513
2018	20,173
2019	18,945
2020	9,402
Thereafter	<u>0</u>
	<u>\$ 92,225</u>



ATKINS SPECIALTY SERVICES, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 September 30, 2015

NOTE F. RELATED PARTY TRANSACTIONS

Note Payable - Shareholders

	<u>2015</u>	<u>2014</u>
Note payable - Jeff and Rhonda Atkins, common stock shareholders, due on demand, interest accrued at 4.0%.	\$ <u>0</u>	\$ <u>88,338</u>

NOTE G. CONCENTRATIONS OF RISK

The Company maintains its cash balances in one financial institution located in Bakersfield, California. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2015, the Company's cash balances were fully insured.

The Company's customers are located in the state of California. In 2015, the Company derived 76% of its net sales from one customer. At September 30, 2015, \$0 was included in trade accounts receivable for this customer.

NOTE H. CASH FLOW DISCLOSURES

The following is a summary of supplemental cash flow information:

	<u>2015</u>	<u>2014</u>
Cash paid:		
Interest	\$ <u>6,268</u>	\$ <u>10,273</u>
Income taxes	\$ <u>800</u>	\$ <u>800</u>
Noncash investing and financing activities:		
Purchase of property and equipment with debt	\$ <u>23,542</u>	\$ <u>39,659</u>

SUPPLEMENTARY INFORMATION

ATKINS SPECIALTY SERVICES, INC.  
SCHEDULES OF COST OF SALES  
Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Purchases	\$ 964	\$ 28,132
Equipment rental	720	719
Fuel and oil	66,806	83,076
Insurance - workers' compensation	143,605	47,366
Safety	0	2,171
Salaries and wages	828,033	798,104
Small tools and supplies	13,499	26,014
Subcontractor	113,290	396,807
Union benefits	437,845	269,518
Union pension	176,799	188,049
	<u>\$ 1,781,561</u>	<u>\$ 1,839,956</u>

See accountants' review report.

ATKINS SPECIALTY SERVICES, INC.  
 SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES  
 Years Ended September 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Advertising and promotion	\$ 12,440	\$ 15,514
Amortization expense	295	295
Bank service charges	1,036	1,100
Computer and internet	10,090	6,458
Continuing education	75	3,072
Depreciation expense	64,761	105,603
Donations	286	1,874
Dues and subscriptions	943	0
Insurance - auto	18,700	13,676
Insurance - bond	200	239
Insurance - liability	22,005	14,997
Insurance - property	414	0
Interest	6,782	10,273
Legal and professional	10,720	15,641
Licenses and permits	5,663	5,449
Meals and entertainment	23,051	18,576
Office expense	15,311	6,788
Operating supplies	4,756	5,886
Payroll service	1,991	5,861
Payroll taxes	86,648	84,671
Penalties	6	0
Postage	976	536
Photographer services	500	0
Repairs	99,747	43,412
Rents	5,696	5,716
Safety equipment	1,425	0
Salaries - officers	217,670	212,203
Telephone	13,524	13,803
Travel	19,455	11,025
Utilities	2,106	1,359
Uniforms	1,247	1,801
	<u>\$ 648,519</u>	<u>\$ 605,828</u>

See accountants' review report.

**ATKINS SPECIALTY SERVICES, INC. –**  
**SMALL BUSINESS CHAPTER 11 CASE**

**Attachment to Voluntary Petition**

**Debtor's most recent Federal Income Tax  
return is filed separately**

**Fill in this information to identify the case:**

Debtor name ATKINS SPECIALTY SERVICES, INC.  
 United States Bankruptcy Court for the: EASTERN DISTRICT OF CALIFORNIA  
 Case number (if known): \_\_\_\_\_

Check if this is an amended filing

**Official Form 204****Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders**

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Board of Trustees of the Kern County Workers' Electrical Pension Fund 3921 Sillect Avenue Bakersfield, CA 93308		Pension Plan Contributions USDC Case No: 1:16-CV-01925-LJ O-SKO				\$119,940.80
Hawaii Electricians Annuity Fund 1935 Hau Street, No. 400 Honolulu, HI 96819		Pension Plan Contributions				\$49,672.70
Consolidated Electrical Distributors Inc 301 Espee Street, Suite A Bakersfield, CA 93301		Trade Payable				\$38,688.44
A2Z Technologies 2210 Chester Ave. Suite B Tehachapi, CA 93581		Trade Payable				\$20,373.00
Bank of America PO Box 982234 El Paso, TX 79998-2234		Credit Card				\$14,430.29
DMG/HARLAN Central Valley 4661 E Weathermaker Ave. Suite 101 Fresno, CA 93703		Trade Payable				\$14,096.48
Tech Time Comm 5801 Norris Road Bakersfield, CA 93308		Trade Payable				\$13,837.49

Debtor ATKINS SPECIALTY SERVICES, INC.  
Name

Case number (if known) \_\_\_\_\_

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Stewart Electric & Data Com Supply PO Box 1905 Bakersfield, CA 93303		Trade Payable				\$10,121.80
American Express Lowe's Business Rewards Card Box 0001 Los Angeles, CA 90096-0001		Trade Payable				\$9,883.45
Wesco Distribution P.O. Box 31001-0465 Pasadena, CA 91110-0465		Trade Payable				\$5,273.87
Tyco SimplexGrinnell 2788 N Larkin Ave Fresno, CA 93727-1315		Trade Payable				\$777.00
Lighting Supply 10651 Northbend Avenue Ferndale, MI 48220		Trade Payable				\$616.50